THE EVOLUTION OF THE PHILIPPINE STATISTICAL SYSTEM*

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THE EVOLUTION OF THE PHILIPPINE STATISTICAL SYSTEM

COUNTRY PAPER

By

The National Statistical Coordination Board, Philippines[1]

1. INTRODUCTION

This country paper presents the history and existing features of the Philippine Statistical System (PSS). It also articulates the system's recent initiatives as well as the lessons learned through the years and the challenges and opportunities currently faced by the system.

The Philippines is one of many countries with a decentralized statistical system. The PSS has evolved through several stages in response to the prevailing political, economic and social policies of the government. The emphasis on development planning in later years led to the creation of research and statistics divisions in existing departments to provide for their data and information needs. As a result, a decentralized system emerged whereby statistical services are managed and supervised by the respective agencies with overall coordination by a national body.

The present PSS is the result of a comprehensive review of the system that was undertaken in 1986 by a multi-disciplinary and multi-sectoral committee constituted by the Philippine government. The review was also undertaken in line with a government-wide reorganization which saw the need for necessary and proper changes in the bureaucracy in order to promote efficiency and effectiveness in the delivery of public services. The recommendations of the committee, which recognized the need to maintain a decentralized statistical system characterized by independence, objectivity, and integrity to make it more responsive to the requirements of national development, provided the basis for the reorganization of the PSS in 1987. Its mission is to provide timely, accurate and useful statistics for the government and the public, especially for planning and decision making.

With the inadequate resources and other constraints, the PSS continues to seek for alternative measures and strategies toward responding to the current and emerging demands of the various clientele and stakeholders. The PSS also continues to effect improvements in its capacity to provide quality statistical products and services. Likewise, it recognizes the need to conform to international standards, comparisons and practices, and it provides support and cooperation to the statistical endeavors of the international community.

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2. THE PHILIPPINE STATISTICAL SYSTEM THROUGH THE YEARS[2]

Government statistical activities in the country have gone a long way from the Spanish regime to the present statistical system. From the simple attempts of the Spanish monarchy to collect information on the country and its resources, the PSS has evolved to become a decentralized system with a strong coordinating body to serve the more complex needs of policy formulation and decision making. The following were the significant developments in the country's statistical system at various periods and stages.

2.1 Spanish Regime (1571 – 1898)

During the Spanish regime, there was no regular and systematic data collection in the country except in the later years of the colonial period. Information on the people, villages, settlements, tributes collected, judicial cases settled and the natural resources were obtained by the governors-general upon instructions from the King of Spain to the Spanish governor-general in the Philippines.

From about the middle of the 18th century, the priests kept records of baptisms, marriages and deaths, making possible some population estimates. The first census under the Spanish regime was conducted in 1877 with the issuance of a royal decree ordering the enumeration of the population. Succeeding censuses were conducted in 1887 and 1897. The results of the first census were published in Archipelago Filipino en la Oceania Censo de Poblacion Verificado in 1887 but those of the latter were never published.

The Spanish colonial statistical system began when an Officiana Central de Estadistica was established in the Direccion General de Administration Civil in 1889. The priests were obliged to report births, marriages and deaths which occurred within their parish to this office. The publication of the Boletin de Estadistica de la Ciudad de Manila, a monthly journal, was started in 1895, making available population and vital statistics.

2.2 American Regime (1898 – 1946)

The onset of the American regime brought with it a more systematized data collection system. This was marked by the creation of a statistical unit in the Bureau of Customs to collect, tabulate, and disseminate statistics on imports and exports. Although no statistical units were formally created in other government offices during the time, information were nevertheless collected and compiled by them for administrative purposes. The Bureau of Agriculture, created in 1902, compiled data on the number of farms, irrigated areas, and cultivated land. The Bureau of Labor, created in 1908, gathered data on the number and membership of labor organizations and labor cases. Vital registration likewise improved during this period.

The first census under the American regime was conducted in 1903, with the next censuses undertaken in 1918 and 1939. Different organizations carried out the censuses each time.

[2] The PSS – Composition, Organization and Coordination, NEDA, 1980; Executive Summary of the Phase 1 Report of Decentralization and the PSS Project, 1994; History of the PSS – http://www.ire.hit-u.ac.jp; Executive Order No. 121 – Reorganizing and Strengthening the PSS and for Other Purposes, 1987.

The Department of Public Information carried out the 1903 census and the United States Census Bureau processed the statistics while the ad hoc Commission of Census conducted the 1939 census.

In 1918, the Bureau of Commerce and Industry was created (with a statistics division) under the Department of Commerce and Communication. For thirteen years, this division served as the clearing house of all statistical information in the country. The data were published yearly in statistical bulletins, which served as the comprehensive and authoritative sources of statistical information during the period.

The first attempt to consolidate statistical authority and responsibility in the country came about with the transfer of the Bureau of Commerce and Industry to the Department of Agriculture and Commerce, which was organized in 1932. A special statistical division in the department was created which absorbed the Bureau's statistical functions as well as those of the Bureau of Agriculture. The statistics produced were published in the Philippine Statistical Review.

The centralization of all statistical activities in one agency was realized when the Bureau of the Census and Statistics (BCS) was created by Commonwealth Act No. 591 in 1940 under the Office of the President. All major statistical units of the Department of Agriculture and Commerce, Department of Labor, the Bureau of Health, the Bureau of Customs, the National Library, Department of Public Information and the 1939 Commission of Census were merged to the new Bureau. The move to centralize the statistical system was interrupted because of World War II.

2.3 Postwar recovery period starting in 1946

When the Philippines gained independence from the U.S. in July of 1946, the urgent need for data with which to plan and implement rehabilitation programs for a war-ravaged economy manifested itself. The BCS remained under the Office of the President until 1947 when it was placed under the newly organized Department of Commerce and Industry for administrative purposes.

In 1948, the BCS conducted the first postwar census. The creation of the Central Bank of the Philippines in 1949 and the Agricultural Economics Division in the Department of Agriculture in 1953, as well as the return of the Labor Statistics Division to the Department of Labor, ushered in a period of great activity.

With the expansion of government activities in the fields of public health, education, social welfare, public administration, crop subsidies, monetary stabilization, and agro-industrial development, statistical units gradually resurfaced. Consequently, the need for a decentralized statistical system with a central authority responsible for coordinating all the statistical activities of the government was recommended.

2.4 Reorganization in 1956

Through the Government Survey and Reorganization Commission created in 1954, a set of recommendations was formulated which provided the framework for the administration of a coordinated decentralized statistical system. These recommendations brought about two significant changes in the statistical system, as follows: (a) the emergence of the Office of

the Statistical Coordination and Standards (OSCAS) and (b) the transfer of some statistical functions from the BCS to other government agencies.

The decentralization of statistical activities was carried out in 1956 with the creation of a central coordinating authority, the OSCAS under the National Economic Council (NEC) by virtue of Executive Order No. 119. Among the functions of this body was to oversee the coordination of all statistical activities of five major statistical operating agencies and more than a hundred administrative agencies which carry out statistical activities as part of their administrative and regulatory functions. The five agencies were the following: (1) Bureau of the Census and Statistics, (2) Bureau of Agricultural Economics, (3) Department of Economic Research, Central Bank of the Philippines, (4) Labor Statistics Service, Department of Labor, and (5) Disease Intelligence Center, Department of Health. Later, more government agencies surfaced to become major producers of primary statistics to meet the increasing needs of government planners for statistical data.

Likewise, all statistical functions pertaining to agriculture and natural resources, banking and finance, labor, vital registration, and education were transferred from the BCS to other government agencies, which by nature of their administrative and regulatory functions and for highly well-organized statistical units, were better qualified to undertake them.

This set up existed for about a decade and a half until another government-wide reorganization of the executive branch of the government was introduced based on the Integrated Reorganization Plan (IRP) in 1972.

2.5 Reorganization in 1972

The implementation of the IRP in 1972 abolished the NEC and set up in its place the National Economic and Development Authority (NEDA) headed by a Director-General. One of the offices under NEDA was the Statistical Coordination Office (SCO), which was made up of two staff units drawn from the three branches of OSCAS. Meanwhile, in 1974, the BCS under the Department of Commerce and Industry was reconstituted and renamed National Census and Statistics Office (NCSO) and placed under the administrative supervision of the NEDA. During this time, only one official served as the NEDA Deputy Director-General for SCO and, concurrently, as Executive Director of NCSO. The official also acted as Chairman of the Statistical Advisory Board (SAB), which was the forerunner of the National Statistical Coordination Board (NSCB).

The existence of SCO, NEDA brought about a number of developments in statistics, particularly through its Statistical Development Fund. Among them were the following: (1) expansion in standardization work as exemplified by the publication of the *Manual on the Philippine System of National Accounts, Frameworks, Sources and Methods;* (2) first Philippine Statistical Development Program; and (3) development of statistical frameworks, such as Input-Output Tables (in collaboration with NCSO), Flow-of-Funds Accounts (in collaboration with the Central Bank), Social Accounting Matrix, and Agriculture Economic Accounts (in collaboration with the Department of Agriculture).

2.6 Reorganization in 1987

Recognizing the need to further enhance the efficiency of the statistical system and improve the timeliness and accuracy of statistics for planning and decision making, a comprehensive

study and review of the PSS was conducted by a special committee in 1986. The committee recognized the need to maintain a decentralized statistical system with a strong coordination characterized by independence, objectivity, and integrity to make it more responsive to the requirements of national development.

Thus, the PSS was restructured with the issuance of Executive Order No. 121, entitled "*Reorganizing and Strengthening the Philippine Statistical System and for Other Purposes*" on 30 January 1987. The Executive Order provided the basis for the present structure of the decentralized PSS. By virtue of this order, the NSCB as the highest policymaking and coordinating body on statistical matters was created in 1987, replacing the NEDA Statistical Coordination Office and the Statistical Advisory Board. The Statistical Research and Training Center (SRTC) as the research and training arm of the PSS was also established. The NCSO was renamed National Statistics Office (NSO) and was tasked to be the major statistical agency responsible for generating general-purpose statistics and undertaking such censuses and surveys as may be designated by the NSCB.

The demands of national economic recovery after the EDSA Revolution in 1986 necessitated changes in the organizational and functional structure of the entire bureaucracy. Under Executive Order No. 116 issued on 30 January 1987, the Bureau of Agricultural Statistics (BAS) was established as one of the seven bureaus of the Department of Agriculture to take charge of the production of statistics on agriculture, fishery and related fields. The BAS has assumed most of the functions of its predecessor, the Bureau of Agricultural Economics. It was also on 30 January 1987 when the Department of Labor was reorganized anew under Executive Order No. 126 and one of its provisions was the abolition of the Labor Statistics Service and the creation of the Bureau of Labor and Employment Statistics (BLES) as one of the six bureaus of the Department.

The other departments have maintained the statistical units within their respective offices. Meanwhile, the Bangko Sentral ng Pilipinas (BSP) created its Department of Statistics on 20 March 2005 to assume the statistical functions lodged before at its Department of Economic Research.

3. THE PRESENT STATISTICAL SYSTEM

3.1. LAWS AND OTHER LEGAL PROVISIONS FOR STATISTICAL ORGANIZATION AND SERVICES[3]

The following are the laws that govern the operations of the PSS:

3.1.1 Executive Order No. 121 - Reorganizing and Strengthening the Philippine Statistical System (PSS) and for Other Purposes issued on 30 January 1987

3.1.2. Commonwealth Act No. 591 – An Act to Create a Bureau of the Census and Statistics to Consolidate Statistical Activities of the Government issued on 19 August 1940

Other legal provisions concerning the statistical affairs in the country are the following:

[3] Agency websites.

3.1.3. Executive Order No. 116 – Renaming Ministry of Agriculture and Food as Ministry of Agriculture, Reorganizing Its Units, Integrating All Offices and Agencies Whose Functions Relate to Agriculture and Fishery into the Ministry, and for Other Purposes issued on 30 January 1987, which includes the creation of the Bureau of Agricultural Statistics within the Ministry

3.1.4. Executive Order No. 126 – Reorganizing the Ministry of Labor and Employment and for Other Purposes issued on January 30, 1987, which includes the creation of the Bureau of Labor and Employment Statistics within the Ministry

3.1.5. Executive Order No. 135 - Providing for the Establishment of A Well-Coordinated Local Level Statistical System issued on 6 November 1993

3.1.6. Executive Order No. 352 - Designation of Statistical Activities That Will Generate Critical Data for Decision-Making of the Government and the Private Sector issued on 1 July 1996

3.1.7. Executive Order No. 406 - Institutionalizing the Philippine Economic-Environmental and Natural Resources Accounting (PEENRA) System and Creating Units Within the Organizational Structure of the Department of Environment and Natural Resources (DENR), National Economic and Development Authority (NEDA), and National Statistical Coordination Board (NSCB) issued on 21 March 1997

3.1.8. Proclamation No. 647 - Declaring the Month of October of Every Year as the National Statistics Month signed on 20 September 1990

3.1.9. Proclamation No. 593 - Declaring the Month of September 1995 as National Census Month signed on 7 June 1995

3.1.10. Proclamation No. 248 - Adopting the Philippine Statistical Development Program (PSDP) for 1999-2004 issued on 24 February 2000

3.1.11. Proclamation No. 1140 - Adopting the Philippine Statistical Development Program (PSDP) 2005-2010 issued on 19 September 2006

Board resolutions and memorandum orders/circulars are likewise issued as necessary by the NSCB Executive Board when there are new statistical frameworks and indicator systems, new mechanisms for statistical coordination, new methodologies or concepts, etc. for adoption and implementation by the various stakeholders of the system.

3.2. THE COMPONENTS OF THE PHILIPPINE STATISTICAL SYSTEM

The PSS consists of statistical organizations at all administrative levels, its personnel and the national statistical program. Specifically, the organizations comprising the system include the following:

- A policy-making and coordinating body – the National Statistical Coordination Board
- A single general-purpose statistical agency – the National Statistics Office

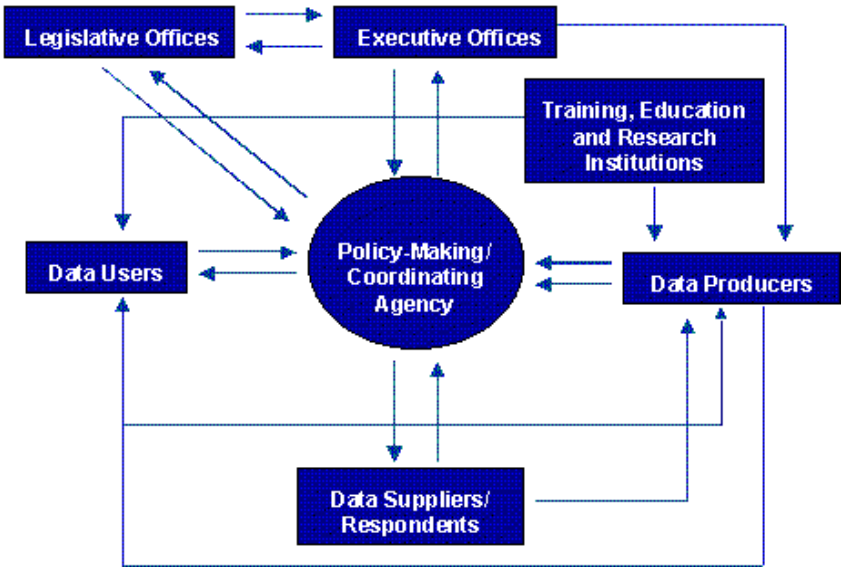
- A research and training arm - the Statistical Research and Training Center
- Units of government engaged in statistical activities either as their primary function or as part of their administrative or regulatory functions – all departments, bureaus, offices, agencies, and instrumentalities of national and local governments and all government-owned and –controlled corporations and their subsidiaries

The major statistical agencies in the PSS include the NSCB, NSO, SRTC, the Bureau of Agricultural Statistics (BAS) of the Department of Agriculture, the Bureau of Labor and Employment Statistics (BLES) of the Department of Labor and Employment, and the Department of Economic Statistics of the Bangko Sentral ng Pilipinas (BSP). Other data producers in the government include research and statistics divisions/units usually within the planning service of the various departments and bureaus.

The major statistical agencies and all other data producers are situated in various administrative hierarchies of the country with each unit collecting and aggregating data. The said administrative areas include the national, regional, provincial, city, municipal and barangay levels. In addition, the local government units (LGUs) in each province, city, municipality or barangay are rich sources of data. The enactment of the Local Government Code of 1991 which mandated the devolution of basic government services to LGUs had some implications on the data generation activities of the affected sectors.

The chart below shows the linkages among the various institutions and players in the PSS.

Framework for the Management and Coordination of the PSS



3.2.1. The policy-making and coordinating body

National Statistical Coordination Board (NSCB)[4]

The NSCB was created as the highest policy-making and coordinating body on statistical matters in the Philippines. It is under the administrative supervision of the National Economic and Development Authority. The NSCB formulates policies, delineates responsibilities, sets priorities and standards on statistics and administers the one-stop statistical information center. It also maintains multi-sectoral statistical frameworks and indicator systems which serve as bases for the improvement of statistical coordination. It provides links and fora for coordination between and among these key players. It also serves as the statistical clearing house and liaison for international statistical matters.

Foremost among the objectives of the NSCB is to develop an orderly PSS capable of providing timely, accurate, relevant, and useful data for the government and the public for planning and decision-making. The major goal of the NSCB is to promote the independence, objectivity, integrity, relevance and responsiveness of the PSS.

The powers and functions of the NSCB as defined under Section 5 of Executive Order No. 121 are as follows:

- Promote and maintain an efficient statistical system in the government;
- Formulate policies on all matters relating to government statistical operations;
- Recommend executive and legislative measures to enhance the development and efficiency of the system, including the internal structure of statistical agencies;
- Establish appropriate mechanism for statistical coordination at the regional, provincial and city levels;
- Approve the Philippine Statistical Development Program;
- Allocate statistical responsibilities among government agencies by designating the statistics to be collected by them, including their periodicity and content;
- Review budgetary proposals involving statistical operations and submit an integrated budget for the Philippine Statistical System (PSS) to the Department of Budget and Management (DBM);
- Review and clear, prior to release, all funds for statistical operations;
- Develop, prescribe and maintain appropriate framework for the improvement of statistical coordination; and
- Prescribe uniform standards and classification systems in government statistics.

The NSCB as coordinator is not engaged in primary data collection. The Executive Order further provides that the decisions of the NSCB on statistical matters shall be final and executory. At the helm of the NSCB is the NSCB Executive Board which is composed of the undersecretaries of the different departments and heads of major statistical agencies and chaired by the Secretary of Socio-Economic Planning. The NSCB Executive Board holds quarterly meetings.

The NSCB has a Technical Staff which performs the following functions:

- Provide technical and secretariat support to the NSCB;
- Serve as the statistical clearing house and liaison for international statistical matters; and

[4] Executive Order No. 121 – Reorganizing and Strengthening the PSS and for Other Purposes issued on 30 January 1987; NSCB website – http://www.nscb.gov.ph

- Perform other functions as may be assigned by the NSCB and as may be necessary to carry out the purposes of Executive Order No. 121

The products and services provided by the NSCB Technical Staff are the following:

- Statistical policies and measures to resolve specific issues and provide policy directions in the PSS
- National Accounts and related economic accounts to assess the economic performance of the country
- Economic and social indicators
- Standards and classification systems to prescribe uniform standards in government statistics
- Statistical publications and CD Roms to disseminate the most relevant data produced by the PSS and to make statistics more accessible to the public
- The PSDP to serve as a blueprint of priority programs and activities to be undertaken to improve the PSS in the medium term
- Services
    - Coordination of inter agency concerns
    - Coordination of subnational statistical systems
    - Statistical survey review and clearance system
    - Development of statistical standards and classification systems
    - Designation of statistics
    - Local and international data requests
    - Technical services
    - Advocacy for statistical awareness
    - One stop statistical information centers
    - On line statistical service thru the Internet (www.nscb.gov.ph)

3.2.2. Data Producers

In the government, the major agencies that produce statistics as their primary function are as follows:

National Statistics Office (NSO)[5]

The NSO is the major statistical agency responsible in collecting, compiling, classifying, producing, publishing, and disseminating general-purpose statistics as provided for in Commonwealth Act No. 591. The NSO is under the administrative supervision of NEDA. It generates data on population, housing, agriculture, fisheries, business, industry, prices and households through periodic censuses and sample surveys. NSO also has the responsibility of carrying out and administering the provision of the Civil Registry Law as provided for in Act No. 3753 dated February 1931. It also processes and compiles administrative-based statistics on domestic and foreign trade, business permits and vital statistics from the civil registration system.

More specifically, the NSO is tasked to:

- Prepare for and undertake all censuses on population, agriculture, commerce, and industry (Section 2, C.A. 591; Section 1, Batas Pambansa Blg. 72);

[5] NSO website – http://www.census.gov.ph

- conduct statistical surveys by enumeration, sampling, and other methods (Section 2, Batas Pambansa Blg. 72);
- compile and classify other statistical data and information (Section 2, C.A. 591);
- conduct social and economic studies and make projections of population, agricultural production, income and the number of livestock (Section 2, C.A. 591);
- publish and disseminate all information related to the above functions (Section 2, C.A. 591);
- assist the National Statistical Coordination Board (NSCB) in the formulation of a continuing comprehensive statistical program for the government (Section 5, Presidential Decree 418);
- provide technical assistance and support to projects of other statistical agencies and institutions (Section 5, P.D. 418);
- carry out and administer the provisions of Act. No. 3753, entitled "An Act to establish a Civil Register" (Section 2, C.A. 591) and other laws on civil registration; and
- issue authorization to solemnizing officers in accordance with the provisions of Article 7 of the Family Code of the Philippines (Executive Order No. 209 effective August 3, 1988).

Bureau of Agricultural Statistics (BAS)[6]

The BAS, which is under the Department of Agriculture, produces agricultural statistics. It generates statistics on crop production, prices of agricultural commodities, volume and value of livestock traded, farm income and expenditure, farming systems, agricultural finance, through sample surveys.

Section 16 of Executive Order No. 116 defines the functions of the BAS as follows:

- to collect, compile and release official agricultural statistics;
- to exercise technical supervision over data collection centers; and
- to coordinate all agricultural statistics and economic research activities of all bureaus, corporations and offices under the Department of Agriculture.

Further, Section 41 of Republic Act No. 8435 or Agriculture and Fisheries Modernization Act of 1997 approved on December 22, 1997, mandates the BAS to serve as the central information source and server of the National Information Network (NIN) of the DA; and to provide technical assistance to end-users in accessing and analyzing product and market information and technology.

In 2000, the BAS structural organization was strengthened and reoriented pursuant to the relevant provisions of DA Administrative Order No. 6 series of 1998 in compliance with the provisions of the Agriculture and Fisheries Modernization Act or RA8435 of 1997. This law designates BAS as the central information source and server of the National Information Network (NIN) of the DA.

Bureau of Labor and Employment Statistics (BLES)[7]

[6] BAS website – http://www.bas.da.gov.ph
[7] BLES website – http://www.bles.dole.gov.ph

The BLES, which is under the Department of Labor and Employment, produces labor and employment statistics. It generates establishment-based labor data, such as labor turnover, labor practices, organizations, occupational injuries and illnesses and wage rates.

Section 21 of the Executive Order 126 mandates the BLES to carry out the following functions:

- Formulate, develop and implement plans and programs on the labor statistical system in order to provide the government with timely, accurate and reliable data on labor and employment;
- Conduct nationwide surveys and studies which will generate trends and structures on labor and employment;
- Develop and prescribe uniform standards, nomenclatures and methodologies for the collection, processing, presentation and analysis of labor and employment data;
- Establish appropriate mechanisms for the coordination of all statistical activities in the Department and for collaboration with other government and private agencies including international research organizations in the conduct of surveys and studies in the area of labor and employment;
- Disseminate statistical information and provide statistical services/advice to the users by establishing a data bank and issuing the Bureau's statistical materials and research findings;
- Develop and undertake programs and projects geared towards the enhancement of the technical competence of the Department on theories, techniques and methodologies for the improvement of the labor statistical system;
- Monitor and exercise technical supervision over the statistical units in the Department and its agencies; and
- Perform such other functions as may be provided by law or assigned by the Secretary.

Bangko Sentral ng Pilipinas (BSP)[8]

The Bangko Sentral ng Pilipinas (BSP) is the central bank of the Republic of the Philippines. It was established on 3 July 1993 pursuant to the provisions of the 1987 Philippine Constitution and the New Central Bank Act of 1993. The BSP took over from the Central Bank of Philippines, which was established on 3 January 1949, as the country's central monetary authority. The BSP enjoys fiscal and administrative autonomy from the National Government in the pursuit of its mandated responsibilities.

The BSP has supervision over the operations of banks and exercises such regulatory powers as provided in the New Central Bank Act and other pertinent laws over the operations of finance companies and non-bank financial institutions performing quasi-banking functions.

The BSP, through its Department of Statistics, monitors and compiles various statistical series on monetary, financial and external variables useful for the formulation and analysis of monetary, banking, credit and exchange policies. To increase public awareness on various economic and financial issues, as well as promote transparency in its operations, the BSP releases various publications, reports, media releases and other relevant resource materials. The BSP also conducts the Business Expectations Survey and the Consumer Expectations Survey.

[8] BSP website – http://www.bsp.gov.ph

Other Data Producers

In addition to the above statistical agencies, various other departments, including the bureaus and attached agencies under them, also generate statistics as by-products of their primary functions. The following are the departments with stronger statistical units and more statistical outputs: Agriculture, Agrarian Reform, Education, Energy, Environment and Natural Resources, Finance, Health, Labor and Employment, Science and Technology, Social Welfare and Development, Tourism, and Trade and Industry.

Other sources of data are the following departments: Budget and Management, Interior and Local Government, Justice, National Defense, Public Works and Highways, and Transportation and Communications.

3.2.3. Statistical Training, Education and Research Institutions

Statistical Research and Training Center (SRTC)[9]

As the training and research arm of the PSS, the SRTC conducts short-term courses in statistics and related fields and researches to enhance existing methodologies, concepts and systems used in statistical operations.

As specified in Section 10 of Executive Order No. 121, the functions and responsibilities of SRTC are as follows:

- Develop a comprehensive and integrated research and training program on theories, concepts and methodologies for the promotion of the statistical program;
- Undertake research on statistical concepts, definitions and methods;
- Promote collaborative research efforts among members of the academic community, data producers and users;
- Conduct non-degree training programs to upgrade the quality of statistical manpower base in support of the needs of the statistical system; and
- Provide financial and other forms of assistance to enhance statistical research and development.

The SRTC has a Governing Board which formulates policies for the management and operations of the agency. This Board is composed of the Secretary-General of the National Statistical Coordination Board (NSCB) as Chair with the following as members: the Administrator of the National Statistics Office (NSO), the Dean of the UP School of Statistics (UPSS), the Director of the Bureau of Agricultural Statistics (BAS), a Director of the National Economic and Development Authority (NEDA), and the Executive Director of the Philippine Social Science Council (PSSC). The Executive Director of SRTC serves as ex-officio member of the Board.

In 2005, the SRTC conducted 29 statistical training courses/programs, equivalent to 1,145 training hours, with a total of 643 participants. Three research projects were also completed

[9] Executive Order No. 121 – Reorganizing and Strengthening the PSS and for Other Purposes issued on 30 January 1987; SRTC website – http://www.srtc.gov.ph

during the year. The training was conducted not only for the major statistical agencies and other data producers in the central/regional offices but also for the local government units.

The SRTC has also embarked on partnership with the United Nations Statistical Institute for Asia and the Pacific for statistical training as well as with other international organizations, such as the German Development Cooperation, UN FAO and UNFPA for the conduct of training courses.

Academe

On human resource supply, the PSS relies on the academic institutions offering Statistics/Applied Statistics courses and related fields such as Economics, Mathematics, Computer Science/ Information Technology, Demography, Public Administration, and Business Administration/ Management. Several universities throughout the country are offering undergraduate and graduate degree courses in statistics, with the University of the Philippines School of Statistics in Quezon City, Metro Manila and the University of the Philippines Institute of Statistics in Los Banos, Laguna as the leading universities in terms of course offerings in statistics.

Statistical researches in the system are usually undertaken in close collaboration with the academe. The PSS benefits from the strong collaboration and partnership between the official statisticians and the members of the academic and research communities who sit as chairpersons/members of various interagency/technical committees, serve as consultants in research activities and projects implemented by the PSS and act as advocates of statistics in general.

3.2.4 Data Suppliers/Respondents

Collection of data is done either thru sample surveys, censuses or reporting forms. Respondents can be individuals, households, business establishments/enterprises, government or non-government institutions. The extent and quality of data supplied by the respondents critically affect the quality of statistics produced by the data producers. To strengthen the relationship with the respondents, the data producers conduct dialogues and communication programs to advocate support to data collection activities.

3.2.5. Subnational Statistical System

The NSCB Regional Divisions perform the mandate of coordination at the subnational level using mechanisms such as those mentioned above as well as providing technical assistance to the data producers and users in the regions. Due to the budgetary constraints of government, these units are physically present only in ten (10) regions: Regions 1, 4, 5, 6, 8, 9, 10, 11, 12 and the Cordillera Administrative Region (CAR). They also manage and administer the regional branches of the National Statistical Information Center (NSIC), one-stop shop of statistical information and services. Providing assistance to the NSCB in terms of statistical coordination at the subnational level are the Regional Statistical Coordination Committees (RSCCs). The RSCCs formulate policies and programs particular to a regional statistical system. The members include agency regional directors, provincial planning and development coordinators and a representative from the private sector. These Committees are chaired by the NEDA Regional Director and are coordinated by the NSCB Regional Divisions.

The NSO has its regional, provincial and municipal offices. Likewise, the BAS has provincial offices. The other departments have their subnational offices at different levels. These offices gather data at the subnational levels and forward thm to the central offices for consolidation. They also serve as outlets for dissemination.

In addition to the statistical agencies and the various departments of the national government, the local government units (LGUs) also generate statistical information covering their respective areas or constituents. They also conduct surveys and process data from local administrative forms for their planning and monitoring purposes. Most of the data generated by the LGUs are municipal and barangay data since these are not available from the national surveys except in the Census of Population and Housing where data are generated down to the barangay level.

3.3. MECHANISMS FOR STATISTICAL PLANNING AND COORDINATION, INFORMATION DISSEMINATION AND ADVOCACY

Different mechanisms for statistical planning and coordination, information dissemination and advocacy being implemented by the NSCB Technical Staff are being advocated to the agencies in order to improve their effectiveness in servicing the data needs of the various stakeholders and users for development planning, policy formulation and monitoring of the progress of government programs. Other initiatives and measures are also continuously being undertaken to improve the organization and operations of the PSS, thereby enhancing the quality of the statistical products and services.

STATISTICAL PLANNING AND COORDINATION

3.3.1 Statistical Policies

Statistical policies may be in the form of acts, executive orders, presidential proclamations, and resolutions and circulars issued by the NSCB Executive Board which are intended to guide agencies and other stakeholders in terms of organization and implementation of concepts, definitions, methodologies, new systems, best practices and others. The implementation of and compliance with the statistical policies are being monitored by the NSCB Technical Staff.

3.3.2 Statistical Frameworks and Indicator Systems

The NSCB is chiefly tasked to develop and maintain appropriate frameworks and indicator systems to serve as tools for statistical coordination. This includes the System of National Accounts (SNA) that produces estimates of the Gross National Product (GNP) and Gross Domestic Product (GDP). The SNA is maintained by the NSCB with data inputs coming from various agencies including private institutions. The compilation of the SNA by the NSCB has given it a powerful tool for statistical coordination that allows the identification of data gaps that need to be addressed by the PSS. Other frameworks/indicator systems that are maintained by the NSCB include the Leading Economic Indicators, Foreign Investments Information System, Gender and Development Indicators, Philippine National Health Accounts, Poverty Statistics, Food Balance Sheet, Quarterly Economic Indices and Economic and Social Indicators, the STATDEV which is a tool for monitoring the targets under the

Medium-Term Philippine Development Plan and the Millennium Development Goals (MDG). The NSCB also serves as the repository of the MDG database for the Philippines.

3.3.3 Philippine Statistical Development Program (PSDP)

The PSDP articulates the vision, direction, strategies and priority statistical programs and activities to be undertaken in the PSS for the medium term in order to meet current and emerging needs of the national and local planners, policy-makers and data producers. The formulation of the sectoral statistical development programs was spearheaded by the NSCB through the various inter-agency committees, task forces and working groups composed of the key players and stakeholders in the PSS. Indicative budget requirements for the programs and activities are also included.

The PSDP which is prepared every six years is designed to provide vital information support to the Medium-Term Philippine Development Program and to promote efficiency of statistical operations through optimum use of available resources and adoption of cost effective measures. It envisions a PSS with greater capacity to provide excellent service and high quality statistical information for better use in policy analysis and decision-making to meet the changing needs of the stakeholders, data users, society and the international community. Several PSDPs were formulated in the past and the current one is the PSDP 2005-2010 which is the 7th PSDP developed by the system. This is the Philippine version of the National Strategy for the Development of Statistics (NSDS) being advocated by PARIS21 or Partnership in Statistics for Development in the 21st Century.

3.3.4 System of Designated Statistics (SDS)

Executive Order No. 352 was issued in July 1996 to implement the System of Designated Statistics (SDS) as a mechanism for the identification and generation of the most crucial and essential statistics for administrators, planners, policy makers, and decision makers in the government and private sectors. It is also an important tool in addressing problems, such as data makers in the government and private sectors. It is also an important tool in addressing problems, such as data gaps, duplication, delayed release and inaccessibility of important sets of statistics, and as a framework for setting priorities in data production.

The designation includes the implementing agency, frequency of collection, geographic disaggregation and schedule of data dissemination. At present, there are 60 activities/statistics designated; however, it is a dynamic system that allows modifications to respond to changing needs and priorities and to emerging capabilities of statistical offices.

The statistics under the SDS form the core of official statistics that constitute a set of public good that the designated data producers must be accountable for. These include censuses, surveys, administrative data systems, derived data systems and statistical indicators. As a result, these designated statistics receive priority attention in the preparation of the national budget and duplication of statistical efforts is minimized, if not eliminated.

Relatedly, the Philippine government has been subscribing to the International Monetary Fund's Special Data Dissemination Standards (SDDS) since 1996. The SDDS covers economic and financial data and their releases are monitored through the advance release calendar and metadata. The NSCB serves as the coordinator for the SDDS.

3.3.5 Statistical Budget Review

One of the functions of the NSCB is to review budgetary proposals for statistical activities of agencies. For many years now, the annual Budget Call issued by the Department of Budget and Management provides that the NSCB endorse agency budget proposals involving the System of Designated Statistics. Budgetary thrusts are formulated for the guidance of the major statistical agencies and other data producers. In the review of statistical budget proposals, the PSDP and a number of minimum targets/measures aimed at enhancing/ensuring the quality of data and capability building of agencies serve as the criteria.

3.3.6 Statistical Survey Review and Clearance System (SSRCS)

The SSRCS involves the substantive review of the design and instruments of statistical surveys or censuses sponsored and/or to be conducted by government agencies including government corporations at the national and/or subnational level. Recently, the scope of the SSRCS has been expanded to include administrative recording systems. The system aims to ensure the quality of the data to be generated from the inquiry, to avoid unnecessary duplication in data collection and to elicit the cooperation of data providers and respondents. Some of the review criteria adopted include (1) essentiality and appropriateness; (2) reporting burden; (3) adequacy of survey and forms design; (4) clarity of questions and nstructions; (5) use of standard classifications and definitions; (6) completeness and adequacy of tabulation plans; and (7) schedule and manner of disseminating results.

On the average, the NSCB clears around 18 surveys annually which include regular, periodic and one-shot surveys with individuals, households or establishments as respondents.

3.3.7 Statistical Standards and Classification Systems

The standard classification systems serve as instruments for promoting the comparability and consistency of statistics generated by data producers. These standard classification systems can also be used in the organization of databases and information systems. Annex 1 shows the list of the existing statistical classification systems in the Philippines.

Other standards include the prescription of standard concepts and definitions in the various sectors to ensure the comparability of statistics generated.

3.3.8 Technical and Inter-Agency Committees on Statistics (TCs/IACs) and Task Forces (TFs)

The TCs/IACs/TFs are created (1) to assess and evaluate the quality, usefulness and timeliness of sectoral data and determine areas of duplication, discrepancies and gaps; (2) to review the concepts, techniques and methodologies used in the collection, processing and reporting of data; and (3) to recommend an efficient and workable scheme for the allocation of agency responsibilities in the production of statistics. Thru these committees, weaknesses in sectoral statistics including those affecting data quality can be addressed. The committees recommend policy measures to the NSCB Executive Board. The TCs/IACs/TFs are composed of both data producers and users including the private sector and members of the academic and research communities.

To date, the committees created by the NSCB include six TCs, ten IACs and two TFs. Annex 2 shows the list of the committees and task forces.

3.3.9. Agency Statistical Calendars

Agency statistical calendars are useful guide to data users in their search for statistical information from government sources. The statistical calendar contains information on the statistical activities of the agency, such as the frequency, outputs to be generated, expected date and mode of release, and contact person.

3.3.10. Bilateral Meetings

Bilateral meetings are conducted between two agencies for the purpose of discussing, clarifying and resolving specific problems of the agencies in terms of data production and dissemination, among others.

3.3.11. Performance Measurement Scheme for Statistical Agencies and Other Data Producers

A Performance Measurement Scheme for Statistical Agencies and Other Data Producers was institutionalized in 2002 after it was pilot tested in 2001. It determines the capabilities of agencies in responding to the needs of their clients and other stakeholders thru a set of indicators of agency performance in terms of relevance, timeliness, accuracy, reliability, transparency and integrity, comparability, effectiveness, accessibility and client orientation. Through the scorecard that will be maintained for each agency, the public will be made aware of the success of the agency in accounting for its commitment to the public. Ultimately, the results will be used for advocacy, promoting public accountability and benchmarking purposes as basis for pursuing improvements in the quality of outputs and services.

The performance scheme which is proposed to be conducted every two or three years is also seen as an approach in measuring the quality of products and services of the PSS. The criteria considered to assess the performance of national statistical offices are as follows: (a) relevance; (b) timeliness and accessibility; (c) accuracy and reliability; (d) transparency; (e) independence and integrity; (f) comparability; (g) quality of research program and training materials, facilities and resource persons; (h) effectiveness of coordination; and (i) quality of financial and manpower resources, equipment and facilities for statistical operations. Indicators based on these criteria were identified.

3.3.12. Hosting of International Conferences/Meetings

The NSCB spearheads the hosting of international statistical conferences/meetings by the Philippine government. Topics discussed include developmental/emerging concerns in the field of statistics. This is being done in coordination with international organizations.

STATISTICAL INFORMATION DISSEMINATION

3.3.1. National Statistical Information Center

The National Statistical Information Center (NSIC) was first established in the country in 1993 through a project jointly implemented with the Statistics Sweden and the Swedish

International Development Agency (SIDA). The NSIC, which serves as a one-stop shop for statistical information in the country, is lodged at the NSCB. To date, several branches of NSIC have been established in selected regions where there are NSCB Regional Divisions. Services provided include frontline and library services, bookshoppe and technical services.

3.3.2. Government Statistics Accessibility Program (GSAP)/General Standards for Statistical Information Dissemination (GSSID)

The GSAP was implemented in 1998 with the vision of making statistical information and services in the country highly accessible to users nationwide and worldwide. Its conceptualization was anchored on the fundamental principle that information is used for decision-making and therefore the timeliness and integrity of the information should be ensured. The components of the program include the organization of an inter-agency consortium, issuance of an executive measure providing for the program as a flagship project of the government, investments on technology upgrading, systems and human resource development, adoption of common policies and standards, and alliance with the private sector.

The GSAP paved the implementation in 1999 of the General Standards for Statistical Information Dissemination (GSSID) in the PSS. The GSSID was designed as a mechanism of the government in setting appropriate and acceptable standards of reliability, integrity, timeliness, transparency, and accessibility of government statistics. Specifically, it promotes adherence to these standards in the dissemination of statistical information and greater utilization of data, fosters adoption of generally accepted data dissemination practices, and involves active participation of users in making statistics more accessible and useful. Worth noting is the standard on the dissemination in advance of the calendar of release of the various statistical products of an agency. In the long-term basis, the GSSID also serves as a tool to address data gaps and spur continuing improvements on data dissemination. The GSSID was inspired by the SDDS prescribed by the International Monetary Fund.

3.3.3 Press releases/articles/website

The issuance of press releases and articles by the major statistical agencies and other data producers on the latest available data or emerging concerns that would be relevant to national planning and development is another mechanism for statistical information dissemination. These press releases and articles are in print form and/or posted on the agency websites.

STATISTICAL ADVOCACY

3.3.1. National Statistics Month

The NSM is being observed annually during the month of October, following a Presidential Proclamation, as a vehicle for soliciting the support of the public at large in improving and enhancing the quality and standards of statistics in the country. The NSM, which has just completed its 17th year in October 2006, has become an effective venue for strengthening and unifying the Philippine statistical community and in instilling nationwide awareness and appreciation of the importance of statistics. Every year, the NSM focuses on a particular theme to highlight the statistics pertaining to the theme. The major activities undertaken by government agencies and some private institutions include symposia and

training/seminars/lectures, information dissemination using print and broadcast media and statistical contests.

A much-awaited event among fourth year high school students is the Oratorical Contest which is held annually as part of the NSM celebration of the Bangko Sentral ng Pilipinas and Department of Education. It has gained popularity because the oratorical contest has served as a venue for promoting awareness in statistics, for instilling pride in the Philippine culture and for hearing the voice of the young. During NSM celebration, other contests held catering to students and the youth include statistical quizzes, poster-making and slogan writing contests.

3.3.2. Statistical Conferences

The National Convention on Statistics (NCS) is held every three years to provide a forum for exchanging ideas and experiences in the field of statistics, in both theoretical and practical applications, and for discussing recent statistical developments and prevailing issues and problems of the PSS. It further aims to elicit the cooperation and support of statisticians and professionals in related fields from the government, academe and private sector towards a more responsive statistical system. The 10th NCS will be held in October 2007.

Statistical congress is conducted annually in Western Visayas which started in 2001 and in Mindanao which was first held in 2004. The statistical congress aims to gather producers and users of statistics as well those from the academe in order to share a common knowledge and understanding of recent developments in the statistical system and address prevailing and emerging statistical concerns in their respective regions.

The Philippine Statistical Association (PSA), the professional statistical organization in the country with chapters in selected regions, conducts quarterly/annual conferences to serve as venue for discussing current statistical issues. There are also inter/intra university conferences, such as the Student-Faculty Conferences.

3.3.3. Philippine Statistics Quiz (PSQ)

The PSQ is an annual contest that aims to test the knowledge of statistics of first-year college students and is held nationwide. It further aims to contribute to the building of scientific and technological manpower by helping identify and nurture talents in the field of statistics. It is organized jointly by the National Statistics Office and the Philippine Statistical Association.

3.3.4. Press conferences, producers' and users' fora

Press conferences are held by the major statistical agencies to present latest available data for critical indicators, such as the national accounts, inflation rate and core inflation. Producers' and users' fora are also conducted to enhance awareness and appreciation of available statistics and to gather feedback towards the improvement of PSS products and services, and to communicate ongoing developments and plans.

3.3.5. Feedback/evaluation mechanisms

Feedback/evaluation mechanisms are necessary to solicit comments and suggestions from the data suppliers and providers and data users. Their comments and suggestions would serve as useful inputs towards the improvement of the statistical system.

3.4 STATISTICAL MANPOWER

One of the essential conditions for the PSS to achieve its goals and objectives is the formation of a core of qualified personnel to undertake statistical work and to contribute to the progressive development of its statistical activities. Although there are other factors that play important roles in the ability of an agency to manage its statistical operations, it is the capability of the statistical manpower in the organization that eventually determines the performance of the agency.

Statistical manpower includes personnel involved in the collection, processing, compilation, dissemination and publication of data. It includes statisticians, mathematicians, economists, accountants, engineers, information technology specialists, and subject matter specialists in various fields who possess the statistical knowledge needed to plan and carry out statistical programs, projects or researches and who use the science of statistics in analyzing data.

3.4.1. Manpower Resource

As shown in Table 1, the number of personnel engaged in statistical work of the government as of 2003 based on figures from six (6) statistical agencies and 11 selected other data producers totals 5,725 with 2,290 (40 percent) personnel employed in the central offices and 3,435 (60 percent) in the regional/field offices. It is important to note that of the 3,435 personnel in the regional/field offices, those from the NSO and BAS which take charge of conducting regular censuses and surveys account for almost 79.0 percent of them.[10]

Table 1. Statistical Manpower in Statistical Agencies and Selected Other Data Producers, Philippines, as of 2003

Agency	Total	Central	Regional
Statistical agencies (6)	4,535	1,784	2,751
Selected other data producers (11)	1,190	506	684
Total	5,725	2,290	3,435

There are a few professional statisticians in the PSS as majority of those holding statistical positions acquired their skills through training and experience. As of 2003, those with degrees in statistics, whether undergraduate or graduate, account for only 4.4 percent of the total number of statistical personnel.

Hiring professional statisticians and keeping them is a continuing challenge for the PSS. An inevitable problem encountered is the succession and turnover in statistical posts typically due to resignations or retirement. Such turnovers may lead to difficulties especially if there are skill shortages.

[10] Results of the 2003 Performance Measurement Scheme for Statistical Agencies and Other Data Producers.

In many ways, motivation is the key to the success of statistical human resource management and development. In addition, most government workers perceive that they are not properly financially compensated for the work they perform. The low salaries of statisticians in the government have actually contributed to the exodus of trained official statisticians to the private sector, the international organizations and even to statistical agencies of foreign countries. Thus, it is important to maintain high morale among statistical personnel, and enhance their loyalty and esprit de corps.

3.4.2. Management and Development

The PSS recognizes the importance of statistical capacity building such that there is a need to continually build the human capacity of the agencies in order to be more effective and efficient in responding to the ever-increasing demand for statistical data by planners and decision makers from all sectors. With qualified and competent statistical personnel, the capability of an agency to undertake statistical work is strengthened. There should be more concerted efforts and innovative approaches in building the capacities of the agencies to effectively manage the statistical activities and to respond to the demands of the stakeholders.

Aside from training, other factors in the area of personnel management include good compensation, pleasant working conditions, proper motivation and a dynamic profession. Meanwhile, an inevitable problem encountered with respect to newly-trained staff is the increase in employee turnover. With the new skills acquired by the staff, their marketability increases and if the organization cannot match the attractive offers received by the trained staff, which is often the case, the staff is lost.

Capacity building is mostly done through non-degree training which aims to develop statistical expertise at various levels of competencies. Participation in training programs/courses is funded from own agency budget or by availing of training grants/programs sponsored/conducted by local or international institutions. Furthermore, most locally-funded and foreign-assisted projects undertaken by the statistical agencies normally include a training component for the project staff.

The SRTC, as the training arm of the system, contributes heavily to developing/strengthening the knowledge and skills of statistical workers on the various aspects of statistical work, such as survey design, data collection and processing, database management, and data analysis, presentation and dissemination. These regular programs are meant to enable civil servants at the central and regional/field offices to acquire the knowledge and skills necessary to enable them to improve their performance in producing, analyzing, and disseminating statistical information for public consumption.

Aside from SRTC, other statistical agencies such as the NSO, NSCB, BAS and BLES also conduct in-house statistical training and special-purpose statistical seminars/training for advocacy and/or technical assistance purposes. Opportunities are also available for the statistical personnel to pursue advanced degrees in statistics, such as master's and doctorate degrees, both in local and foreign universities through scholarship grants/fellowships. Also through the Philippine Statistical Association (PSA), the professional organization of statisticians in the country, short training courses are offered to the members as well as the private sector.

Despite the conduct of these training activities, there continues to be a number of challenges in building human capacities in the statistical system. Opportunities provided by international organizations/institutions, such as the Statistical Institute for Asia and the Pacific (SIAP), ESCAP, UN Statistics Division, IMF, World Bank, ADB, JICA, among others, through scholarship grants and training programs/courses are invaluable in nurturing the statistical capacity of the PSS human resource as well as retaining them.

A recent development in the PSS is the establishment of the Scientific Career System for Statisticians (SCSS) which was approved by the NSCB Executive Board in August 2006 for the purpose of promoting statistics as a profession in the country. It will not only provide the avenue for the advancement of statistical personnel through the undertaking of statistical researches but will also benefit the statistical system in general.

3.4.3. PSS Personnel in the International Arena

With respect to international cooperation, it must be noted that the PSS boasts of the expertise of the pool of professional statisticians who have been tapped through the years in several developmental activities of other ASEAN countries as consultants in censuses, national accounts estimation, etc. or as member of various international expert groups.

3.5 FINANCING OF THE SYSTEM[11]

The financing of agency statistical operations is primarily sourced from annual budgetary appropriations of the Philippine government. Some agencies, particularly major statistical agencies, tap the assistance of foreign funding institutions in order to finance the implementation of a number of necessary statistical development projects and activities. To a certain extent, and subject to the provisions of the Department of Budget and Management, some statistical agencies, such as the NSCB and NSO, may use part of the income generated from their operations to finance their activities. However, the amount is not enough to augment the budget requirements of the agencies.

There is a need for constant and complete funding of statistical activities. Preparations for major censuses and surveys take place at least one year prior to the actual conduct. In addition, post census/survey activities as well as dissemination of results should be funded. Furthermore, studies on improving methodologies should be funded regularly. At the moment, most such studies are funded by international agencies on joint study projects. Funds are also inadequate to provide data support for emerging concerns and upgrade existing information and communications technology.

Government allocations for statistical agencies often do not provide funds for the development of statistics. Developmental activities are most often funded by international organizations through study projects. While this may benefit the country in the short-term, the more important concern of the government should be the long-term benefit and sustainability of such undertakings. All improvements and developments made in the short-term are rendered useless and futile if it cannot be sustained in the future.

[11] PSDP 2005-2010; NSCB Statistically Speaking Article on Budgets for Statistical Activities in the PSS, August 2005.

In recent years, the PSS has experienced a number of budgetary cuts resulting in the delay in the conduct of censuses. This was also experienced in the case of surveys forcing the agencies to scale down survey operations. These setbacks however pose more problems for the PSS in the long run as the scaling down of operations, including the frequency of conduct, will result in the generation of important statistics crucial in development planning.

The budget of statistical agencies has been declining from a high of 0.55 percent of total government budget in 1992 to 0.32 in 2005. Despite the limited and dwindling resources provided by the government to statistics, the PSS has been vibrant and dynamic on being able to improve existing statistics in terms of coverage and methods, and produce new statistics that address emerging requirements of data users. To keep abreast with the changing conditions, the statistical agencies undertake new initiatives by obtaining external funding for important statistical activities. While this practice enhances the capacity of the statistical agencies, they are burdened with the institutionalization as the new activities are absorbed by the existing regular staff. The PSS however has adapted to the reality that resources are scarce and therefore it has resorted to an efficient way, via modeling techniques, of producing data such as small area statistics. It is exploring cost-effective alternative method of producing statistics with the processing of administrative data.

The less than 1 percent budget allocation of the government for statistical agencies has various implications on the PSS:

(a) The small budget allocated to statistical agencies is not sufficient to effect long-term development and improvement of the System more specifically in improving methodologies and processes in data generation, processing and dissemination.

(b) The inadequacy of financial resources in the PSS likewise affects the delivery of quality statistical outputs and services. This may mean delays in the release of critical data, non-compliance with the designated frequency of release and disaggregation of data. A larger sample size generally generates more accurate results; however, this will require more resources for the government.

(c) The financial resources available are not enough to support the generation of statistics on emerging concerns of the country as well as in the upgrading of information and communication technology. Moreover, the current budgetary allocations do not give enough room for the PSS to promote statistics as an integral component of national government. This scenario poses a grave threat for the country especially as it vies for global competitiveness.

Thus, there is a need to continue advocating on the importance of statistics as well as the necessity of investing in statistics because economic and socio-political decisions are shaped largely by the information that are being generated. There should be a political will to invest in statistics and in the provision of resources for statistical activities, it is recognized that the political will of agency managers is a major influence in making decisions whether to allocate funds and as to the level of funds to be allotted.

4. RECENT INITIATIVES OF THE PHILIPPINE STATISTICAL SYSTEM

The PSS, in its efforts to continuously improve its products and services, has embarked on a number of developmental activities towards promotion of importance and better use of statistics for development planning. The statistical system keeps up its

improvement/development efforts to address the emerging/growing statistical requirements for the country's programs as well as globalization concerns. It continues to pursue programs and activities aimed at making current systems more cost effective, exploring new technologies, developing methodologies, and promoting its products and services and making these accessible in support of the needs of its stakeholders. Amidst perennial issues of resource constraints, the system has made significant progress to further its mission of promoting an effective and efficient statistical system in the country.

The following are the recent initiatives of the PSS, mostly undertaken through technical and financial assistance from international donor agencies and organizations:

4.1. Philippine Statistical Development Program (PSDP) 2005-2010

The PSDP 2005-2010 was completed in 2006 after a series of consultations done with the resource persons and other stakeholders of the PSS. The PSDP serves as the blueprint for coordinating the statistical activities of the government in the country as well as to provide information support to the Medium Term Philippine Development Plan (MTPDP) as well as to the compilation and monitoring of the Millennium Development Goals (MDG) indicators.

4.2 Development of Methodology to Generate Hunger Index

Currently, efforts are being done to measure the hunger situation in the country. So far, the framework has been conceptualized and the indicators have been identified. All the available data are being compiled as inputs for the computation of hunger index. This activity is targeted to be completed in 2007.

4.3 Development of Provincial Product Accounts

Existing economic accounts are for the national and regional levels and one of the concerns of the data users is to make available lower disaggregated data. An ongoing activity is the development of provincial product accounts for some provinces. Presently, efforts are directed towards the development of the accounts in the province of Guimaras.

4.4 Small Area Estimation of Poverty Statistics

The official poverty statistics in the Philippines are generated by the NSCB based on the results of the Family Income and Expenditure Survey (FIES) of the NSO. National and regional poverty thresholds, incidences, and gaps, as well as GINI coefficients, are estimated every three years coinciding with the reference year of the FIES. Annual estimates of poverty and food thresholds are likewise computed in-between FIES years.

In order to address the need for more timely and relevant poverty thresholds, the NSCB developed a methodology for the model-based estimation of annual food and poverty thresholds. The NSCB Executive Board has just approved the methodology which provides for more timely release of these indicators. For the first time in the history of the PSS, the NSCB released project-based poverty estimates for all cities and municipalities in the country for 2000. The estimates were part of the outputs of a special study to generate poverty statistics using the small area estimation techniques based on a methodology developed by the World Bank.

4.5 Poverty Mapping

The NSCB is also exploring alternative methodologies or approaches for locating the poor. One of the recent and feasible approaches is poverty mapping, using geographic information system (GIS). Started through a project, Re-engineering the Government Statistical Services, of the NSCB and PSS, a methodology for mapping poverty-related indicators (poverty correlates) as well as poverty maps of two (2) pilot provinces of different development characteristics were formulated. The methodology provides a simple, standard, statistics-based tool that can be used to locate the poor; visually depict the relative conditions of the poor based on the *minimum basic needs* concept; and serve as basis for identifying priority areas for intervention and formulation of appropriate programs at the local level. The maps can also serve as a framework for statistical coordination at the local levels. Users for a have been conducted to present the new system and to consult stakeholders on potential policy uses and applications of the methodology as well as on further improvements.

4.6 Development of Statistical Frameworks for E-Commerce and Governance

The NSCB Executive Board has just approved the working definition of e-commerce and its statistical framework and indicators. A total of 77 indicators by sector has been recommended by the Task Force on the Measurement of e-Commerce. With this development, an Inter-Agency Committee on Information and Communications Technology Statistics has been created for a wider coverage.

The NSCB, in cooperation with NEDA, has embarked on an activity which involves the development of statistical framework and indicator system for tracking governance reforms. Initial framework has been formulated and indicators have been identified.

4.7 Development of the 2003 Master Sample Design for Household Surveys

The PSS is now using the 2003 master sample design for household surveys after the need to redesign the 1996 master sample cam about due to the following: (a) the 1996 master sample has been found to provide less precise estimates. (b) there is a need to take into consideration the new administrative regions and the recent data from the 2000 Census of Population and Housing, and (c) to ensure enough samples until 2012 since the 1996 master sample does not have sufficient sample anymore.

The NSO, through financial assistance provided by the Asian Development Bank and with local and foreign consultants providing technical assistance, pursued the modifications of the 1996 master sample and came up with the 2003 master sample design for household surveys which features a new frame and geographic configuration and other improvements, such as taking into account the precision of estimates produced, with due consideration of the available resources for surveys and the requirements of data users.

The modifications on the master sample design are part of the efforts to improve the quality of data generated by the PSS in order to provide users with reliable, relevant and useful household-based data.

4.8 2000 Input-Output Accounts

The 2000 Input-Output Accounts, which highlights the structures of the different sectors of the economy and their interrelationships, was released by the NSCB in early 2006. The 2000 benchmark I-O includes the I-O Transactions Table, the Technical Coefficient Matrix, and the Inverse Coefficient Matrix. The 2000 I-O covers 240 industries compared to the 229 industries in the 1994 I-O. With the advancement in technologies, new industries such as call centers, business process outsourcing, computer-related services, and natural gas have emerged and these are now included among the 240 sectors in the 2000 I-O.

5. LESSONS LEARNED, CHALLENGES AND OPPORTUNITIES

The PSS which evolved to a more effective and responsive statistical system through the years is fairly well-developed and considered more advanced than many of its counterparts in the Asia and Pacific Region. The PSS is ahead in terms of developing statistical methodologies, among other things, in the areas of economic accounts, foreign direct investments, tourism, health and education, environmental accounting, poverty and gender statistics.

Different mechanisms and initiatives in coordination, data generation and dissemination, training and researches are in place to enhance the quality of statistical products and services. Nevertheless, there are still current concerns and emerging challenges that need to be dealt with appropriately in order for the PSS to respond effectively to its mandate of providing data users and stakeholders with quality statistical information.

The highly decentralized administrative structure of the country raises some complex demands on the statistical system which are difficult to respond to especially under severe resource constraints. Nonetheless, the PSS must exert best efforts to meet the challenge of providing quality statistics for development.

The following are the lessons learned, challenges and opportunities in the PSS:

On management and coordination[12]

5.1. Need to further enhance and strengthen statistical planning and coordination

With the current developments in the field of statistics, statistical planning and coordination needs to be further strengthened, especially in the areas of monitoring and evaluation, strategic planning and policy formulation. Emphasis shall likewise be given in the monitoring of the system of designated statistics.

5.2. Need for higher budgetary resources and investments in statistics

Current concerns, such as the need to improve timeliness in the release of data as well as the methodologies used in data gathering activities require additional financial resources. This also involves upgrading of information and communications technology facilities. Likewise, the new millennium ushers in emerging challenges for the PSS to adapt to the constantly evolving demands of data users. Thus, it is important to understand the necessity of investing in statistics not only for better planning and decision making in various sectors of the economy but also for the country's vying for global competitiveness.

[12] PSDP 2005-2010.

With the inadequate government appropriations for statistical activities, particularly for periodic activities and for developmental activities and emerging concerns, several measures and strategies should be considered. These include opportunities for cost-sharing with local government units, cost-sharing with users of statistics, tapping the private sector to share the cost of statistics, drawing eminent persons as champions of statistics, and mustering political will on the part of government to invest in statistics. Developmental activities are usually undertaken through foreign grants but institutionalization of these activities could not be ensured as budget allocations for such are not available from the government.

5.3. Need for more consultations with stakeholders and data users

Consultations with stakeholders and data users are currently being done in the PSS if there are new concepts, new methodologies or new frameworks and indicator systems. For better understanding and appreciation of the new statistical concerns, more consultations have to be undertaken.

On data generation, accessibility and quality[13]

5.4. Need for a widely accepted framework for data quality to guide data producers and users

Data users demand quality data from the data producers for planning, monitoring and policy formulation. Some of the data qualities sought are timeliness, accuracy, consistency and disaggregated at the micro level. However, stakeholders of official statistics do not always have the same interpretation of high quality data. Perceptions on data quality by users including intergovernmental organizations are influenced by their own data requirements. Data producers, on the other hand, are constrained by their limited resources and capacity. In addition, the quality of their outputs depends on the inputs from data providers through surveys, censuses or administrative data systems. Towards better statistical services, it is important that users and producers have a common definition of data quality. This is essential as the demand for information has become more complex, the use of information has become multifaceted and the quality of information has become multidimensional.

5.5. Need to continue building confidence on official statistics

The use of the different products and services of the data producers in the country can be maximized if confidence by users on the data is achieved. Towards this end, strong efforts should be implemented to achieve confidence by maintaining the integrity and quality of outputs. This can also be attained by forging strategic alliances with partner institutions and individuals who can further advocate the use of data. The conduct of users' fora which enables transparency of methodologies has become one of the venues for this.

5.6. Need for methodological improvements of major surveys and compilation systems

Methodological improvements of large-scale surveys should be pursued. To institutionalize and sustain this, the creation of methodological units in the major statistical agencies should be considered. The time lag of survey results, e.g., the Annual Survey of Philippine Business

[13] PSDP 2005-2010; Philippine Country Paper for High Level Forum on Statistical Capacity Building for ASEAN Countries, November 2002.

and Industry, vis-à-vis the designated schedule of release needs to be studied as well in order that the timeliness of survey results can be upheld.

To provide relevant basis for undertaking methodological improvements and at the same time ensure the transparency of methodologies, data producer-user linkages should be strengthened. These linkages provide means for ascertaining the information needs of users, presenting compilation/generation systems and soliciting comments and cooperation in the work required to pursue improvements. In addition, the capability of the staff undertaking the work should be strengthened as their technical know how is instrumental in achieving sound methodologies.

5.7. Need to promote transparency of methodologies

The documentation of survey methodologies and metadata are good practices in the production and dissemination of results. Some users fin existing documentation deficient; hence, documentation will be promoted for greater transparency and to provide adequate bases for undertaking improvements. Measures of sampling errors will also be required as part of the documentation and the release of survey results to inform users on the accuracy and precision of estimates generated from the survey. Relatedly, the dissemination of metadata by the data producers will be strongly advocated as a good practice in data dissemination.

5.8. Need to strengthen compliance to statistical standards and programs

Compliance to statistical standards and programs needs to be enhanced and strongly advocated. These include the medium-term statistical development program, official concepts and definitions, standards for statistical information dissemination and classification systems. Likewise, the best practices, such as dissemination of the advance release calendar and the metadata, have to be advocated.

5.9. Need to develop a culture of information sharing

The use of statistical data generated can be maximized if sharing is institutionalized and a culture of information sharing instilled within the system. The inaccessibility of data is one issue expressed by major data users, e.g., the Congress, as regards the data of some agencies in government. This area, therefore, should be given due attention so that both producers and users of data can benefit from the data. Investments put into the compilation of the data will also be maximized. The National Statistical Information Center (NSIC) is one way of establishing a culture of information sharing between and among data producers and users.

5.10. Need to address emerging concerns and local data needs

In the economic front, available statistics at the national level are already adequate to meet the needs of users. However, the social sector needs serious efforts to enable the provision of quality data and indicators. Another major demand for data that has not been adequately addressed concerns the subnational disaggregation of data. This has been the pressure from data users due to the devolution of basic services to the LGUs, poverty alleviation and countryside development programs of the government. However, there is a need to evaluate the users' demand for the generation of lower/specific disaggregations of data to consider resource requirements and constraints.

Similarly, the private sector has shifted their trading operations to the countryside due to the congestion problems in Metro Manila. While there are ongoing interventions to address subnational data, it is recognized that the major statistical agencies cannot respond to this requirement due to the huge resources required. Technical assistance, however, can be provided and, in the long run, building the capacities of the LGUs should be undertaken. Another alternative is to explore the use of proxy indicators.

5.11. Need to rationalize data collection

In the midst of limited resources faced by the data producers, there is a need to rationalize data collection activities. Emphasis on the use of the data in policy formulation can be a major criterion in making decisions whether a statistical activity should be continued. The results can also be used in focusing the capacity building of the data producers.

Meanwhile, new statistical activities should be demand driven on the part of the stakeholders to ensure utility of the data. Moreover, stakeholders requiring the data should invest resources for the purpose and not rely on the limited resources of the major statistical agencies.

Given the various demands it faces, the survey-capability of the PSS needs to be carefully assessed as well to determine relevance of the surveys and maximizing use of the results. With emerging concerns, it is an opportune time to rationalize these activities. The workload of the system in the conduct of surveys can also be reviewed. Also, there is a need for greater advocacy for and documentation of actual policy uses of statistics (PARIS 21 initiatives).

Amidst resource constraints, responding to international data initiatives versus national priorities should likewise be properly evaluated and assessed.

5.12. Need to enhance dissemination of data

Given the various data being produced by the agencies, there is a need for pricing policy on statistical products and services. There is also a need to develop marketing skills of statistical agencies for wider dissemination of their statistical products and services.

On statistical capacity building and advocacy[14]

5.13. Need to improve capability for statistical analyses by users and producers

The analysis of data demonstrates the usefulness of this product of data producers. The analysis further aids planners and decision makers on the "story" behind the data. So as not to mislead users and provide readers with reliable and accurate analyses, the capability of staff performing the analysis is one area for capability building as well. On the other hand, interpretation and use of statistics by the users, specifically the media, needs to be addressed as well so that they would have proper analysis of data and trends.

5.14. Need to inculcate a statistics-culture in departments

[14] PSDP 2005-2010; Philippine Country Paper for High Level Forum on Statistical Capacity Building for ASEAN Countries, November 2002.

To ensure priority to statistical activities by management of the other departments in government, internal advocacy on the importance of statistics is necessary. This will ensure strong support to be provided for statistical outputs and services in terms of resources. This can be achieved through dialogues, presentation of outputs, training, etc. This could also improve their provision of data needed in the compilation of the various frameworks and indicator systems maintained and being developed.

While the major statistical agencies are moving forward in their data generation and dissemination activities, the capability of the non-statistical agencies should also be strengthened. This is one reason cited for the lack of confidence of these agencies in making accessible their data. Hence, concerted efforts should be instituted to build the capability of these agencies in generating, using and disseminating data.

5.15. Need for continuous building of statistical knowledge and capability of the major statistical agencies, other data producers and the local government units.

Faced with divergent and new concerns, the continuous building of capacities of the major statistical agencies, other data producers as well as the local government units through statistical training is necessary. There is also a need to strengthen the capability of the agencies to undertake statistical researches.

5.16. Need to provide commentary on the erroneous interpretation and misuse of statistics within the shortest possible time.

The provision of commentary is one of the best practices that needs to be advocated among the data producing agencies. This would be useful in correcting the misuse of statistics as well as in clarifying some points for the benefit of the data users.

Annex 1

CLASSIFICATION SYSTEMS

Philippine Central Product Classification (PCPC)
standard classification of goods and services in the Philippines, including tangible assets based on their physical properties and intrinsic nature as well as industrial origin

Philippine Standard Classification of Education (PSCEd)
a detailed classification of all educational levels in the Philippine Educational System.

Philippine Standard Commodity Classification (PSCC)
a detailed classification of all commodities that enter the Philippine trade

Philippine Standard Occupational Classification (PSOC)
a classification of the different occupations of the working population, including the military workforce of the country

Philippine Standard Geographic Classification (PSGC)
a classification and coding of the geographical-political subdivisions of the country, such as the region, the province, the municipality/city and the barangay

Philippine Standard Industrial Classification (PSIC)
a classification of all economic activities obtaining in the country

Philippine Classification of Commodities by Broad Economic Categories (PCCBEC)
a classification of commodities in the international trade according to their end-use intended to supplement the PSCC

Annex 2

LIST OF TCs and IACs

Technical Committee on Population and Housing Statistics
Technical Committee on Poverty Statistics
Technical Committee on Price Statistics
Technical Committee on the Seasonal Adjustment of Philippine Time Series
Technical Committee on Statistical Standards and Classifications
Technical Committee on Survey Design

Inter-Agency Committee on Agriculture, Fishery and Forestry Statistics
Inter-Agency Committee on Education Statistics
Inter-Agency Committee on Foreign Direct Investment Statistics
Inter-Agency Committee on Gender Statistics
Inter-Agency Committee on Health and Nutrition Statistics
Inter-Agency Committee on Information and Communications Technology Statistics
Inter-Agency Committee on Labor, Income and Productivity Statistics
Inter-Agency Committee on Science and Technology Statistics
Inter-Agency Committee on Tourism Statistics
Inter-Agency Committee on Trade Statistics

Task Force on the Development of Hunger Index
Task Force on the Integrated System of Establishment Inquiries

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