INTRODUCTION

The **Voorburg Group** was established in 1986, after an initiative by Statistics Canada and the United Nations Statistical Office (UNSO). This initiative came in response to the observation that service statistics were less developed than statistics on other economic fields although services contributed already over half of the Gross Domestic Product in many countries.

The first session of the Group was hosted by the Statistical Bureau of the Netherlands (CBS), in Voorburg, which gave the Group its name.

In a background note, prepared for this first session, Laszlo Drechsler of UNSO cited four main areas where service statistics are underdeveloped and thus needed to be improved:

" - many general purpose statistics cover the service area. They do so, however, in much less detailed industry groups than, for instance, in the manufacturing industries;
- for most service outputs hardly any physical indicators were developed or defined;
- quantity and price components of changes in value are not sufficiently well separated;
- many services escape measurement because they are difficult to observe by traditional statistical methods. A very important area that escapes measurement is international trade in services, the main reason being that customs are unable to observe such transactions and that in the BOP it is difficult to separate transfer payments from payments for services rendered. "

The volonteering participants in the first session were also requested to contribute to the development of the service sections of the ISIC and the CPC (the two classifications were discussed at that time in the UNSO and in EUROSTAT).

For various reasons, only experts from developed countries and from UNSO and EUROSTAT were able to participate in the first session, along with invited guests from the Statistical Offices of several international organizations, such as GATT, IMF, OECD, UNCTAD and the World Bank. However, experts from developing countries did participate in subsequent sessions.

Although they represent their countries, participants act à titre personnel; the conclusions of the sessions should not be seen as international recommendations to individual countries.

At its fifth session, in Paris, the Group laid down its own internal guidelines. It created its own Secretariat under the responsibility of the host country, and a Bureau to assist the Secretariat between sessions.

Because of the interest shown in its work, the Group also decided to disseminate the proceedings of its sessions. The Bureau has set certain rules for publication (papers written in English, not published elsewhere, which make a substantial contribution to the work of the Group or to the improvement in the field of service statistics).

The CBS of the Netherlands has agreed to disseminate the proceedings of the first four sessions.

This volume contains a brief summary of the issues discussed in the Second Session, a complete list of the documents, a selection of the papers, and the report of the session, including a list of its participants. Also, a copy of the Internal Guidelines and the Agenda of the previous session is provided in this volume.

SUMMARY OF THE SECOND SESSION

The Second Session of the Group was hosted by Statistics Sweden, in Stockholm, in November 1987. Eleven countries and five international Organizations participated. They were represented by 30 persons. In total 30 papers were presented, including 13 containing proposals for ISIC Rev. 3 and/or CPC.

The main purpose of the meeting was to discuss the proposals made by participants of the Voorburg session with regard to service activities and products for ISIC, Rev. 3 and CPC respectively. Each proposal was introduced and discussed, and the comments were made available to the UN Statistical Office. The most controversial were the proposals for the financial industries (banking and insurance) and those for the information industry. The drafts already had been subject to several counter proposals and they were amended again during and after the meetings.

Apart from the above mentioned classifications, the following agenda was discussed: - analytical classifications
- statistical units
- international trade in services
- current statistics on services and the way to develop them internationally

Agenda

1. Proposals and drafts on classifications;

2. Analytical classifications for service industries;

3. Statistical units for service industries;

4. International trade in services;

5. Deflators for service industries;

6. Current statistics on services and the ways to develop them internationally;

7. Where to go from here (future work).