



**Inter-American Statistical Institute (IASI)**

**Comments to the**

**Draft *Guidelines on Integrated Economic Statistics*  
Presented by the United Nations Statistic Division**

Prepared by  
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I applaud the initiative of submitting the issue of integrated statistics for discussion by the participants at the 42 th session of the Statistical Commission. I am probably one of the few surviving participants of the 7th session - some 50 years ago - and still have a vivid memory of what delegates had to say on the subject as they deplored the fact that in their respective countries the institutional obstacles on the path leading towards integrated statistics made that objective a distant and possibly unreachable ideal.

Before getting into matters of substance and no more than as a general recommendation, it is not wise to submit a document for general discussion without first subjecting it to a thorough editorial review. In the absence of such a review the credibility of the document's substance is seriously impaired and that should not be the case at this stage of the process. I believe that the 154 pages of the document could be turned into some 50 without any loss of substance but with very significant reduction of the reader's time and above all irritation. In fact I submit for the consideration of the Commission that the document be shelved until such time as a better reasoned, better targeted and above all more succinct version can be placed in front of its members.

It is not clear from the document whether there is an intended audience beyond the participants in the Commission's meeting. I must presume there is. An ambitious integration programme is expensive and would not be affordable out of an office's regular budget. Ministers have to be

convinced and so do Treasuries even if in last analysis the intervention of international or inter-regional development organizations will be required. However, the document in its current form is hardly a suitable platform from which to argue the case for integration. That constitutes the essence of my critical comments.

If this initiative is to succeed, the paper must appeal to the imagination of national authorities who hold the purse strings and to Chief Statisticians who must decide where in the order of priorities they are to place the integration of economic data. The situation that prevails in advanced statistical offices does not constitute a model particularly as the community of users and producers of data is convinced of the strategic importance of the need. Moreover the chances are that those in charge of setting long term policy are likely to have the necessary budgetary flexibility to finance slow perhaps but steady integration.

But let us place ourselves in the situation of a head of statistics in any one of 150 or so national offices who are still working on the creation of solid foundations, are trying hard to develop the proper institutions required to improve effectiveness in the production of official statistics, may not yet have the right legal basis to proceed, have never had an opportunity to influence the make up and the access to administrative registers without which integration is so much more difficult, and in any case are trying to face up to a heavy agenda mostly created by the deliberations of this Commission.

Thus the foreseeable challenges for the average Chief Statistician over the next 5 years may look like this:

1. Introduce ISIC 4 across the board, an operation for which there may not be any in-house experience.
2. Prepare singly or with the help of the Central Bank for the introduction of SNA 08.
3. Agree with the Revenue department on some stable and reasonable way of accessing tax files without which a business register (essential for the integration of economic statistics) cannot be maintained.
4. Review the Statistics Act so that statistical activities within government can be better regulated and so that respondents become persuaded that their time is respected; that requests from them are not frivolous; and that the Government is working hard to avoid unnecessary duplication in its efforts to collect important information from the business sector.
5. Create a National Statistical Council with legitimacy, prestige and above all access to his Minister so as to minimize unwarranted political interference with the statistical process; to increase the chances of continuity in the framing of statistical policies; and to get the best possible advice available nationally whenever an important change of direction must be considered.

If the above is roughly the case, the document before us does not help national authorities to deal with an additional important but very costly and very complex initiative.

Let me be more specific. In my own experience, heavily loaded by what I have seen in a handful of South American and African countries, the typical Chief Statistician finds his stiffest

challenges in dealing with statistics on the national labour market, the measurement of inflation and on keeping the good ship SNA afloat - at a very basic level.

The following will continue to be major challenges for the next five years:

1. Maintain the labour market questionnaire aligned with ILO recommendations without sacrificing national specificities to which users in his own country have become accustomed.
2. Find financing for the next survey of household income and expenditure without withdrawing from the world wide exercise required for the calculation of purchasing power parities.
3. Find a way of cooperating with the Central Bank on matters relating to the compilation of the National Accounts so that the division of labour between the two institutions gets less rather than more troublesome.

This is the context in which a national Chief Statistician must digest and set priorities for the initiative on integrated economic data. Naturally the key questions he would wish the paper to help him answer are:

1. What is the ideal timing or better still, is there such a thing as an ideal timing to introduce integrated economic data and if so, what are the factors that make it possible to determine it?
2. How much will it cost or better still can the initiative be divided into logical stages and if so how would one go about determining their cost?
3. If faced by a situation in which the Chief Statistician either reduces the scope of a survey (e.g. household income and expenditure) or else fails in his moves to improve on the integration front, what should he do? What is the trade-off between coverage and integration?
4. Are a few timid steps in the direction of integration worthwhile?
5. Should he apply for financial support from international or regional development agencies and are these agencies in a position to offer thoughtful advice on a matter as complex as integration particularly when it involves many institutions scattered across government?
6. In a decentralized statistical system, what should the Chief Statistician do about the staff in other parts of government.

I have a few parting comments about the annexes which include experiences supposed to be relevant and drawn from agencies with sophisticated statistical systems. I find it reasonable to include a description of such experiences and its value could be measured in how they might influence a Minister, a Planning or a Budgetary Commission to give serious consideration to the initiative implied by this paper. Instead, though I find the annexes close to incomprehensible. I neither see what was achieved, how difficult it was, how it made the life of users more tolerable, how many new substantive insights it yielded, and how much did it cost as a percentage of ongoing expenditures. I wonder what the average head of a statistical office made of them because they are so far removed from their own national contexts and in any case of very dubious utility to persuade anyone not too close to inner workings of official statistics of why integration is worth the pain.

So this is what I propose:

1. While reading the paper is no doubt enlightening particularly for those heads of statistical

offices who have never read in a single account what integrated statistics are all about, once that objective is achieved the paper can be safely withdrawn.

2. A new paper should be prepared, bearing in mind that its length and scope should be considerably more modest. In fact it should separate very clearly "what are integrated statistics" from "how do I get to integrated statistics from the position in which I find myself now". It should also contain in layman's language something about what you can do with integrated statistics that you could not do in their absence. (In this respect, the inset about the Great Depression fails completely as in addition to committing a number of unfortunate factual mistakes it leaves the reader wondering whether the Great Depression could have been avoided if only there were integrated economic statistics around the corner.

3. The new paper should address the following points - succinctly and clearly:

a. What are the legal and institutional barriers to data integration in a decentralized or partly decentralized system?

b. What is the minimum integration that is worthwhile in the medium term and how does one know it has been attained?

c. What are indicative costs in order to attain such an objective?

d. Once a proper project has been specified and its various stages determined, how much external help can be expected?

e. What is sensible timing for a drive towards integration given the other big international initiatives that are underway?

f. What collaborative schemes at regional level can be suggested to help a statistical office that does not feel up to embark on the task on its own?

To paraphrase Kipling : "...if you can attain this much yours is the earth and everything in it..."



DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS  
STATISTICS DIVISION  
UNITED NATIONS

**Global Consultation  
Draft Guidelines on  
Integrated Economic  
Statistics**

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## Comment Form

### *Draft Guidelines on Integrated Economic Statistics*

Send responses to: [sna@un.org](mailto:sna@un.org)  
Deadline: 10 January 2011

Your name:	Evelio O. Fabbroni
Your country/organization:	Inter-American Statistical Institute (IASI)
	fabpan@cwpanama.net

To submit responses please save the completed form and send it as an attachment to the following e-mail address: [sna@un.org](mailto:sna@un.org) by Monday, 10 January 2011. You are encouraged to submit a short response to the questions (yes/no/no comment) even if you have no further comments to offer in the comment boxes. Please focus your comments on substantive issues since a final edit of the Guidelines will be conducted after the February 2011 Statistical Commission meeting.

#### **Relevant documents**

The draft publication is available on the global consultation website:  
<http://unstats.un.org/unsd/nationalaccount/ies/>

#### **Questions**

1. Do you agree that the *Guidelines* covers well the practical aspects and experiences of the integration of economic statistics?

**Yes** \_\_\_\_\_ **No** \_\_\_\_\_ **No comment** \_\_\_\_\_

#### *Comment:*

See attached document.

2. Do you consider that the *Guidelines* takes due note of the difficulties faced by countries in the integrated collection, compilation and dissemination of economic statistics?

**Yes** \_\_\_\_\_ **No** \_\_\_\_\_ **No comment** \_\_\_\_\_

*Comment:*

See attached document.

3. Were there any aspects of integration which you feel have not been sufficiently well-covered?

**Yes** \_\_\_\_\_ **No** \_\_\_\_\_ **No comment** \_\_\_\_\_

*Comment:*

See attached document.

4. Do you find the case studies useful and practical?

**Yes** \_\_\_\_\_ **No** \_\_\_\_\_ **No comment** \_\_\_\_\_

*Comment:*

See attached document.

5. Would you like to make or seek any specific elaborations in Chapter 1 to Chapter 7 or in the Annexes?

**Yes** \_\_\_\_\_ **No** \_\_\_\_\_ **No comment** \_\_\_\_\_

*Comment:*

Chapter 1: See attached document.

Chapter 2: See attached document.

Chapter 3: See attached document.

Chapter 4: See attached document.

Chapter 5: See attached document.

Chapter 6: See attached document.

Chapter 7: See attached document.

Annexes: See attached document.