

Master Plan

For Developing Palestine Official Statistics

1. Functions of a system of official statistics:

Six functions of a system of official statistics drawn from current international practice are delineated as the primary basis for evolving PBS and its plan of operation. They include as primary functions informing decision makers as well as the citizenry at large of states and trends in the economy and on the living conditions of the Palestinian people. Official statistics are needed as an important element of the information system for the democratic process as basis for diagnosing problems, guiding action and evaluating progress made.

2. Functions of a central bureau of statistics:

International experience indicates that the production of official statistics is best organized as a Central Bureau of Statistics with no other functions or responsibilities than the production and dissemination of reliable and impartial statistics. This is particularly true of small countries with scarce resources which must concentrate the varied technical competencies needed for the production process.

3. Bases for statistical system building:

Cost considerations also dictate that official statistics be based on administrative records to the greatest possible extent. The ideal basis for a modern system of official statistics is 1) a central population register continuously updated with vital events for demographic and social statistics, 2) a central register of enterprises and establishments for economic statistics and 3) a central register of land and land use by administrative divisions for geographic information systems. These registers are needed not only for official statistics but, in the first place, as basic infrastructure for all public administration. They should be established by separate legislation detailing their functions, their independence, their restricted content, their availability and the procedures for their updating.

4. Principles for statistical system building:

Official statistics need to form a system to be maximally useful and cost effective. Elementary principles for statistical system building aim at comparability of statistics across time and space through coordination of methods, concepts and definitions in line with internationally agreed recommendations. The core function of official statistics is to establish reliable time series of demographic, social, economic and environmental indicators to measure change.

5. The legal basis for a Central Bureau of Statistics:

For its data collection activities, a Central Bureau of Statistics needs the willing cooperation of households and enterprises. As an organ of government, its activities must be regulated by law not only to establish its authority and to define the duties of respondents, but also to define the duties of the Bureau and the limits to its authority. The General Statistics Law that is proposed for adoption by the PNA is based on modern international principles detailing the areas of demographic, social, economic and environmental concern for which the Bureau is mandated to collect data and disseminate official statistics.

6. The system of subject matter statistics:

A Palestinian system of official statistics cannot wait to come about through a long process of evolution. At the outset, the plan for subject matter statistics must be based on theoretical considerations and international practices. It is assumed that statistical needs that have arisen in other countries will be relevant for Palestine as well. Shortcuts have to be found but rational considerations dictate that these shortcuts not be ad hoc but form the basis for evolving the system in the longer term.

A Palestinian statistical system is conceived with three interlined subsystems: (1) a system of population and social statistics in which the primary units to be counted are persons and their characteristics, (2) a system of economic statistics where the primary units to be counted are transactions with money, and (3) a system of "area" statistics where the primary units are based on land and land use and the fixed structure on land.

7. Population statistics:

Population statistics are needed as the basis for all social and economic planning, as well as for market planning and activities by private economic actors. Population forecasts are needed to estimate the future need of schools for the young generations; medical care for children, the old and the ill; and housing and related technical services such as water, sewage, electricity, telephones, roads etc. Good statistics are normally a cheap commodity in comparison with economic mistakes in any of these sectors. Such mistakes are easily made when the statistical basis for estimates of cost is lacking or in error.

Available population statistics lack credibility because they are based on a population census from as far back as 1967. The population figures from this original count have been updated by adding yearly figures on births and immigration and subtracting yearly figures on deaths and emigration. In the absence of a full count of the population in a census, errors and uncertainties cumulate. To the resulting uncertainties on the numbers of the resident population, one must add the large uncertainties on the Palestinian population living in neighboring and other countries.

The central population register for the Gaza Strip and Jericho that has been maintained by the occupying power has been transferred to the Palestinian authorities to be used for public administration. It is recommended that a campaign to improve and update the existing population register is planned and carried out. The system of population statistics should be based on an improved central register of population, authorized by Palestinian law to be promulgated as separate legislation.

A fairly large demographic survey planned in cooperation with FAFO of Norway should be carried out as a stop gap measure to reduce uncertainties in existing population statistics for the resident population and to provide a large scale test of the existing population register. A full scale census of population and housing requires careful planning and should be conducted no later than 1997. This will be the first census of the Palestinian population ever taken by Palestinians!

8. Social statistics:

Authorities in each of the sectors of social concern need statistics to diagnose problems, guide action, estimate costs and evaluate outcomes. As in most countries, Palestinian social statistics should be based on a combination of administrative records from schools, hospitals and other social services complemented with data from censuses and specialized surveys. Official statistics should cover the following nine sectors of social concern:

- o Household income, expenditure and consumption.

- o Labor force and working conditions.
- o Education and access to schooling.
- o Health and access to medical care.
- o Family and conditions of vulnerable groups.
- o Housing and amenities.
- o Culture and recreation.
- o Victimization by accidents and crimes.
- o Election results and popular organizations.

Issues of distribution are relevant as aspects of the social concern with equality or discrimination. Social statistics are regularly published and presented with the four standard classifications by age, sex, social standing (indicated by occupation, education, or income) and geographic location. According to UN recommendations, all official statistics should be presented by sex to illuminate gender issues. These issues have gained ever larger attention in most countries today.

Besides access to administrative records, the Bureau needs to build a national survey capability in line with a long - standing United Nations recommendation. This capability should be built on the existing organization for the labor force survey that has been transferred from the Israeli Civil Administration to the Palestinian side. Its first priority should be to plan for a household expenditure and consumption survey to be conducted at the earliest possible moment. Such a survey is needed both in a social and an economic perspective.

9. Economic statistics:

The PBS has adopted the international System of National Accounts (SNA 93) as the guiding framework for developing Palestinian economic statistics. The National Accounts are designed to give a detailed but also a summary picture of a nation's economy as a basis for assessing the nation's economic situation, and whether trends indicate improvement or deterioration in the national economy. Main economic indicators such as GDP growth, inflation rate, unemployment rate, and balance of payments often must trigger dramatic action by a government that affects economic conditions of all households and businesses in the economy.

In building the system, the PBS can draw on detailed and constructive expert advice from the most competent international organizations. The PBS has decided to follow a "textbook" approach starting with an establishment census as the basis for a Palestinian business register. This will enable the PBS to conduct the series of sample surveys of the producing industries and the services that are needed for the compilation of national accounts. Agriculture and other more instrumental types of statistics on transport, energy, tourism and environment, that are also used for more specific policies, will be approached through a process of consultation with relevant ministries and agencies. Foreign trade statistics will be based on the current system of customs records with improvements of the statistics on trade with Israel.

Price statistics for the West Bank and Gaza will be improved with new weights based on the Palestinian Expenditure and Consumption Survey and revised calculation methods for the Consumer Price Index (CPI) following technical advice from the IMF.

10. Organizing the PCBS:

The PBS is presently assuming that its operations will have to be financed project by project by international donors, but that after some 3-5 years the financing must increasingly come from Palestinian tax funds. In approaching the donors, the PBS will try to integrate projects into two programs - one for economic statistics as the basis for Palestine National Accounts and one for population and social statistics, including the planned census of population and housing.

For several reasons, the PBS has decided to start operations by producing Current Status Reports in each area of statistics. The first two reports will be on demographic and economic statistics and will serve to analyze the present situation as far as available statistics allow. Such current status reports are now initiated on labor force, health, education and housing. The need for such reports is evident, but a further reason was the need for new personnel to familiarize themselves with the various fields and develop competence for own production.

In the initial phase, the organization must be very flexible to allow the pooling of resources to handle the projects now planned. All projects must in the initial phase include training, and training must be a large component in all technical assistance. The PBS will try to utilize to the full the advantage of starting from scratch by adopting the modern technologies for statistics production. If modern hardware and software can be used, it is estimated that a fairly comprehensive program of official statistics can be operated by a staff of about 200 employees and 75 field workers some years hence.