

UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



Distr.  
GENERAL

E/CN.3/SR.239  
6 March 1967

ENGLISH  
Original: FRENCH

STATISTICAL COMMISSION

Fourteenth Session

SUMMARY RECORD OF THE TWO HUNDRED AND THIRTY-NINTH MEETING

held at the Palais des Nations, Geneva,  
on Monday, 10 October 1966, at 11 a.m.

<u>Acting Chairman:</u>	Mr. BJERVE (Norway)
<u>Chairman:</u>	Mr. BJERVE (Norway)
<u>Rapporteur:</u>	Mr. ARCHER (Australia)
<u>Secretary:</u>	Miss GROSSMAN

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The complete list of governmental representatives and of representatives of specialized agencies, of other inter-governmental organizations and of non-governmental organizations attending the session will be found in Official Records of the Economic and Social Council, Forty-second Session, Supplement No.3.

#### OPENING OF THE SESSION

The ACTING CHAIRMAN declared the fourteenth session of the Statistical Commission open.

#### ELECTION OF OFFICERS (item 1 of the provisional agenda)

The ACTING CHAIRMAN invited nominations for the offices of Chairman, Vice-Chairman and Rapporteur.

Mr. BOWMAN (United States of America) said the officers who had served the Commission at the thirteenth session, namely, Mr. Bjerve (Norway) as Chairman, Mr. Markin (Ukrainian Soviet Socialist Republic) as Vice-Chairman and Mr. Archer (Australia) as Rapporteur had performed excellent service. He proposed that Mr. Bjerve and Mr. Archer be re-elected and that Mr. Burlin of the Ukrainian Soviet Socialist Republic be elected as Vice-Chairman to replace Mr. Markin.

Mr. MALISHEV (Union of Soviet Socialist Republics) seconded that proposal.

Mr. Bjerve (Norway), Mr. Burlin (Ukrainian Soviet Socialist Republic) and Mr. Archer (Australia) were elected Chairman, Vice-Chairman and Rapporteur respectively.  
MESSAGE FROM THE UNDER-SECRETARY FOR ECONOMIC AND SOCIAL AFFAIRS

Mr. LOFTUS (Secretariat) read out a message to the fourteenth session of the Commission from Mr. de Seynes, Under-Secretary for Economic and Social Affairs, in which he welcomed the members of the Commission and reminded them that, in accordance with a decision taken by the Economic and Social Council at its summer session, the membership of the Commission was to be increased to twenty-four as from 1967.

At its thirteenth session, the Commission had recommended that its fourteenth session should be devoted to several urgent subjects, namely systems of national accounts, population and housing censuses to be taken in about 1970, and the co-ordination of the international statistical programme.

With regard to national accounts and balances, the documents before the Commission showed the progress which had been made in reviewing the two systems of national accounting since the thirteenth session. Full definitions and classifications had been incorporated in the proposals for revising and extending the United Nations System of National Accounts (SNA), and an adaptation of the proposed system to the

requirements and circumstances of the developing countries had been formulated. An improved version of the Material Products System (MPS) was now available.

The revised SNA had been considered at meetings in the various regions and the proposals submitted in June 1966 (E/CN.3/345) took account of those consultations and also of the studies on various questions carried out during the past eighteen months. The proposed changes and improvements should enhance the value of the new SNA for economic and social analysis and for the co-ordination and compilation of statistics, both nationally and internationally.

At its second session, the Expert Group on the Review of National Accounts and Balances had examined the proposals made in June 1966 and in its report (E/CN.3/346) and had suggested further improvements. It had also discussed balance sheets and income-distribution statistics, had indicated the type of national and sector balance-sheets statistics wanted, and had approved the incorporation of those statistics in the new SNA as an integral part of the system. Finally, it had outlined a system of income-distribution statistics, and the Secretariat was submitting a report on income-distribution statistics (E/CN.3/348), which examined the suggestions of the Expert Group and the implications of their proposals.

Recent national and international developments had shown the desirability of formulating guidelines for a coherent body of income-distribution statistics to complement systems of national accounts. There was a growing demand for such data for formulating incomes policies, assessing the effects of economic growth and social development on the distribution of welfare or identifying the disadvantaged segments of the population and devising ways and means of increasing their share in the national income.

The Commission was being asked to consider, at its fourteenth session, the revised draft recommendations for the 1970 population and housing censuses. Since the Commission had examined the first draft, a great effort had been made on a regional and a world-wide scale so that the regional recommendations for Africa, Asia and the Americas were substantially complete, subject to any consequential changes called for by the contents of the final world-wide recommendations. The recommendations for the countries of Europe had been virtually completed in respect of the topics to be included and several standard classifications and tabulations had been provisionally approved. It was hoped therefore that the work of the session would make it possible for the world-wide United Nations recommendations to be issued within the next few months.

The first revisions had been based on the comments of the Population Commission, the Statistical services of Member States, the regional economic commissions and other regional bodies, and the interested specialized agencies. Those revisions had been subjected to the scrutiny of an expert group which had included a representative from each region. The draft recommendations contained in documents E/CN.3/342 and 343 were therefore a synthesis of the Secretariat's work and of the advice received by the Secretary-General from competent persons in all parts of the world. They should therefore reflect a balanced appraisal of regional needs and provide guidance for countries with little census experience, and at the same time bring to the attention of the more developed countries some points which they might have hitherto overlooked.

Pursuant to a request by the Commission, at its thirteenth session, the Secretary-General had had informal consultations with the main bodies concerned with international statistics and, in accordance with the recommendations of the ACC, an inter-agency meeting had been held in Geneva to study the question of co-ordinating an international statistical programme. The report drawn up following that meeting contained proposals for changes in the integrated five-year programme of international statistics (E/CN.3/351 and Corr.1) and the agencies participating had indicated that they would willingly give consideration to comments formulated by the Commission on the programmes and areas of work warranting consideration. The meeting also decided to recommend the establishment of a co-ordinating committee on statistical activities within the machinery of the ACC, thus eliminating duplication and easing the burdens imposed on national statistical offices.

Since 15 November 1965, two computers, an IBM 7044 and an IBM 1401, had been operating at United Nations Headquarters in New York. Although increasing use of those computers by governments, international organizations and commercial firms enabled the International Computing Centre to be financially self-supporting, it was proving difficult to recruit trained programmers capable of handling trade statistics.

With regard to international trade statistics, he attached great importance to the classification by broad economic categories using the items of the Standard International Trade Classification (SITC),<sup>1/</sup> which had been prepared by the Statistical Office of the United Nations. In view of the urgent need for such a classification, he hoped that the Commission would be able to complete its consideration of it at the present session.

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<sup>1/</sup> United Nations publication, Sales No.: 61. XVII.6.



On the methodological side, projects in hand included the revision of the International Standard Industrial Classification of all economic activities<sup>1/</sup> and the development of international recommendations for annual and more frequent industrial enquiries. The study entitled The Growth of World Industry, 1938 - 1961,<sup>2/</sup> which was being brought up to date was now nearly finished, as were the additional tables relating to over two hundred industrial commodities in twenty-six countries which were to be included in the revised version. The Secretariat had also begun work on the estimation of a new weighting system, taking 1963 as the base year, for the calculation of current indices of industrial production and employment.

The CHAIRMAN, on behalf of the Commission, thanked the Under-Secretary for Economic and Social Affairs for his message which contained so much valuable information. ADOPTION OF THE AGENDA (item 2 of the provisional agenda) (E/CN.3/340)

Miss GROSSMAN (Secretary of the Commission) said that the Russian-language versions of certain documents were not yet available, but would be very shortly. All the session documents were now available in English, French and Spanish.

Sir Harry CAMPION (United Kingdom) proposed that the question of classification by broad economic categories be taken up earlier in the session than under item 7, "Other business".

It was so agreed.

Mr. LACROIX (International Labour Organisation) said he hoped the Commission would consider item 5 of the provisional agenda before items 3 and 4, as he would not be able to attend the whole of the session. Item 5 was of especial interest to the ILO.

The CHAIRMAN said that the Commission would take account of the ILO representative's request.

The provisional agenda, as amended, was adopted.

#### ORGANIZATION OF WORK

Mr. LOFTUS (Secretariat) said he thought the Commission could start to consider agenda item 3 at its next meeting. The document relating to item 3(a) (E/CN.3/350) had been distributed in all languages. That for item 3(b) (E/CN.3/351) had not yet been issued in Russian but, as it was merely a list of projects, he hoped that Russian-speaking representatives would not object to the Commission's considering the item. The documents for items 3(c) and 3(d) were available in all languages.

To take account of the United Kingdom representative's proposal, the Commission could next study the question of classification by broad economic categories (agenda item 5(e); that was the subject of document E/CN.3/341 and Corr.1, which had already been translated and distributed in all languages.

The Commission could probably begin to consider item 4 on Wednesday, 12 October, and devote about three days to it before going on to former agenda item 5.

The meeting rose at 12 noon

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1/ United Nations publication, Sales No: 58.XVII.7.

2/ United Nations publications, Sales Nos.: 63.XVIII.5 and 64.XVII.8.



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STATISTICAL COMMISSION

Fourteenth Session

SUMMARY RECORD OF THE TWO HUNDRED AND FORTIETH MEETING

held at the Palais des Nations, Geneva,  
on Monday, 10 October 1966, at 2.30 p.m.

Chairman: Mr. BJERVE (Norway)  
Rapporteur: Mr. ARCHER (Australia)  
Secretary: Miss GROSSMAN

CONTENTS:

Integrated work programme of international statistics, including  
areas and problems of co-ordination (agenda item 3)

- (a) Report of the July 1966 inter-agency statistical  
co-ordination meeting.

The complete list of governmental representatives and of representatives of  
specialized agencies, of other inter-governmental organizations and of  
non-governmental organizations attending the session will be found in Official  
Records of the Economic and Social Council, Forty-second Session, Supplement No.3.

INTEGRATED WORK PROGRAMME OF INTERNATIONAL STATISTICS, INCLUDING AREAS AND PROBLEMS OF CO-ORDINATION (agenda item 3):

(a) REPORT OF THE JULY 1966 INTER-AGENCY STATISTICAL CO-ORDINATION MEETING (E/CN.3/350)

The CHAIRMAN, after drawing attention to the report of the inter-agency meeting on statistical activities (E/CN.3/350), which dealt with administrative aspects of the co-ordination of international statistical work, suggested that the main theme for discussion at the present session should be how co-ordination of international statistical activities could be achieved.

Mr. LOFTUS (Secretariat) said that the inter-agency meeting had been held to meet a wish expressed by the Commission and by the specialized agencies. The meeting had discussed how the international statistical programme could be portrayed under sub-headings, and had evolved a formula for so doing. Its main conclusion had been that a co-ordinating committee on statistical activities should be established, and the reasons for that conclusion were set out in paragraph 5 of the report. The meeting had also discussed a number of problems which were not mentioned in the report because they had been of a technical rather than an administrative nature. The problem referred to in paragraph 7 of the report had been settled satisfactorily and (UNESCO) had decided not to publish the manual in question. The representative of the ECE would, he hoped, inform the Commission of the views of the Conference of European Statisticians on the problems referred to in paragraph 10.

Mr. BOWMAN (United States of America) said that, although considerable progress had been achieved in the field of inter-agency co-ordination since the Commission's last session, there was still room for further improvement. The question was not a new one for the Commission, since amongst the recommendations it had made at its first session in 1946 was one that the Commission should be charged with the task of assisting the Council in the co-ordination of the statistical work of the specialized agencies. The first three paragraphs of chapter I of the Commission's first report to the Council were worth recalling in that connexion,

since they demonstrated that it had always been envisaged that the Commission should devote a good deal of attention to the co-ordination of the statistical activities of United Nations bodies.

He welcomed the recommendation in the report that a co-ordinating committee on statistical activities be established. He would suggest that at the outset it should meet annually and that ways should be found of keeping the Commission informed of its activities.

A suggestion had been made to the Council by Sweden on 13 July 1966 to the effect that a procedure might be worked out whereby the specialized agencies would submit to the Commission, prior to publication, any world statistical standards they wished to promulgate. While the matter required more detailed study, the idea was a good one and the Commission should discuss it.

Mr. MAHALANOBIS (India) said he welcomed the report of the inter-agency meeting, which showed that a real effort had been made to develop effective co-ordination. The elaboration of world standards was a matter of urgency, particularly for the under-developed regions of the world. Definitions and standards should not be too rigid, but should be adaptable to the needs of each country.

When, in 1946, the Commission had made the recommendations referred to by the United States representative, it had hoped to see the concept of the development of world statistics by the United Nations materialize. It was obvious that different aspects of some problems were dealt with by different agencies and that it was impossible to separate all the aspects of a problem and say that one particular problem fell within the sole jurisdiction of one particular agency. The problem of levels of living, for example, about which the Council had expressed concern, was being studied from different aspects in various agencies. The Statistical Commission was the only body that could play a really effective co-ordinating role in that respect.

He supported the United States representative's suggestion that the proposed co-ordinating committee on statistical activities should meet annually and hoped that the Commission would be kept informed of its activities.

Mr. MALISHEV (Union of Soviet Socialist Republics) said that the references to the recommendation made by the Commission at its first session were a timely reminder that the problem of co-ordinating statistics, particularly world statistics,

was one of the Commission's main concerns. The establishment of a co-ordinating committee on statistical activities was absolutely essential.

With regard to the problem of co-ordination of international statistical activities in Europe, the report indicated that the chief problem was the co-ordination of the work of organizations outside the United Nations family. While a division of labour was desirable, the Conference of European Statisticians could make a useful contribution by co-ordinating the work of organizations within the United Nations family as well as of those outside the United Nations family so that the experience of all bodies could be utilized. For example, European bodies could help the United Nations Research Institute for Social Development in its study of measurement of levels of living. At its last session the Conference of European Statisticians had had before it a preliminary report on consumption in Poland and Austria, and at its next session would have a more detailed report on the same subject. Information submitted to the Council for Mutual Economic Assistance (CMEA) on the subject of co-ordination of statistics was of wide interest and might be utilized by United Nations bodies.

The USSR was interested in co-ordination in the application of computer methods in the field of international statistics. The report mentioned possibilities of economies in the drawing up of programmes for the processing of the agricultural and population censuses to be taken about 1970. The census would be carried out earlier than that in the USSR and his Government would be grateful if a report on those possibilities could be prepared earlier too. If for practical reasons, it proved impossible to make final recommendations, his Government would welcome even preliminary recommendations.

Mrs. MÓD (Hungary) said that the integrated statistical programme of the organizations of the United Nations family covered a wide field, but several of the individual programmes being carried out ran parallel and there was a considerable amount of duplication. Many instances of the need for co-ordination had come to light at the meeting of the Conference of European Statisticians held the previous week. She strongly supported the Swedish suggestion, referred to by the United States representative. In practice, however, it would not be easy for the Commission to review all the statistics prepared by the specialized agencies and it might be better to select for review from certain aspects some special fields, which were of particular interest to the Commission. For example, the ILO's labour statistics

could be better co-ordinated with national income statistics and its consumer price indices could be studied in general and in relation to national income. A special study might also be made in connexion with the population census; UNESCO's education statistics should, for example, be related to that census. Then again, the final version of the ILO's standard classification of occupations (ISCO) should be related to many other types of statistics so that social and economic conditions could be properly established. Those were only a few examples of priority areas for co-ordination.

Sir Harry CAMPION (United Kingdom) said he hoped that further reports similar to the present one would be provided for the Commission whenever possible. He assumed that the ACC would report on the question of inter-agency co-ordination to the Council, and if the Commission could be informed of the type of recommendation ACC intended to make on the subject, it would help it to decide what to include in its own report to the Council.

He welcomed the proposal to re-establish the co-ordinating committee on statistical activities. The committee should meet regularly and its activity should be in the nature of a continuous operation. The proposal that participation in future inter-agency meetings should be widened was also welcome, as was the proposal that the five-year programme should be revised and kept up to date. He hoped that the Commission would have an opportunity of seeing the revised version of the five-year programme when it was ready. During the present session, he would like to see the question of the co-ordination of work within the specialized agencies themselves more effectively discussed. He would also like to see the inter-agency committee deal more actively with standards of publication procedures. The creation of the Committee would make more demands on the staff of the Statistical Office.

Difficulties between the agencies over jurisdiction were not so serious that they could not be overcome. When any specialized agency issued world standards, they were called international standards and not standards of the particular agency. It was wise to avoid particularization in that way. As standards were not always used for the particular purpose for which they had been designed, there was a strong case for having them approved by specialized statisticians, by statistical offices and by the Statistical Commission. How far it was possible to go in that direction was a matter of good sense.

Miss QUESADA (Panama) said she welcomed the statement in paragraph 2 of the report that the Inter-American Statistical Institute (IASI) had been invited to participate in the meeting of ACC. The IASI was promoting the development of statistical work on the American continent, and the invitation fulfilled recommendations made at the Fourth Inter-American Statistical Conference held in Washington in 1962. She supported the recommendation in paragraph 6 for the establishment of a co-ordinating committee on statistical activities and hoped IASI would be invited to attend its meetings. The co-ordinating committee should meet at least once every two years, and at the present stage it would be better for it to meet annually. She also supported the suggestion in the last sentence of paragraph 8 concerning the review of the five-year programme of statistical activities.

Mr. GRUSON (France) said he was not clear as to the functions of the proposed co-ordinating committee on statistical activities, which would be a subsidiary of the ACC. While, as a statistician, he realised the need for and the difficulty of co-ordination, he felt that administrative co-ordination alone might not be very effective.

There were two aspects of the co-ordination of statistics, which were complementary. The first was the co-ordination of statistics used for economic information, and not solely the publication of statistics in yearbooks. That was not easy, but it would not require undue technical effort. There were a great many international organizations carrying out planning and forecasting work which could form the basis for more general statistical information - for example UNESCO's work on the programming of education and FAO's work on forecasting world food and production needs. The first step in the co-ordination of statistics should be to review the various projects being undertaken to see whether they were complementary or whether any could be combined. The second aspect was the co-ordination of statistics in the narrow sense of the term, at the planning stage, when the statistical requirements had been estimated. At that point it would be the task of the statistician to see that programmes incorporated all requirements and to draw up standards to prevent duplication.

Those two aspects were inseparable. Often a policy could not be carried out because the necessary statistical data had not yet been collected. Co-operation between the statisticians and the people concerned with preparing programmes was essential. The co-ordination of statistics involved the use of very complicated



methods. The proposed co-ordinating committee was essential on the administrative side, but it was the Statistical Commission which should be concerned in the technical work which should precede any administrative decision, because it gathered together the people responsible for statistical co-ordination in their own countries.

The idea of statistical co-ordination needed much deeper consideration by the Commission, beyond the scope of pure statistics, and embracing the need for economic information in its widest sense, and more particularly the planning and forecasting work which the international organizations would increasingly be called upon to perform in the years to come.

Mr. GOTO (Japan) said he supported the proposal to set up a co-ordinating committee; he thought, however, that it should meet more frequently than had been suggested and that its function should be not only to co-ordinate existing programmes but also to expand the co-ordination of preparatory work on projects.

Co-ordination of the statistics of the international agencies might be made more effective if, first, projects prepared by one organization but affecting other organizations were notified well in advance to the other organizations concerned; secondly, statistics and experience were exchanged between organizations; and thirdly, the information thus obtained were widely circulated in the different countries if that was considered useful. Governments, too, should take the necessary steps in advance to ensure effective co-ordination with the activities of the international organizations. It was important, therefore, to have a suitable body to review the statistical projects of the international organizations and their regional offices, keep them up to date, and circulate the relevant information to governments at least once a year.

Mr. LACROIX (International Labour Organisation) said that anyone listening to the discussion might get the impression that international organizations worked in an entirely unco-ordinated fashion. In fact, however, much of their activity was devoted to efforts at co-ordinating their work, and most statistical meetings were attended by representatives of all the international organizations concerned.

There were three types of co-ordination. The first was technical co-ordination, which ensured that no international organization adopted a standard affecting only its own interests, instead of those of all the international organizations and all statisticians generally. In the ILO, at any rate, every effort was made to ensure

that planned technical documents were sent in advance to the statistical departments concerned and to the central statistical offices. He knew of no case of an international standard having been adopted by the International Conferences on Labour Statistics which ran counter to international standards adopted by other organizations; in the ILO, before any report was prepared every effort was made to ensure that existing standards were taken into account, and the International Conference on Labour Statistics always had before it the reports of other international organizations, of the United Nations Statistical Office and of the Conference of European Statisticians.

The second type was administrative co-ordination. Requests for statistics were received by international organizations with different administrative systems. For example, the United Nations Statistical Office was responsible to the Statistical Commission, whereas the ILO statistical service was responsible to the Governing Body. In recent years the amount of work called for had far exceeded the capacity of the service to provide it, so that some selection was necessary. Co-ordination through the proposed committee would be a good method of ensuring that the selection was made in a way that would prevent duplication of work by two organizations.

The third type, legal co-ordination, was extremely difficult. For example, the International Conference on Labour Statistics, which was to meet the following week, was responsible to the Governing Body of the ILO, which drew up its agenda and approved its recommendations. The Secretariat was not in a position to suggest that the Governing Body should ask the United Nations to approve the agenda. Each organization had to follow the instructions of its own governing body and that meant that co-ordination must be established at government level.

The proposed co-ordinating committee would help in the co-ordination of both decisions on the work to be done and the actual carrying out of the work. He hoped it would improve co-ordination, although, personally, he did not believe that co-ordination was as unsatisfactory as the discussion had suggested.

Mr. ASKAR (United Arab Republic) said he endorsed the ILO representative's remarks on the subject of co-ordination of the work of the specialized agencies. The co-ordination of data collection, particularly in such spheres as population and

external trade, would be very useful. He hoped that attention would also be given to the co-ordination of national statistical programmes, of which there appeared to be no mention in the report.

Mr. LOFTUS (Secretariat) said that the representative of France had raised some fundamental points, in particular, the question of the different spheres of competence of the ACC and the Statistical Commission. He had referred to two types of problem, the administrative and the statistical or conceptual and methodological. The administrative problem was much more important than he had suggested, as was demonstrated by the case of a representative at the Conference of European Statisticians who had been unable to understand why representatives of specialized agencies asked him for international trade data which were available at the United Nations International Trade Centre in New York and thus, he presumed, to all the agencies. That was the kind of a problem which obviously affected the field of data collection, and which had to be handled administratively through the ACC.

As the representative of France had pointed out, the most difficult conceptual and methodological problems were the purely statistical ones, because they could not be settled by the administrative heads of the agencies. Some machinery must be devised for settling such problems. Every agency, in carrying out its own work, ranged over a wider field than its own particular sphere of competence. But information on the other spheres should be provided by the agencies concerned. Standards on particular subjects were gradually becoming of interest to all the agencies, and the Statistical Commission should review all standards to ensure that they fitted into the wider universal pattern.

Mr. MAHALANOBIS (India) said that there were three types of standard. The first was the world international standard, which came within the competence of the proposed co-ordinating committee. The kind of problem that might have to be solved was the relationship between population and agricultural censuses, referred to in paragraphs 13, 14 and 15 of the report. The second was the specialized standard required for the purposes of a particular agency, though some of the standards of that type might gradually acquire a more universal application. The third was the highly specialized standard which did not involve the United Nations and the specialized agencies at all, such as standards using the terminology of agriculture, telecommunications or civil aviation. That category need not be

the concern of the co-ordinating committee, since it was unlikely to be needed for more general purposes for a long time to come. The Commission might find it helpful to consider the problem in its universal aspects.

Mr. GRUSON (France), replying to the remarks of the ILO representative, said that the fact that statisticians were attending the present meeting was evidence of their concern over questions of co-ordination. The real problem was co-ordination in the preparatory stages, when projects were being planned and decisions taken on the kind of statistics that would be needed. Very often, statistical co-ordination was established too late for it to be of any use. To be effective, co-ordination must be established not merely on the statistical level, but at the level of economic information, in the preparation of the comprehensive programmes that the international organizations would be called on increasingly to execute.

Mr. BOWMAN (United States of America) said that there appeared to be a large measure of agreement on the usefulness of the co-ordinating committee, though not in some of the spheres of co-ordination referred to. In his opinion, more attention should be given to the co-ordination of those parts of the statistical programmes where there was a danger of overlapping, but without impinging on the independence of the specialized agencies. It should be borne in mind, too, that the criteria for items where co-ordination was required or otherwise tended to change with the passage of time. Standardization was important, for example, in such matters as population censuses, national accounting systems and the classification of occupations. He agreed that in some cases it would be difficult to define precisely the spheres of activity of the various specialized agencies, but it should be possible to smooth out any difficulties through the Statistical Commission.

Mr. DUFFETT (Canada) said that, in principle, he endorsed the proposals made in the report of the inter-agency meeting but it remained to be seen to what extent and how rapidly they could be put into effect. Of course the United Nations had long experience of how to achieve co-ordination and they must rely on the good sense of all concerned. But certain questions had to be considered.

First, if a co-ordinating committee on statistical activities were set up, should it communicate information to the Statistical Commission on the development of new statistical standards in detail or in general terms? Secondly, should the

information be communicated to the Commission as a whole or to an advisory group? Thirdly, should the information be communicated every two years or more frequently? Two years might be considered by certain specialized agencies as involving too slow a process, but it must be remembered that some standards were of great importance and could not be developed quickly.

The Swedish proposal to refer new statistical standards to the Commission for review raised problems of timing and might overburden the Statistical Office, whose duties were already onerous.

The CHAIRMAN said he noted that there seemed to be general support for the establishment of a co-ordinating committee primarily for the purpose of the administrative co-ordination of statistical activities within the United Nations family, to meet every year and report to the Commission. Some members were of the opinion that a greater degree of co-ordination in methodological matters was also desirable. As an exponent of that view, perhaps the United States representative would be prepared to formulate a draft resolution on item 3(a).

Mr. BOWMAN (United States of America) said that he would prepare, in collaboration with the Rapporteur, a draft resolution for consideration by the Commission.

Mr. NARAIN (Food and Agriculture Organization of the United Nations) said that it was not easy to lay down hard and fast rules for the co-ordination of statistical activities. The purpose of the proposed committee was to strengthen both administrative and technical co-ordination at the secretariat level. Once the committee had been set up and had got to work, it would be easier to achieve much of the co-ordination on methodological matters desired by the Commission, and to see what further steps, if any, were called for in that direction.

Mr. DAVIES (Economic Commission for Europe) said that the co-ordination of statistical activities in the European region was complicated by the fact that, in addition to United Nations bodies engaged in collecting statistics, there were others which issued statistical publications, convened meetings on statistical matters and drew up statistical standards, such as standard classifications. In 1965, a consultation had taken place between the officers of the Conference of European Statisticians and the representatives of European statistical organizations. The representatives of certain countries that attended the Conference had also taken part, as well as representatives of United Nations bodies. It had been found that co-ordination was particularly needed in certain subjects, namely, national accounts, foreign trade, population, agriculture and industry and current economic indicators.

The Conference of European Statisticians, at its fourteenth session held the previous week, had in principle agreed to follow the recommendation of the inter-agency meeting that it should hold a series of consultations on those subjects so as to eliminate duplication of work. The first, on foreign trade statistics, was to be held in 1967, immediately before the Conference itself met, and it was hoped that the European organizations concerned would again take part. The Conference had suggested that the new co-ordinating Committee should draw up a list of international statistical standards and keep a file of questionnaires issued by international organizations.

Sir Harry CAMPION (United Kingdom) said that the purport of the second sentence in paragraph 11 of the report was not clear. It seemed to be that the inter-agency meeting was not in favour of the proposals of the Conference of European Statisticians.

Mr. LOFTUS (Secretariat) said that the meaning of paragraph 11 was that the inter-agency meeting on statistical activities would, when it next met, examine the recommendation by the Conference of European Statisticians that a list be drawn up of current international statistical standards, that the fields of competence of the different organizations on statistical matters be clarified and that a central file of statistical questionnaires be established. The implication of the second sentence was that such action would not go far towards resolving co-ordination problems as far as European statistics were concerned.

Mr. ZHELEV (Observer for the Council for Mutual Economic Assistance), speaking at the invitation of the Chairman, said that the Council for Mutual Economic Assistance CMEA gave a lot of attention to methodological problems in order to improve comparability between the statistics of member countries. Recently its Permanent Commission on Statistics had studied statistical indicators of the national economic balances, and it was now elaborating basic principles of methodology and indicators and inter-branch balances as well as a system of the main indicators and the statistical methodology of fixed assets. More details of the Council's work would be found in the paper which had been circulated to the Commission. Despite the difficulty of co-ordinating statistical work on the international plane, it was highly desirable that it should be done.

Mr. LUNENBERG (International Statistical Institute), speaking at the invitation of the Chairman, said that the International Statistical Institute was particularly interested in the training of statisticians, and would appreciate being invited to attend meetings of the proposed co-ordinating committee if it were set up.

Miss CASIS (Inter-American Statistical Institute), speaking at the invitation of the Chairman, said that the Institute, just because it did not belong to the United Nations family, appreciated the importance of co-ordination. The Institute had received with satisfaction an invitation to attend the meeting in July on co-ordination, at which it had submitted a special document on the programme of work. She believed that that document had been circulated to all members of the Commission at the present session. The Institute had, in the past, made positive efforts to bring about a more effective co-ordination with world bodies. It had, however, encountered the same difficulties as the European bodies. Several regional American bodies, which were interested in problems of economic development needed statistical information, and it was not always easy to decide which data should be given priority. However, much had already been achieved in the way of co-ordination at every level through consultations between experts, and the creation of working groups and sub-committees. The Institute was co-operating satisfactorily with the Statistical Office of the United Nations and had recently established working relations with FAO through the Sub-Committee on Agricultural Statistics.

Mr. YAGER (Observer for the Organisation for Economic Co-operation and Development), speaking at the invitation of the Chairman, said that OECD had welcomed the opportunity of taking part in the meeting to discuss the co-ordination of international statistical activities in Europe convened by the Conference of European Statisticians; it had proved extremely useful and should be repeated annually. He did not altogether agree with the representative of ECE that the existence of statistical organizations in Europe outside the United Nations made co-ordination more difficult. Admittedly it was complicated, but it had proceeded satisfactorily in the past and no administrative machinery of itself would eliminate overlapping unless sensible working relations were maintained. OECD would always support co-ordination both at the European and at the world level.

The meeting rose at 5.0 p.m.

UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



Distr.  
GENERAL  
E/CN.3/SR.241  
7 March 1967  
ENGLISH  
Original: FRENCH

STATISTICAL COMMISSION

Fourteenth Session

SUMMARY RECORD OF THE TWO HUNDRED AND FORTY-FIRST MEETING

held at the Palais des Nations, Geneva,  
on Tuesday, 11 October 1966, at 10.05 a.m.

<u>Chairman:</u>	Mr. BJERVE (Norway)
<u>Rapporteur:</u>	Mr. ARCHER (Australia)
<u>Secretary:</u>	Miss GROSSMAN

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including areas and problems of co-ordination (agenda item 3)

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The complete list of governmental representatives and of representatives  
of specialized agencies, of other intergovernmental organizations and of  
non-governmental organizations attending the session will be found in  
Official Records of the Economic and Social Council, Forty-second Session,  
Supplement No. 3.



INTEGRATED WORK PROGRAMME OF INTERNATIONAL STATISTICS, INCLUDING AREAS AND PROBLEMS OF CO-ORDINATION (agenda item 3):

(b) INTEGRATED FIVE-YEAR WORK PROGRAMME OF INTERNATIONAL STATISTICS, 1966-1971, INCLUDING CO-ORDINATION (E/CN.3/351 and CORR.1)

Mr. LOFTUS (Secretariat), presenting the report by the Secretary-General (E/CN.3/351 and Corr.1), said that it was similar to the one submitted at the thirteenth session (E/CN.3/336), but that in the present report the material was arranged according to subject matter. The report gave an account of the work programmes of seven United Nations bodies and one non-governmental organization, IASI, in the international statistical field.

Mr. ARCHER (Australia), expressed regret that the report had not reached him in time for him to consider all the implications of the proposals submitted to the Commission. He wished, however, to make some observations on the document, which contained interesting data on the activities of international organizations in the field of international statistics.

It was certainly gratifying that the international organizations had held consultations in order to improve co-ordination in implementing their programmes; however, they should make a further effort and extend such co-ordination to include the preparation of those programmes.

In the education and training of statistical personnel (chap. III), activities should so far as possible be centralized at the regional level. That required close co-ordination among the various agencies in order to avoid the proliferation of training centres at Governments' expense.

Chapter IV, on techniques of sampling and surveys, rightly gave priority to the publication of manuals on sampling. It was important, however, not to lose sight of the broader objectives which could be attained by the use of sampling and other techniques, and of the need for a clear definition of the principles to be applied. It should be possible, in many cases, to use identical methods of sampling and the same personnel for surveys on different subjects. That would mean a saving, for recruiting, training and equipping personnel was a costly undertaking. In spite of its title, chapter IV provided no specific data on quality control, operations research and linear programming.

As to data-processing methodology (chap. V), he considered the methods used by the United Nations Statistical Office both economical and effective. Regional activities, however, appeared to be lacking in co-ordination, and paragraphs 106 - 111 held out no prospect of improvement. Although the level of technical development was too uneven from region to region for the same methods to be used in all cases, every effort should nevertheless be made to ensure that the personnel in all regions were properly trained in the use of new data-processing methods.

To facilitate a more even development of data-processing, he made the following suggestions: that a single centre with, if necessary, regional branches, should be set up to train analysts and programmers for all agencies and all regions, whatever their technical level; that standardized methods of data processing should be adopted and that there should be periodic meetings of electronic data-processing specialists.

With regard to methodology (chap. VI), the various projects mentioned in paragraph 124 were of interest, though he thought it would hardly be possible to develop a standard computer programme for the use of Member States (sub-paragraph (6)) in view of the great variety in types of computers used, national divergencies in the classification of characteristics, and so on. It would therefore be useful to have more details about the aims and potential utility of such a programme. That applied equally to the establishment of a "data bank" (sub-paragraph (7)).

Most of the continuing projects on vital statistics has been approved by the Commission. As to the ad hoc projects, Australia would hesitate to participate in a "data bank" (para. 146, sub-paragraph (7)) and he wondered whether record linkage deserved the priority given to it (sub-paragraph (5)).

Migration statistics were closely linked to travel statistics; consequently the title of the document International Migration Statistics should be broadened, and the revised edition should include statistics on passengers, ships' and aircraft crews, and estimates of travellers' expenditure.

The continuing projects on housing statistics were very important and deserved support; that applied particularly to the project for the assembly and maintenance of files of housing censuses and survey methods (paragraph 157, sub-paragraph (6)). As to the adjustment of data mentioned in sub-paragraph (2), he assumed that countries would be consulted when the question arose of adjusting their national statistics for publication.

One of the ad hoc projects on population statistics provided for the publication of a technical manual on the methodology of sample inquiries (paragraph 124, subparagraph (3)); he considered it desirable that a similar manual should be published on housing statistics or, failing that, that both types of census should be dealt with in the same publication.

With regard to statistics of agriculture, forestry and fishing, he approved the programme for the 1970 World Census of Agriculture but regretted that there was no co-ordination between training activities relating to censuses of population and housing, on the one hand, and to agriculture on the other.

He was rather disturbed by the suggestion of FAO concerning the establishment of regional data-processing centres (para. 183). The execution of such a project would mean setting up in the ECAFE region a regional centre to meet the needs of the Secretariat and the developing countries. He thought that, given the necessary co-ordination, a single centre per region should suffice for the entire United Nations and related agencies.

Australia was in favour of the establishment of a Voluntary Agricultural Census Fund (para. 184) and had agreed to provide training for a limited number of personnel from developing countries in the ECAFE region. He noted with satisfaction that the need to preserve the comparability of agricultural index numbers with international index numbers of other sectors of the economy (para. 198) had been understood, and he hoped that steps would be taken to co-ordinate the methods used.

The work programme on labour statistics appeared to be out of balance, and some of its component items were described in vague and imprecise terms. Thus, before giving an opinion, he would like further details on the proposals of the ILO concerning the range of data it was planning to collect.

The planned publication in 1968 or 1969 of a volume entitled Methodology and International Comparisons of Labour Productivity Statistics (para. 246) should be of interest, inasmuch as encouragement should be given to studies designed to promote the development of data series used in estimating labour productivity. However, even if it was possible to reduce the margin of error in such evaluations, the conceptual defects inherent in productivity estimates would persist.

Australia was particularly interested in the revision of the International Standard Industrial Classification of all Economic activities (ISIC) and was trying to prepare a classification based on that of the United Nations. In that connexion he hoped that, well before the classification was put into final form, the Statistical Office would let all countries have its views on the comments made by Member States.

Document E/CN.3/345 contained a provisional Classification of Kind of Economic Activity which was to be used in the new SNA. If the same general structure was adopted for ISIC and for SNA, the provisional classification established for SNA would have to be revised. It would be a mistake, therefore, to refrain from revising the two- and three-digit groups of ISIC on the pretext that it would then be necessary to make changes in the main headings of SNA; in other words, the SNA classification should be regarded as essentially provisional.

Australia was keenly interested in the classification of commodities and hoped that close co-ordination would be instituted on that subject between the activities of the Conference of European Statisticians and those of the United Nations Statistical Office. It would be useful, when the time came, to make a thorough review of the Standard International Trade Classification (SITC); Member States should be given an opportunity to take part in all preparatory work and in the preparation of other international systems of commodity classification.

He hesitated to support the Statistical Office proposals for a comparison of the volume of industrial production and productivity of selected countries (para. 260, sub-paragraph (6)); he did not think the Office should devote any share of its limited resources to such a project.

With regard to co-ordination of the activities of international agencies in the field of industrial statistics, he would like to make sure that there was no duplication of effort in the work undertaken by the ILO, the Conference of European Statisticians and the Statistical Office respectively. He would also like to see those organizations adopt a uniform method in respect of production indexes.

On the whole he approved the projects on national accounts statistics, though with some reservations. In view of the practical and theoretical difficulties to be overcome in making an international comparison of the "real" gross domestic product and the rate of growth, it was essential to develop methods before publishing estimates in greater numbers. Moreover it did not appear to be the right moment to publish an

enlarged issue of the study on National Accounting Practices in Sixty Countries,<sup>4/</sup> it was likely that such a publication would soon be out of date and it would be better to wait until national systems were instituted after the revision of SNA, i.e. until 1969 or 1970.

On statistics of government finance the programme was satisfactory, although stress should be laid on co-ordination of the classifications and definitions used by international organizations.

As to statistics of money, banking and finance, it would be desirable for the International Monetary Fund (IMF) to supply fuller financial statistics concerning financial institutions other than banks. Furthermore, the classification of financial transactions in the revised system of national accounts would require far more comprehensive data than IMF was collecting at present concerning, for instance, the establishment of companies or purchases of capital goods on credit.

He was in favour of the establishment of a working group on price statistics in the ECAFE region provided that it did not take up subjects already dealt with by, for example, the International Labour Office which intended to publish, for the information of the developing countries, a document dealing in particular with the practical problems of price fixing.

With regard to the FAO programme in that field, close co-ordination should be instituted between FAO, the United Nations Statistical Office and the ILO so that they would not all ask national statistical offices for the same information. Co-operation between those organizations should also cover the preparation of the technical report mentioned in paragraph 341, which was to be considered by the Conference of European Statisticians in 1966-1967. Australia, like other countries in the ECAFE region, was not always able to participate in the drafting of new specifications, and wished to make sure that it would be kept informed of all preparatory work, so as to be able to send in its observations in good time.

He was surprised to find, in the section entitled "External Trade Statistics", no mention of the draft summaries which the Commission had requested the Statistical Bureau to prepare for each country (report of the thirteenth session, E/4045 - E/CN.3/339, para. 34).<sup>5/</sup>

1/ United Nations publication, Sales No.: 64.XVII.9.

2/ Official Records of the Economic and Social Council, Thirty-ninth Session, Supplement No.13.

He noted with satisfaction that a Working Group on Transport Statistics was to meet in the ECAFE region in 1968-1969, and he approved the plan to revise the Recommendations on the International Standardization of Educational Statistics.

Although the International Classification of Diseases had been revised, it would still have to be adapted for the indexing of hospital records by diagnosis. Certain items in the work programme of the WHO called for close co-operation with other agencies and, in particular, with the United Nations Statistical Office.

Under the heading of "Other Statistics Not Included Elsewhere", mention was made of an ILO research programme on standards of living. Paragraph 458 mentioned a similar project which was to be undertaken by the Statistical Office in collaboration with the United Nations Research Institute for Social Development. That was a case either of duplication or of lack of co-ordination.

The integrated five-year programme provided much food for thought; it showed the need for better co-ordination of activities; and it should be regularly brought up to date for each session of the Commission.

Mr. DUFFETT (Canada) said that the Secretariat report represented a great deal of work. It was relevant, therefore, to ask whether the report was precisely what the Commission wanted, or whether it should be modified. When the Commission had asked the Secretariat to provide it with the report, the Commission had imagined that the document would serve as a guide to the Statistical Office in co-ordinating its work with that of other agencies, that it would be a useful source of information for all countries, keeping them informed about the various programmes, and that it would enable the Commission to detect any fields where there was a lack of co-ordination. While the document presented was a useful one, it was an open question whether it would help to solve the problems that arose.

He had not had time for a detailed examination of the integrated five-year programme of international statistics, but at first glance he had the impression that the various bodies ought in some cases to examine more closely the feasibility of the programme, the question of priorities and the question of available resources. Mention might be made, for example, of the Statistical Office's intention to revise A Short Manual on Sampling. The idea was excellent but the task was difficult, and it would be advisable to look at the matter from a practical point of view and consider whether sufficient resources were available for the work.

Certain projects were presented in unduly general terms. For example, the programme of UNESCO on educational statistics seemed greatly over-simplified. The collection of data on pupils by grade or of data on repetition of grade (paras 388 and 389) raised complex problems, because the notions of "grade" and "repetition of grade" were not very exact and differed from country to country. Numerous difficulties were encountered, for instance, in the collection of data on schools according to the length of the courses provided; thus in Canada, in the case of classical studies, the length of the courses differed according to whether a pupil completed his studies at the end of two years, continued them without the university in view, or intended to go to a university.

Another point to be considered was whether the desire for co-ordination and co-operation between the different agencies did not, if carried to undue lengths, mean that certain gaps, certain unexplored areas, were allowed to remain. For example, WHO looked at the question of health statistics from the standpoint of administration and of health services and facilities, whereas the Statistical Office looked at it from a more general point of view. There was consequently a danger that the statistics might leave some gaps unfilled.

In his opinion, then, the report had its uses, but it would not enable the Commission to take a decision at the present session on the co-ordination of programmes.

Mr. JUI (China) noted with satisfaction that in the report by the Secretary-General the various items in the integrated five-year programme of international statistics were arranged by subject. At the meeting of the Group of Experts held at Bangkok in June it had also been suggested that the statistical data supplied by the various governments should be published in that form. It was a practical method of presentation and should continue to be used in future. In view of the wide scope of the statistical work undertaken and the large number of bodies involved, it would be desirable for the Secretariat to continue publishing the report in coming years.

In order to carry out the five-year programme of statistics successfully it was necessary to secure very thorough technical co-operation between the various bodies and, to that end, to co-ordinate their work in advance. Attention would also have to be given to the training of statistical personnel, as the report pointed out. The establishment in the ECAFE region of an Institute for Development of Statistics, to train statisticians for employment in national administrations, was accordingly to be welcomed. It was to be hoped that other centres of that kind might be set up in regions where they were particularly needed.

The Statistical Office and other bodies had published booklets on questions relating to international statistics. It would be helpful if the Statistical Office would compile an index indicating clearly the subjects dealt with in those booklets, some of which, incidentally, should be revised and brought up to date.

The execution of certain projects raised serious difficulties, particularly where finance was concerned. It might be useful to set up a co-ordinating committee to consider how those problems could best be solved.

Mr. GRUSON (France) considered that the Secretariat had done a valuable service, not only for the United Nations Statistical Office, but also for national statistical offices. Of course the report was not perfect, but it was inevitable that on first presentation it should be open to a certain amount of criticism. It listed the various statistical programmes put into execution or contemplated by international organizations, but failed to state explicitly enough what objectives were aimed at. That applied, as the Canadian representative had said, to statistics on health and education.

In the case of such a complex system it was necessary to formulate the objectives aimed at with regard to information. In a later report it would therefore be necessary to include, in addition to a list of programmes, a chapter summing up the work that the various organizations were trying to do. Such summaries would be very important in time to come, for they would be the means of determining the degree of development of international statistics.

The projects for the technical and practical training of statistical personnel were very important. It would be desirable to have a single training centre for each region. In addition, the training centres should take into account the difficulties experienced by statisticians in finding a place in their national administrations when they returned to their countries after completing their studies; those difficulties were not purely technical. For example, such statistical personnel found difficulty in conveying the desirability of integrating a statistical programme in a national administration. Consequently the centres should not only provide a sound technical training but should also keep in touch with their former students in the countries where they were working, supply them with the minimum of information required to help them in overcoming their difficulties, and give them an opportunity for periods of practical training.



Paragraph 188 referred to the fertilizer statistics collected by FAO. In that rather brief treatment of the subject, no mention was made of statistics on stocks, which were of considerable economic importance.

Paragraph 273 referred to the survey undertaken by FAO concerning national mill capacities in pulp and paper, and stated that FAO proposed to extend that activity to plywood, fibreboard and particle board. The FAO apparently meant to undertake those surveys itself; wherever possible, however, statistics should be compiled by national statistical offices.

It was stated in paragraph 371, sub-paragraph (3), that the Statistical Office planned to collect and publish indexes of ocean freight rates (annual and monthly). It would be useful to give some technical information on the subject in future. Transport statisticians had some difficulty in providing realistic information about freight rates, because the published rates did not always correspond with the rates applied. Perhaps the Statistical Office might be able to obtain data more consistent with the facts.

Mr. DUFRASNE (Belgium) emphasized the importance of the report submitted by the Secretariat. He would confine his remarks to a few comments.

The report referred to a training centre for technicians but did not indicate what relationship such a centre might bear to the international computing centre which UNESCO had set up at Rome. The UNESCO representative might perhaps provide some information on the subject.

Chapter IV dealt with techniques of sampling and surveys including household surveys, quality control, operations research and linear programming. The Canadian representative had correctly pointed out that that was an extremely wide field which went beyond the scope of statistics proper. It was consequently a debatable point whether the Statistical Office had the necessary staff to deal with all those subjects.

With regard to the files to be kept by the Statistical Office, stored on magnetic tape and used as required, he took it that all the scheme involved would be tables to be provided by national statistical institutes and not the original documents; it was difficult to imagine the Statistical Office going through all the documents individually. If the scheme was to work effectively, however, all the central statistical services must be supplied with uniform tables on which to enter information about their countries in numerical form.

Lastly, with regard to industrial statistics and even external trade statistics, the Statistical Office and the bodies concerned with industrial and trade matters must not forget that all statistical services were bound to preserve the secrecy of the information supplied to them. In small countries, particular industries were sometimes represented by a single enterprise. It was consequently advisable, in the classification of industries upon which the statistics were to be based, not to go so far into detail as to give individual particulars, even without identifying the source.

Sir Harry CAMPION (United Kingdom) thought that the Commission should welcome the presentation of the Secretary-General's report, which marked an important stage in the establishment of an integrated programme of international statistics. However, if the organizations consulted did not possess a definitive programme for more than two years ahead and the projects listed had to be regarded as tentative (para 5), there was not as yet a co-ordinated international programme.

He would be glad to learn some details concerning the international conference on educational statistics which it was proposed to convene in 1968 (para 31). He wondered how the work of that conference would be co-ordinated with the activities of the ILO and other organizations working in that field. It would also be useful to know exactly what UNESCO would do with the data it proposed to collect for the programmes mentioned in paragraphs 387-396, and how those programmes were co-ordinated with the activities of OECD in the same field.

As to the training of statistical personnel (chap. III) he shared the French representative's views. The question was an important one and the Commission had already tried some years ago to draw up directives on the subject. It would be useful to undertake a new and thorough study of the matter.

It would no doubt be of value if the Population Commission took the initiative in the field of population statistics; he wondered, however, what part it would really be able to play in connexion with certain matters such as the "data bank". Furthermore the programme was not clear and should be more specific. Again, in paragraph 126, the meaning of the phrase "the development of a framework for the integration of demographic, labour and social statistics related ... to national accounts and balances" should be made more precise. The terms used were vague and should be clearly explained before a programme of work was established.

The United Kingdom took an interest in the work of the United Nations and UNESCO on migration statistics. It was to be hoped that administrative procedures would not make the collection of these statistics more difficult.

The implementation of the programmes mentioned in paragraphs 293-296 should not be carried too far before the revised SNA was completed. The same applied to the project described in paragraph 315 relating to the functional and economic classification of government outlays and receipts.

Co-ordination of the statistics compiled by the International Civil Aviation Organization and the Universal Postal Union (para 382) would be of great value to government departments concerned with external trade.

In his opinion, the persual of the Secretary-General's report brought out the need for a clear definition of the relations between the regional commissions and the Statistical Office. The participants in conferences organized by the regional economic commissions often confined themselves to discussing matters of particular interest to themselves at the regional level. That, indeed, was what made such conferences a success. But there were also certain problems of a general nature which would prove easier to solve if the views of regional organizations were known. It was therefore desirable to establish a rational division of labour between the various regional commissions and to set an order of priorities.

According to paragraph 5 of the report, the programmes of the various agencies were not conceptually part of a single international programme. That was natural, for each agency had to act in response to different needs and factors. Nevertheless, the information given in the report made it possible to form a general picture of the activities taking place in the statistical field and could serve as a basis for closer integration of those activities. The information in the report provided a starting point from which it would eventually be possible to identify the existing gaps and to set the objectives to be aimed at after 1970.

Miss QUESADA (Panama) associated herself with those speakers who had congratulated the Secretariat on submitting to the Commission an excellent report on the integrated five-year programme of international statistics. The document was extremely useful, for it would enable countries to learn what activities were in progress and to benefit from them.

She noted with satisfaction that the seventh session of the Sub-Committee on Statistical Co-ordination of the Central American Isthmus would be mainly devoted to work which should make it possible to reach agreements for the preparation of a general plan for co-ordinating the activities of Central American organizations (para 47). Problems of co-ordination were particularly serious in Central America. She thought, however, that the session of the Sub-Committee should be held at the beginning of 1967 rather than in 1966.

On the other hand it would be desirable to bring forward the date proposed for the meeting, at the ECLA headquarters of a working group on statistical organization and statistical education (para 57). The ECLA should give attention without delay to the problems presented by statistical organization in Latin America, and should consider convening the working group earlier than planned so as to assist the statistical services in the region. She asked for fuller information on the project.

The projects described in paragraph 60 were of great interest. Those Latin American countries which had already undertaken food consumption surveys were aware of the need to train personnel who would specialise in that type of survey.

She asked for further information on the meeting, to be held at ECIA headquarters, of a working group on sampling (para 87), and wondered whether the right date had been chosen.

The aim of the meeting referred to in paragraph 94 was not stated; it would, moreover, be helpful for the Commission to be told what use could be made of the conclusions reached at the meeting.

She was also in some doubt about the object of holding, at ECLA headquarters, a seminar on data processing (para 111). If the seminar was to deal with the use of electronic computers in data processing it should be held before 1971, for its conclusions would be useful in processing the data collected in the censuses to be held in 1970. She wondered whether any co-ordination was planned between that seminar and the meeting which was to be held in 1967 on the use of electronic computers in the processing of statistical data, and which was referred to in paragraph 117.

The projects listed in paragraph 124, sub-paragraphs (1), (2) and (3) were of great value and should, when carried out, furnish some highly useful basic information. She was particularly interested in the projects on training in census and survey methods, including cartography; Latin America stood in great need of such projects.

She was glad the Statistical Office planned to revise ISIC (para 260). Such revision was called for at both the national and the regional level. Paragraph 270 did not state clearly what work ECLA proposed to do in connexion with industrial statistics, which were of great importance to the development of Latin America.

She considered that the five-year programme should be periodically brought up to date, taking account, in particular, of the needs arising at the world level as well as at the regional and national levels.

Mr. AYRES (Brazil) said that, after reading paragraphs 8 to 21, the conclusion could be drawn that the Statistical Office was devoting considerable attention to statistics needed for programmes of economic and social development. That interest was very appropriate and he would like to put forward a suggestion regarding the statement made in paragraph 21 on the subject of short-term missions. He thought that such missions were useful when it was a question of completing a survey already in progress, but that they were of limited value when more far-reaching assistance was involved. That being so, it would be necessary to devise a formula for intensifying longer-term missions - of a year's duration on the average - so that quicker and more positive results could be achieved than was the case with periodic assistance lasting two or three weeks.

On the other hand, he was gratified to learn that the Statistical Office was engaged on two very useful tasks. He referred to the statement in paragraph 75 concerning volume II of a Short Manual on Sampling, which would deal with practical aspects of the organization of sample surveys and would describe the experience of various countries relating to such matters as the design of the sample survey, methods of collecting data, the cost of the survey etc. He also referred to the remarks in paragraph 76 on the preparation of documents concerning the application of sampling methods to censuses.

The work in question was of great interest especially for countries which were insufficiently prepared for the application of sampling methods and that was why he felt that the publications concerned should be circulated as soon as possible.

With regard to the theoretical and practical training of statisticians he considered most appropriate the recommendation of the representative of Australia for the better co-ordination, on a regional basis, of the activities of the various training centres.

Mrs. MOD (Hungary) did not find it surprising that a document designed to give an overall picture of the work done by various organizations should consist, in the last analysis, of a list of activities. Neither was it surprising that no very definite conclusions could be drawn from the report as to the needs which had been met and the gaps remaining to be filled.

In her opinion it would be desirable for the various organizations to concentrate their future efforts on two major questions: the development of national accounting systems throughout the world and the preparation of efficient population censuses. The work done in those two fields should be closely co-ordinated. The Statistical Commission should devote more attention to the problems of co-operation arising in that connexion and to the gaps which remained to be filled.

Mr. BOWMAN (United States of America) associated himself with the praise already addressed to the Secretariat. It was true that, in form, the report under consideration was not so much an integrated programme as a number of projects gathered together in a single document. He hoped that, in the future, the Statistical Office would be able to submit to the Commission a document indicating an order of priorities established in accordance with a general plan. Such a document should also contain information on the aims pursued by the organizations concerned, the resources and means used by them to achieve those aims, and such additional resources as might be needed. In that connexion, he regretted that no heed had been paid to the wish expressed by the Statistical Commission to receive more information on the schedules of the various organizations' activities, the methods they employed and the practical prospects for completing the work in hand within the period in question.

After examining the report, he wondered whether United Nations bodies did not have a tendency to assume responsibilities hitherto incumbent on national statistical services, and to publish statistics hitherto issued by the latter. He also wondered, without seeking to draw any conclusions, whether that tendency was to be welcomed. At all events it would be desirable to spell out what functions should be incumbent on United Nations organs and what relationship they bore to national statistical services.

Lastly, he thought the Statistical Commission should consider what method it should adopt henceforth in examining documents such as the one under study. For example, a working party might be set up to carry out a preliminary examination and submit a report to the Commission, which would then be in a position to take a comprehensive view.

Mr. VIDAL (Uruguay) thought that the report submitted by the Statistical Office was excellent; he wished merely to ask for clarification on a few points of detail. In particular, he asked for further information as to the types of commodities and the country groupings referred to in paragraph 352, sub-paragraph (1). Sub-paragraph (3) of the same paragraph also called for some explanation.

He also wished to know what type of ocean freight rates were referred to in paragraph 371.

Mr. MULLIER (Economic Commission for Africa) stated that the problems of co-ordination mentioned during the discussion had been carefully studied by the Economic Commission for Africa in close liaison with the United Nations Statistical Office. For example, with regard to external trade statistics, ECA encouraged national services to send punched cards, statistical machine tables, magnetic tapes, etc., to the Statistical Office so that the latter could subsequently give the Commission such information as it was asked to provide. The ECA also worked in close collaboration with specialized agencies, and in particular with FAO.

Problems of co-ordination and training were exceptionally acute in Africa, where the development of statistics was still in a very early stage. Excellent results had been achieved so far. In eighteen of the thirty-four independent African countries, the training of directing staff for statistical services conformed to a single pattern.

The ECA took a great interest in all matters connected with co-ordination, for the implementation of the policy of economic integration adopted by the ECA countries as the only policy capable of ensuring their development demanded good documentation at the regional level and, consequently, close co-ordination of work and of the methods employed. Numerous seminars and working parties were held in order to solve co-ordination problems.

Mr. VISWANATHAN (Economic Commission for Asia and the Far East) stated that the ECAFE projects mentioned in the Secretary-General's report had been drawn up in consultation with other regional commissions and with the United Nations Statistical Office.

The ECAFE particularly welcomed the support given to the project for the establishment of an Asian Institute for Development of Statistics. It would be recalled that an ECAFE expert group on statistical training had recommended the establishment of that Institute. Four countries - Japan, India, the Philippines and Thailand - had initially offered to act as hosts to the Institute. India had subsequently withdrawn its offer in favour of Japan. The location of the Institute would be decided during the coming months, and arrangements for its establishment would be made as soon as possible.

The meeting rose at 12.30 p.m.

UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



Distr.  
GENERAL

E/CN.3/SR.242  
7 March 1967

Original: ENGLISH

STATISTICAL COMMISSION

Fourteenth Session

SUMMARY RECORD OF THE TWO HUNDRED AND  
FORTY-SECOND MEETING

held at the Palais des Nations, Geneva, on  
Tuesday, 11 October 1966, at 2.30 p.m.

Chairman: Mr. BJERVE (Norway)  
Rapporteur: Mr. ARCHER (Australia)  
Secretary: Miss GROSSMAN

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Integrated work programme of international statistics, including  
areas and problems of co-ordination (agenda item 3)

- (b) Integrated five-year work programme of  
international statistics, 1966-1971,  
including co-ordination (continued)

The complete list of governmental representatives and of representatives of  
specialized agencies, of other inter-governmental organizations and of non-  
governmental organizations attending the session will be found in Official Records  
of the Economic and Social Council, Forty-second Session, Supplement No.3.



INTEGRATED WORK PROGRAMME OF INTERNATIONAL STATISTICS, INCLUDING AREAS AND PROBLEMS OF CO-ORDINATION (agenda item 3)

(b) INTEGRATED FIVE-YEAR WORK PROGRAMME OF INTERNATIONAL STATISTICS, 1966-1971, INCLUDING CO-ORDINATION (E/CN.3/351 and Corr.1) (continued)

The CHAIRMAN invited the Commission to continue its consideration of item 3(b) of the agenda.

Mr. DAVIES (Economic Commission for Europe) said that, at its fourteenth plenary session, held the previous week, the Conference of European Statisticians had adopted a new programme of work for 1966-1971 and accordingly some of the information in the Secretary-General's report (E/CN.3/351 and Corr.1) was now out of date. The programme for the first year of the period was firm and that for the second year, though provisional, was also fairly firm since agreement was necessary at least on the main items for the latter so that the preparatory work could be initiated during the first year. The programme for the last three years was tentative while that for the fifth was not even complete; nevertheless the Conference found such programming methods valuable because the work of the first two years could be viewed against a set of medium-term objectives. Like the Statistical Commission, the Conference was going to devote a good deal of attention within the coming two to three years to national accounts and balances, and population and housing censuses.

Joint meetings at the regional level with specialized agencies, committees of ECE and other specialized bodies were planned for each year; that method had been found particularly useful for assuring adequate co-ordination of work. The Conference was also careful to dovetail its work with that of the Commission.

It was becoming increasingly difficult to find time for the study of regional problems while at the same time taking part in regional consultations on subjects dealt with by the Commission, and in future the Conference might have to be more selective about convening meetings on certain topics which might have to be dealt with by exchanges of documents.

The Conference had welcomed the fact that the Statistical Commission was embarking upon a revision of the ISIC but had noted that no precise deadline had been set for the completion of that work. It was highly desirable that it should be completed in time for the Commission's 1968 session, one reason being that the new SNA was to be adopted in that year and would contain a classification of branches of economic activity. If the revision of ISIC were not completed by that date, presumably the classification by branches of economic activity would have to be an interim one and could only be completed at the Commission's 1970 session. It would obviously be extremely helpful if agreement could be reached on that classification in time for it to be applied in the 1970 population censuses.

The Conference had made provision for a working group on activity and commodity classifications to work on the ISIC revision in 1966/67, and for a second meeting on the subject in 1968/69, but if, as the Conference hoped, the Commission adopted a programme for revising ISIC by 1968, the second of those meetings would be brought forward to 1967/68 so as to give as much help as possible.

The Conference had drawn attention to the desirability of developing a parallel standard classification of enterprises as distinct from establishments.

Arrangements had been made to hold a fourth meeting in 1968/69 on integrated data processing for censuses, so that the principles for use in population censuses could be studied jointly by computer experts and census officers. If the preparations for the meeting could be completed in time it would be held in 1967/68 so that the maximum benefit could be derived from its work in planning the 1970 population censuses.

Several members had referred to the need for more co-operation between regional conferences of statisticians, particularly in regard to electronic data processing. The Conference of European Statisticians had expressed its willingness to do so on a number of occasions, if asked by another regional conference or the Commission, but did not wish to make any definite proposals in that regard itself.

Mr. LOLE (Economic Commission for Latin America) said that, as indicated in paragraph 18 of the Secretary-General's report, the Statistical Division of ECLA would continue to be mainly engaged on work connected with the Economic Survey of Latin America and other specialized studies. The task of developing statistical services in member countries was enormous and could not be quickly accomplished even with the help of regional and international bodies concerned with statistics. Accordingly, ECLA proposed to concentrate on four major subjects: statistical organization and basic statistics for development planning; the 1970 population and housing censuses; industrial statistics and national accounts. That list was not in order of importance.

In reply to the question put by the representative of Panama at the previous meeting, he explained that no consistent pattern of industrial statistics for the Latin American region existed, but a seminar on the subject was to be held at the end of 1966 in Ecuador, which, it was hoped, would be followed up by a considerable improvement in the collection and publication of figures of production, costs and employment as well as the compilation of production index numbers by Latin American countries.

Under the technical assistance programme it was hoped to appoint five regional advisers, namely on (a) sampling, (b) demographic and vital statistics, (c) general economic statistics - with emphasis on industrial statistics, (d) national accounts and (e) on general statistics for the Northern Sub-region, with duty station in Mexico. At the previous meeting, the Brazilian representative had expressed doubts about the value of appointing short-term regional advisers, but they were not to be regarded as a substitute for country experts who were recruited for longer periods to help on fundamental problems of a general character. The former were engaged to deal with more specific problems and to advise governments on the kind of technical assistance they might require.

In response to requests by member countries, the programme of meetings for the years 1967 and 1968 was now more definite. There was to be a seminar on external trade statistics and a working group on national accounts to follow up the work of that held the previous year in Santiago, as well as the work done in other regions on the subject. The working group was to devote special attention to international comparability and to the new revised and expanded SNA. The ECLA was in touch with IASI about arranging a seminar on the organization and conduct of population and housing censuses. The Institute was to concentrate mainly on concepts and definitions, whereas ECLA would be more concerned with the actual conduct of censuses in what was to be a joint project. A study tour in European countries to consider basic statistics for planning purposes had been contemplated in 1967/68, but might be found impossible from lack of resources.

The programme of meetings for the years 1969, 1970 and 1971 was extremely tentative, as it was difficult to plan beyond 1968. However, in answer to a question by the representative of Panama, it might be explained that the aim of the working group on sampling which was planned for 1969, was to discuss the application of sampling techniques to statistical surveys in the region, and to frame general recommendations to governments. It was tentatively planned to hold a seminar in 1971 on data processing methods, at which their application to external trade, population and industrial data would be discussed. No funds were available to hold this seminar in time for the 1970 population and housing censuses, unless some other project could be dropped.

Working relations between ECLA and IASI were good, and were improving. Each informed the other of any meeting or project on statistical matters in the hope of avoiding duplication, thereby utilizing limited resources to the best advantage.

Mr. MAHALANOBIS (India) said that in his country household surveys had been found particularly useful in providing a wide range of information about living standards, population, demographic factors, labour, health and morbidity. He was convinced that multi-purpose surveys based on the household unit offered particular advantages to developing countries and could be carried out by persons appointed for the purpose after only a short training.

Referring to paragraph 248 of the Secretary-General's report, he said that for about twelve years he had been trying to convince the Commission of the need for information about engineers, technicians and semi-skilled workers engaged in different industries. Their number varied widely according to the type of industry. Though the information was difficult to obtain, it must be available in developed countries and would be most useful for economic development purposes.

On the subject of national accounts statistics, mentioned in paragraph 294, he had consistently advocated giving more attention to expenditure distribution because, as far as the poorer countries were concerned, income was an elusive concept and difficult to establish, whereas expenditure took place in point of time and could be ascertained with greater precision.

Statistics of science and technology, mentioned in paragraphs 411 to 415, were of growing interest to developing countries, but the information supplied by the developed countries was not always in suitable form and did not provide sufficient detail about what he might describe as the scientific infrastructure, or about the number of scientists engaged in certain forms of research. The data collected by the OECD, though fairly developed, did not provide that kind of information, nor did the National Science Foundation of the United States.

Japanese information on research and development was the most detailed in the world and of the greatest interest, but as in the case of figures from other countries, no clear differentiation was made between research for civil as distinct from military purposes. If something could be done to keep the two distinct, the figures would be far more useful for analysing requirements more specifically directed towards economic growth. Detailed figures would then supplement the available manpower data by occupation and educational levels.

Miss CASÍS (Inter-American Statistical Institute), speaking at the invitation of the Chairman, said that the meetings referred to in paragraphs 94, 117, 169 and 456 of the Secretary-General's report would be technical meetings at which participants would serve in a personal specialist capacity rather than as country representatives. The meetings would be held in Venezuela in 1967 at the same time as the fifth session of the Inter-American Statistical Conference and the fifth General Assembly of members of IASI. The Committee on Improvement of National Statistics would also meet during the same period, since it would have to approve standards for the 1970 agricultural population and housing censuses. Co-ordinating the dates for meetings in the region was proving a problem; meetings would be concentrated in 1967. The Committee could not meet until after world standards for the 1970 censuses had been approved. On the other hand, it was always more difficult to fix dates when meetings were being organized away from Headquarters.

The IASI attached particular importance to the training of personnel. The creation in 1962 of the Inter-American Statistical Training Centre had provided Latin America with a permanent training centre. Training at the Centre was provided by three courses, as mentioned in paragraph 68 of the Secretary-General's report. The Centre was proposing to hold seminars, which it had not been able to do for want of funds. As part of the training policy it was intended that the graduates of the Centre should continue to specialize. For example, some of them had attended a course on operational research organized in Spain in 1964 and 1965 and it was hoped that others would be able to specialize in sampling in the United States and other countries. Training was particularly necessary in two spheres: methodology of household surveys and that of censuses. As regards the former, IASI was co-operating with the Census Bureau and with the United States Agency for Industrial Development. With regard to the latter, plans were being considered for meeting the needs for training staff of Latin American countries for their censuses to be held in 1970.

The Institute endeavoured to co-ordinate its activities with those of ECLA, the United Nations Statistical Office and the statistical offices of the specialized agencies.

Mr. YAGER (Observer for the Organization for Economic Co-operation and Development), speaking at the invitation of the Chairman, said in reply to the question put by Sir Harry Campion at the previous meeting that the work of OECD on education statistics had consisted mainly of preparing a handbook on statistical needs for educational investment planning, which had been asked for by the European Ministers of Education at a meeting held in London in 1964. The handbook had now been completed and would be submitted to the OECD Committee for Scientific and Technical Personnel and to the European Ministers of Education at their meeting to be held in May 1967. It surveyed the whole field of statistical needs for educational planning and contained recommendations for the development of statistical programmes in member countries. The first draft of the handbook had been discussed at an inter-governmental conference of educational planners and statisticians in February 1966 and had subsequently been extensively revised for presentation to various OECD Committees. The OECD was collecting data experimentally in order to test the validity of the proposed international tabulation scheme and to provide educational planners with a first set of detailed comparative data. The work would continue throughout 1967, but OECD was not intending to collect such statistics in a regular way.

He would convey to the officials in OECD dealing with statistics the observations of the United Kingdom representative.

Dr. LOGAN (World Health Organization) said he wondered whether one difficulty might not be that some members of the Commission were not fully aware of what WHO did. To evaluate any statistical programme it was essential to know its purposes. WHO's programme covered a wide range of activities, its interests being similar to those of national Ministries of Health. Its work was geared to serve the statistical services of national Ministries. Much time and effort was spent on improving national health services, since the effectiveness of its work depended on the quality of those services. WHO was not only interested in levels of health, it was interested in describing and measuring the activities

of health services. It was also interested in housing, demography, and other factors which influenced health, although it was not itself concerned with the collection of information in those areas. More recently it had become interested in the cost of medical care and in medical manpower statistics, and hoped to develop its services in those areas.

The eighth revision of the International Classification of Diseases had been carried out in 1965. The newly revised version would be published in 1967 in the working languages of the United Nations and some other widely used languages, and would come into general use in 1968. At the same time, the WHO Nomenclature Regulations were being revised. It was felt that the time had come when exhortations and recommendations would be more useful than regulations with the force of treaties. Many of the present regulations would appear in the form of recommendations.

No major changes were expected in WHO's annual and monthly health statistics publications. The possibility of preparing the statistics for those publications by computer was being explored. The task would not be easy, and one or two years would probably be required to organize a practical computer programme. Much of WHO's statistical work was concerned with methodology rather than descriptive statistics; one-half of its statistical staff was engaged in developing methodology and in dealing with the mathematical problems. The introduction of computerization was causing difficulties at the moment, but in time should prove of great benefit.

Great importance was attached to the training of personnel in health statistics. A number of courses in health statistics and epidemiology had been organized for medically or statistically qualified persons. Such training was WHO's responsibility. It was felt, however, that in the case of junior staff who did not require specialized knowledge, training could be undertaken in co-operation with other specialized agencies. For such cases, WHO had already been collaborating with ECA, and hoped to extend such collaboration considerably in future. That was one area in which efforts could be co-ordinated. Another



was that of vital statistics. While it might be true, as one member of the Commission had suggested, that the activities of both the United Nations and WHO were restricted in that area, the introduction of computerization would necessitate giving top priority to the subject in inter-agency co-ordination. A certain amount of co-operation already took place in the field of costs of medical care. The WHO was also involved in some population problems which fell within the sphere of demography. It used information obtained by other agencies and would become increasingly interested in demographic statistics as its own work developed. The WHO was also beginning to make use of social security statistics for health statistics purposes. Since the ILO had dealt with that subject for more than eighteen years, WHO had so far kept aloof. As its use of those statistics increased, however, some basis for collaboration with the ILO would have to be found.

Mr. NARAIN (Food and Agriculture Organization of the United Nations) said that FAO would be pleased to co-operate with other agencies in the revision of the integrated five-year programme of international statistics. In undertaking the work of revision, due account would be taken of improvements suggested by members of the Commission and of developments within the specialized agencies themselves. It would be useful if the Commission could indicate how desired clarifications were to be incorporated in the revised document. Requests for clarification might be sent in writing to the Statistical Office, which would forward them to the specialized agency concerned for action.

In the third sentence of paragraph 183, about which the Australian representative had asked, the phrase "the establishment of regional data processing centres" had been used simply because insufficient information was available about programmes which might materialize. FAO would be happy to co-operate in the establishment of such centres, but had no resources at its disposal for setting up individual agricultural data processing centres.

Mr. CARRE (General Agreement on Tariffs and Trade) said that GATT had no programmes for statistical surveys as such and undertook little work on basic statistics. However, for economic analysis purposes, it made extensive use of statistics compiled by governments or international bodies. National statistics were the main source for its analytical work, since they were generally very detailed and could be obtained more rapidly than those from international organizations. When dealing with questions relating to world trade as a whole, however, use was made of statistics compiled by international bodies. Statistics prepared by the United Nations Statistical Office were in daily use. An advantage of international statistics was that they were compiled by country and usually by year on a comparative basis.

It was very important to have adequate standards, which took into account the difficulties of collecting basic information and the uses which the standards were to serve.

Progress was being made in the co-ordination of the activities of the specialized agencies, and he was sure that further improvements would be made in future. He agreed that co-ordination of statistical activities would be more effective if all programmes of research and survey being carried out were discussed by the international bodies concerned and by all the users of international statistics of all types.

Mr. LOFTUS (Secretariat) replying to the representative of Australia, who had asked what was involved in the adjustment of population statistics referred to in paragraph 123(2), said that all that was intended was an evaluation of data, as was normally done with data for the Demographic Yearbook. Data were examined and where they were incomplete, as was frequently the case with data from some developing countries, an attempt was made to estimate figures for death and birth rates, for example, and the distribution of population by age and sex. There was a general demand for the inclusion of such adjusted data in the Demographic Yearbook.

With regard to the suggestion that there was a lack of clarity in the proposals in paragraph 124 (6), a great many countries were considering the use of electronic data processing methods in preparation for the 1970 censuses and were experiencing difficulty with programming methods. Since they were all working on the basis of United Nations recommendations, it had been thought useful to draw up a basic system, embodying all the stages of programming which countries could adapt to their own computers. Although doubts had been expressed as to the feasibility of such an idea, it had been decided that an attempt would be worth while and, if successful, would result in savings for the countries concerned.

In reply to comments concerning the data bank referred to in paragraph 124 (7), he said that the data already accumulated in statistical offices and in the Demographic Yearbook constituted a nucleus, but it would not be sufficient to meet all the requests for data received from research workers, governments and other sources in connexion with the major problems of world population, development and growth. He himself did not think that the issue of confidential information would be a problem, but at the present juncture he could not say what would be the ultimate nature of the data bank.

In reply to a further question by the Australian representative, concerning the Commission's request at its previous session for a description of methods used by Governments in international trade statistics, he said that the item should have been included in the present work programme. It had not been possible as yet to release resources for the purpose, but it was hoped to do so shortly.

He agreed with the representative of France that the report might have lent itself to more profitable discussion if its scope had been wider and somewhat different. It was hoped in future to produce something that was not merely a descriptive list but which embodied the ideas of different organizations in different spheres. That would be perfectly feasible, but the report had always hitherto been based on the assumption that requests received from governments and from the United Nations and the specialized agencies were concerned with particular international economic and social problems.

In reply to the United Kingdom representative's question concerning paragraph 368, he said that representatives of IMF had attended meetings of the Expert Group on the Extension and Revision of the SNA, and the Balance of Payments Manual would be brought into line with the SNA rather than the reverse.

In reply to the United States representative's question concerning the division between national and international functions, he said that in order to avoid duplication in the collection of data, the real function of the international organizations was to do the work that governments could not do themselves. For example, the international agencies would be better able to handle data required for purposes of comparison, involving a number of countries.

The question by the representative of Uruguay concerning the country groupings, referred to in paragraph 352(1), involved a number of problems. In UNCTAD the groupings were based on the difference between developed and developing countries; but there were other groupings, such as those on a regional basis, including the European Economic Community, the Latin American Free Trade Area and the European Free Trade Association. The principal groupings all had their place in the main channels of international trade.

With regard to questions concerning paragraph 371(3), there was a large demand for information on ocean freight rates which did not easily lend themselves to descriptive statistics. The UNCTAD Committee on Shipping, for example, needed statistics for its work. The burden of providing statistics fell on the Statistical Office, which was endeavouring to devise methods of furnishing them and hoped to submit proposals to the Commission in due course.

Sir Harry CAMPION (United Kingdom), referring to paragraph 124(6), said that in reporting to the Economic and Social Council it was important to avoid giving the impression that the Commission was recommending any particular type of computer or programming system.

The CHAIRMAN, summing up the discussion, said that members seemed to be agreed that the report would be useful to the international agencies, to statistical offices and to the Commission, and that the Commission would like to receive a similar document at future sessions. There had been a number of suggestions for changes in the content of the report. Several representatives thought that the programmes of other agencies should be included; others would like to see a programme which was integrated not only in presentation but also as regards activities of the various agencies or, as one representative had said, there was a need for co-ordination at an early stage in the preparation of the programme. Several representatives considered that priorities should be included in the presentation and balanced against budgetary limitations and technical feasibility. A number of representatives considered that all the agencies should endeavour to present a programme extending five years ahead. Some representatives wanted a more precise description of projects and it had also been suggested that a clearer expression of purpose would be desirable. The Commission appeared to agree that the discussion on item 3(b) had been useful and that some of the points made would be helpful to the international agencies and had already proved useful to the Commission as illustrations of the need for more co-ordination in various spheres.

He invited the United States representative to read out the draft resolution which he had been asked at the previous meeting to prepare.

Mr. BOWMAN (United States of America) made an introductory statement concerning the basis for the draft resolution which read as follows:

"The Statistical Commission

Requests the Secretary-General, in consultation with the specialized agencies, to prepare a report for consideration by the proposed co-ordinating committee on statistical activities and by the Statistical Commission at its fifteenth session, on the important interrelated fields of statistics for which world standards are desirable and on the practical methods by which the Statistical Commission could review and approve all proposed standards in these interrelated fields prior to their promulgation as world standards."

Mr. MAHALANOBIS (India) suggested that it would be desirable to add a preamble to the draft resolution.

The CHAIRMAN said that the Commission should come to a decision on two points: first, whether it wished to include in its report a resolution on the item in question; and secondly, whether the draft resolution was the kind of resolution it had in mind.

Mr. MALISHEV (Union of Soviet Socialist Republics), said that the draft resolution was acceptable, but he supported the Indian representative's suggestion for the addition of a preamble.

Sir Harry CAMPION (United Kingdom) said he too supported the suggestion for the addition of a preamble which would make the resolution more acceptable to the Economic and Social Council. With regard to the text of the draft resolution, he suggested that in the second line the word "proposed" be replaced by the words "inter-agency" and that in the third line the word "then" be inserted after the word "and".

The CHAIRMAN said that the Commission appeared to be agreed on the inclusion of a draft resolution, to be based on that submitted by the United States representative, subject to the addition of a preamble. Further discussion would be deferred until the text had been circulated in all the working languages.

It was so agreed.

The meeting rose at 4.55 p.m.

UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



Distr.  
GENERAL  
E/CN.3/SR.243  
7 March 1967  
ENGLISH  
Original: FRENCH

STATISTICAL COMMISSION

Fourteenth Session

SUMMARY RECORD OF THE TWO HUNDRED AND  
FORTY-THIRD MEETING

held at the Palais des Nations, Geneva, on  
Wednesday, 12 October 1966, at 10.05 a.m.

<u>Chairman</u>	Mr. BJERVE (Norway)
<u>Rapporteur</u>	Mr. ARCHER (Australia)
<u>Secretary</u>	Miss GROSSMAN

CONTENTS:

Integrated work programme of international statistics, including areas and problems of co-ordination (agenda item 3):

- (c) Relationship between the recommendations for the 1970 population and housing censuses and those for the 1970 agricultural censuses
- (d) Progress report on the International Trade Statistics Centre and on the elimination of duplicate requests to Governments for external trade statistics

The complete list of governmental representatives and of representatives of specialized agencies, of other inter-governmental organizations and of non-governmental organizations attending the session will be found in Official Records of the Economic and Social Council, Forty-second Session, Supplement No.3.

INTEGRATED WORK PROGRAMME OF INTERNATIONAL STATISTICS, INCLUDING AREAS AND PROBLEMS OF CO-ORDINATION (agenda item 3):

(c) RELATIONSHIP BETWEEN THE RECOMMENDATIONS FOR THE 1970 POPULATION AND HOUSING CENSUSES AND THOSE FOR THE 1970 AGRICULTURAL CENSUSES (E/CN.3/352)

Miss POWELL (Secretariat) said that the Statistical Office of the United Nations and the Statistics Division of FAO had jointly prepared the report (E/CN.3/352); they had tried to include all data likely to be of assistance to members of the Commission, such as the relevant extracts from the draft recommendations for the 1970 population censuses and section N of the introduction to the Program for the 1970 World Census of Agriculture. It was clear from those two documents, and from the study carried out jointly by the two organs in question, that relationships could be established between agricultural and population censuses. Each of those relationships was examined under the appropriate heading. The conclusions reached by the Statistics Division of FAO and the Statistical Office of the United Nations appeared in paragraphs 42 to 45 of the report.

The above-mentioned report had been communicated to the Expert Group to Review the Draft Recommendations for the 1970 Population and Housing Censuses. The experts' conclusions appeared in paragraphs 10 and 11 of their report (E/CN.3/344).

Mr. NARAIN (Food and Agriculture Organization of the United Nations) drew the Commission's attention to paragraph 45 of the United Nations/FAO report, which emphasized the important operational relationship between the two censuses. The FAO representative had drawn attention also at the thirteenth session of the Statistical Commission to the idea that it would be helpful to countries to use the population census as a frame for the agricultural census, provided that the latter followed the former before too long an interval had elapsed.

The 1970 censuses would provide United Nations organs with an opportunity to co-ordinate their work closely; one of the main points to which countries' attention should be drawn was the need to make the most efficient use, both nationally and internationally, of the resources available.



Mr. DAVIES (Economic Commission for Europe) said that the Study Group on Food and Agricultural Statistics in Europe, which had met in August 1966, had examined the United Nations/FAO report and had reported on it to the Conference of European Statisticians. On the basis of the Study Group's conclusions, the Conference had considered that the analysis made in the report clarified the question of the relationships between the 1970 censuses of population and agriculture, but that the question required further study at the national and international levels. It had suggested that countries should be invited to carry out concrete experiments with the aim of ascertaining the sources of divergences observed in related data collected in the two censuses. Lastly, the Conference had recognized the difficulties resulting from the fact that different statistical units were used in the two censuses, but had considered that further efforts should be made to harmonize the data on related topics collected in population censuses and in agricultural censuses.

Mr. BURLIN (Ukrainian Socialist Soviet Republic) said that, during the 1960 censuses, few countries had counted the population and housing units at the same time as farms. Simultaneous enumeration raised many problems, particularly in countries where statistics were not yet very advanced. In the Ukrainian SSR, agricultural censuses had hitherto been carried out yearly. The last population census, however, had been carried out in 1959.

In his opinion, the number of questions to be asked in the 1970 population census was already too large to permit the addition of questions bearing specifically on agriculture.

On the other hand, it would be both feasible and useful for the developing countries - which had neither the resources nor the necessary trained staff to combine the two censuses - to attempt, during the agricultural census, to collect certain population data on, for example, structure and social characteristics of the population and migration, which were essential to the planning and organization of agriculture at the national level. The report under consideration should therefore be supplemented by a recommendation on those lines, specifying what demographic data it would be desirable to obtain in the process of carrying out an agricultural census. The document as it stood was not entirely satisfactory, for it put forward arguments which were rather vague and insufficiently substantiated. The quality of the report was also impaired by over-long extracts from the draft recommendations for the 1970 population censuses and from the introduction to the Program for the 1970 World Census of Agriculture, and by the excessive use of indirect speech.

Mr. GOTO (Japan) said that in some countries population censuses and agricultural censuses were taken separately; those two operations were the components of the comprehensive census system. Hence it might not be wise to recommend changing the appointed date of one census to make it coincide with that of the other; such a step would certainly impair the comparability of chronological series.

With regard to the definition, given in paragraph 15 of the report, of the difference between "farm population" and "agricultural population", it seemed to him that, in countries with a system of production based on capital or any similar system, there would be no point in collecting statistical data on agricultural manpower which would exclude that fraction of the agricultural population not included in the farm population. In countries like Japan, however, where most of the holdings were worked by the people who lived on them, it was considered that data on the farm population provided sufficient information on agricultural manpower. For such countries, therefore, the most useful data would be statistics on farm population classified according to employment status.

As to the relationship between the concept of the "economically active agricultural population" and that of "persons employed in agricultural work", when the data obtained through a population census were used for reference in compiling current statistics on manpower, a fairly short period immediately preceding the date of the census was taken as the reference period for data on "economically active agricultural population", whereas the information on "persons employed in agricultural work" collected in an agricultural census naturally covered a longer reference period. For that reason it would be extremely difficult to compare the data obtained through the two censuses.

With a view to solving that problem it might be worth while to consider a pilot survey on the economic activity of the farm populations during the population census reference period.

Mr. MAHALANOBIS (India) thought that arrangements to hold both censuses simultaneously would raise insoluble problems. In the developing countries, in particular, the number of enumerators would have to be greatly increased, and they would have to cope with a considerable body of work for which they were not trained; that would inevitably impair the quality of the data collected.

A simpler, more advantageous solution might be recommended to the poorer countries: namely, a combined sample survey dealing with both population and agriculture and based on the broad concept of the household as used in population censuses. It would thus be an easy matter to collect data on the farm population. Such a course would not entirely solve the problem of the difference between the periods normally covered by the two types of census, but it would simplify that problem and would do much to ease the task of poor but over-populated countries like India, where a full census presented tremendous difficulties.

Mr. DUFRASNE (Belgium) thought that the authors of the report had made praiseworthy efforts to solve the problem of co-ordinating population censuses and agricultural censuses. It was to be regretted, however, that they had used rather vague concepts - at any rate in French - such as "farm population", "agricultural population", "persons employed in agricultural work" and "dependants" of economically active persons engaged in the agricultural industry.

Where an agricultural census was carried out at the same time as a population census, the only item that would be comparable, in his opinion, was the number of persons mainly or secondarily engaged in agriculture and, probably, the number of persons forming part of farmers' households. It would still be necessary to take the household as the unit for the population census. Such data were plainly insufficient for an agricultural census, which must provide an enumeration of persons engaged in agriculture: i.e., permanent staff, seasonal staff, full-time workers, part-time workers (such as family workers) and foreign seasonal labour. The authors of the report were therefore right in concluding that it was not advisable to take both censuses at the same time.

According to paragraph 44, the Program for the 1970 World Census of Agriculture recommended the collection of data for tabulation on only three population characteristics: namely, main occupation of holder and sex and age of persons connected with agricultural holdings. He was surprised that secondary occupation of holder was not taken into consideration; moreover the phrase "persons connected with agricultural holdings" seemed to him unclear. Were they, he wondered, members of the holder's household or persons employed on the holding?

The authors of the report also spoke of information to be collected, during the population census, on cultivation of land and keeping of livestock. In his opinion such data went beyond the scope of a population census. However, it was for each country to take its own decision on that point.

The problem of the relationship between population censuses and other censuses arose not only for agriculture but also for non-agricultural enterprises.

Miss QUESADA (Panama) agreed with the authors of the report in their conclusion that it was not possible at present to resolve the differences between the concepts of "farm population" and "population employed in agricultural work" as used in the agricultural census, and "agricultural population" and "economically active agricultural population" as used in the population census. Moreover the concepts were different and had separate uses. Such being the case it was perhaps not desirable - as indeed, the report pointed out - to aim at comparability in data collected for different purposes.

The enumeration, in an agricultural census, of the farm population and of persons employed in agricultural work presented no particularly complex problems. Similarly it was an easy matter to enumerate the economically active agricultural population in a population census. On the other hand it would be very difficult to enumerate in a population census, persons connected with agriculture.

As to the use of the agricultural census in preparation for the population census and vice versa, she thought it would be desirable to consider the possibility of using the results of one census to supplement the data collected in the other.

Taking both censuses at the same time would require a large number of enumerators and inspectors. To give two questionnaires to one and the same enumerator might jeopardize the quality of the data collected.

There was, in her opinion, one important recommendation which might be made to countries: namely that, where a housing and population census was taken shortly after an agricultural census, it would be desirable to use the number of households per census district as a check on the coverage of the second census.

Mr. ASKAR (United Arab Republic), thought that the differences between the concepts used in population censuses and in agricultural censuses, and the fact that they were carried out at different times, were bound to have a profound effect on the use, for analytical purposes, of the data collected.

Taking agricultural and population censuses simultaneously would present many difficulties. It would require a very large staff, and that meant that problems of training would be involved; the staff would have to use a great number of documents; accuracy in the collection of data might leave something to be desired; the results would take a long time to process; and it would be very difficult to choose data which suited both censuses. Furthermore it was not possible to establish a link between the concept of "farm population" used in agricultural censuses and that of "agricultural population" used in population censuses.

On the other hand it should, in his opinion, be possible to make use of the results of the population census in preparing for the agricultural census. The census districts delimited for the population census, and the lists of households by district, could be used again. The data collected in an agricultural census, however, would be of no use in preparing for a population census.

The questions on agriculture to be included in the population census might cover the following points: employment in the agricultural sector; persons employed in agricultural work; and economically active persons engaged in the agricultural industry. An effort might also be made to collect some information on the keeping of farm-yard livestock.

Sir Harry CAMPION (United Kingdom) saw no reason why countries should not be encouraged to link the two types of census together, but he did not think the matter should be given high priority. The representative of the United Arab Republic had been right in stressing the complexity of the work which two simultaneous censuses would involve. Moreover, the authors of the report themselves recognized that the drawbacks of simultaneous enumeration precluded the recommendation of that procedure (paras. 14 and 43) and, as stated in Section N of the introduction to the Program for the 1970 World Census of Agriculture, approved by resolution 3/65 of the thirteenth session of the FAO Conference, the time reference of the population census "frequently overlaps the period when agricultural work is on the ebb, and then the population census figures may seriously underestimate the population engaged in agriculture".

The motives which countries might have for linking the two types of census differed according to their agricultural systems. The expansion of farms and the progress of mechanization and specialization created favourable conditions for

farmers, but they also created social problems. The reason why such data were wanted for study was that they had social implications, but it was better to collect them by sampling than by a census.

He drew attention to the difficulties raised by paragraphs 24 and 25, which did not define what was meant by a "secondary activity" of persons belonging to the "economically active agricultural population".

Mr. IMANI (Morocco) felt that, in view of their limited financial resources and lack of technical staff, it would be difficult for the developing countries to take two censuses in the same year. In 1960 Morocco had taken a general census of population at the same time as an enumeration of agricultural holdings. On a basis of the data thus collected and of tax returns, the Moroccan Government had carried out a number of sample surveys, the most important among them being a multi-purpose town and country survey which had enabled it to set up a permanent agricultural survey system. The purpose of that programme, which was to be extended in stages to cover the whole country, was to collect, by sampling, economic data on production. Thus, after the general population census planned for 1970, the Moroccan statistical services would be able to carry out an agricultural sample survey, and it was clearly not impossible for them to try to collect some demographic data in the course of that survey.

Mr. BOWMAN (United States of America) considered that the Statistical Office and the FAO Statistics Division should keep the situation under review and report to a subsequent session of the Commission what experience had been gained in the collection of population data in relation to agriculture. In training programmes for the two types of census, the method of collecting data should receive particular attention with a view to reducing to a minimum any duplication or variation in concepts.

In most countries agricultural censuses were wider in scope than industrial censuses owing to the need for data on the living conditions of the agricultural population, on resources and on production.

The United States had taken two censuses simultaneously in the same year, but had processed the data separately. On another occasion the two censuses had been taken six months apart; but in 1964 only the agricultural census had been taken, and it had consequently been possible to collect only a limited amount of information

on persons living in farmers' households. The figure obtained was not comparable with the annual figure of farm population which was issued jointly by the United States Department of Agriculture and the Bureau of the Census, nor was it comparable with the 1960 census figures. That lack of comparability had been known in advance and accepted as a necessary consequence of the existing situation.

As was pointed out in the report, a census of agriculture following a census of population might benefit from the preparatory work done for the earlier census, which might even provide a frame for the subsequent census of agriculture. In developing countries where the questionnaires were of somewhat limited scope simultaneous enumeration might be the most efficient and economical procedure, but it was not to be recommended generally. If objective measurement was to be carried out as part of the census of agriculture, that would have to be done by sampling and not as an addition to the main census effort.

The relationship between the two types of census was of great importance in the developing countries, where agriculture was predominant and where human resources were of primary concern in every development programme. Even in the industrialized countries, however, Governments were devoting more and more attention to the agricultural population. A census of agriculture did not provide sufficient information about persons who were not directly associated with a holding, such as landless labourers. In some cases agricultural activity was so closely interrelated with non-agricultural activity that only an analysis of the two censuses could provide the necessary information.

In adapting the international recommendations to their national conditions, some countries might work out more direct relationships between the two types of census than were provided for in the recommendations. It would be of interest in that connexion to examine the national practices followed during the 1960 censuses, when the two sets of recommendations had been similar to those for 1970.

Mr. JUI (China) considered that the questionnaires drawn up for a population census could be fuller and that, in planning the two censuses, co-ordination should be effected beforehand by reconciling definitions and concepts. The use of the population census in preparing for the agricultural census and vice versa should receive attention.

Mr. AYRES (Brazil) said that the report examined very pertinently the relationship existing between population censuses and agricultural censuses. It seemed to him, however, that the conclusion in paragraph 42 that it was not recommended to take those censuses at the same time was very sweeping. The disadvantages of simultaneous enumeration, as set out in paragraph 12, were without doubt difficulties to be overcome. Some of them, in his opinion, depended solely on administrative decisions. The others constituted a difficult problem for the technical staff, but they had to be solved in some countries with a large area, where agricultural activities were spread over practically the whole territory, because such countries could not readily take two censuses at dates which were very close to each other. As was recognized in paragraph 12 of the report, simultaneous enumeration for two censuses afforded an opportunity of establishing a link between some characteristics of agricultural holdings and some characteristics of the population and of households connected with those holdings; moreover, combining the two censuses would be more economical. The conclusion could be drawn that taking population and agricultural censuses simultaneously was neither the ideal nor the most convenient solution, but it was one which was acceptable in certain cases, provided that the necessary precautions were taken.

Mr. MULLIER (Economic Commission for Africa) endorsed the Indian representative's observations about the difficulties of taking two censuses simultaneously. In Africa, for example, since there was neither a cadastral survey nor a system of land measurement, it would be necessary to make a sample survey.

It would be highly desirable to carry out a full population census in each of the primary sampling units, or in some of them, in order to check that there was no discrepancy between the full census and the census by primary units. It should be noted, however, that seasonal movements changed the composition of the primary units.

The CHAIRMAN said that the report had made clear what the problems were, but that those problems had not been solved and probably would not be, despite the suggestions that had been put forward. Doubts had been cast on the analytical usefulness of the concept of the population census; however, its usefulness might differ from country to country. The Commission had agreed that the simultaneous census method could not be recommended for purposes of combining the data collected, but that it might be of practical value in certain countries.



Mr. NARAIN (Food and Agriculture Organization of the United Nations) observed that some countries had taken simultaneous censuses but without trying to collate the data on populations connected with agriculture. It might be more practical to attempt such collation on a sampling basis. Sampling investigations carried out in a few countries for that purpose might provide useful guidelines for further work on this problem.

Mr. MAHALANOBIS (India) thought that, in its report, the Commission should mention sample surveys for the purpose of processing and analysing the data from the two censuses.

(d) PROGRESS REPORT ON THE INTERNATIONAL TRADE STATISTICS CENTRE AND ON THE ELIMINATION OF DUPLICATE REQUESTS TO GOVERNMENTS FOR EXTERNAL TRADE STATISTICS (E/CN.3/353)

Mr. LOFTUS (Secretariat) said that the Secretary-General's report (E/CN.3/353) had been prepared in response to the request made by the Commission at its thirteenth session. It indicated the scope of the work being done by the Centre, which was now processing data at the rate of 650,000 basic items a month. The report contained information on the data published by the Centre and on certain technical aspects of its work, together with a description of the steps taken to avoid duplication in the requests made for statistical data; it also contained an account of the work done jointly with OECD, of co-operation between UNESCO and the United Nations, and of co-operation with the regional economic commissions. The statisticians of the regional economic commissions had made considerable progress in collecting data on their respective regions.

The annexes contained data supplied to the Centre by the various countries; those on Latin America were complete, thanks to the up-to-date information supplied on Brazil by the Statistical Office of that country.

Mr. GOTO (Japan) approved the steps taken to prevent the same requests for information from being sent to Governments from different sources; however, the Centre should keep Governments and international organizations supplied with data at all times. The work of the Centre should not be confined to trade statistics but should also include population, industrial and financial statistics, and the suggestions made by the users of those statistics should be taken into account so as to improve the Centre's work.

Mr. BOWMAN (United States of America) expressed satisfaction with the conditions in which the Centre was doing its work, and in particular with the publication of data by broad economic categories. The inclusion in Commodity Trade Statistics of 2-digit SITC data was also to be commended, as was the listing of the exchange rates used for the conversion of national currency units to US dollars.

Fruitful co-operation had been established under contracts with several agencies of the United States Government, although the length of time necessary for the completion of those contracts was not generally satisfactory. Since the United Nations was reimbursed for the cost of contract work, he recommended strongly that, if it could be done without additional cost to the United Nations, the Centre should expand its staff in order to complete expeditiously the increasing volume of work entrusted to it by its clients.

In view of the need for more detailed information on the contents of the "data bank", the Statistical Office should publish the keys between the SITC and the national classifications used by the Centre in processing national trade data. The Statistical Office should also revise the data tapes to incorporate corrections supplied by Member States. Since there was still a need for trade data at the 5-digit revised SITC level, he reiterated the request he had made in 1965 for publication of the Commodity Trade Statistics fascicles at least once a year, and in that degree of detail, where provided by the reporting country.

Mr. NARAIN (Food and Agriculture Organization of the United Nations) considered paragraphs 14 to 16 of the Secretary-General's report were somewhat optimistic. Some forty countries, including Hungary, the USSR and the United Arab Republic, which were members of the Commission, did not supply the Centre with their external trade data. There was therefore no question of obtaining the external trade statistics of those countries from the Centre. Incidentally, FAO had started an inquiry into ways and means of obviating the dispatch of questionnaires to countries wherever possible. The situation with regard to national publications had improved; FAO was receiving them more quickly and was using them in preparing statistics. There had been some delay in the supply of data by the Centre. FAO had informed the Director of the United Nations Statistical Office of that and had sent him a list of twenty-six countries on which it needed data and which appeared on the list of countries supplying statistics to the Centre. That was not meant as a criticism, but FAO sought to make the best possible use of the services which the Centre could supply.

Mr. DAVIES (Economic Commission for Europe), said that the ECE secretariat received from the Centre general statistical tabulations of trade between planned-economy countries and market-economy countries in Europe, which it intended to publish. Data on trade in engineering commodities were also received. Such data were being received in a fully satisfactory form and more rapidly than in the past. However, the secretariat was also obtaining directly from national statistical offices data on external trade which it published in its bulletins. The Conference of European Statisticians had requested ECE not to ask countries directly for external trade statistics any longer, but to obtain them from the Centre. The ECE would be pleased to do so, but the data it was able to obtain from the Centre did not always meet its requirements; sometimes they were not presented in sufficient commodity detail or were not supplied in the measurement units required or at short enough intervals (quarterly or monthly), or did not arrive quickly enough. Apparently it continued to be quicker for the national offices to supply selected figures direct to ECE than to send them to New York to be processed and sent on to ECE.

As to paragraph 23 of the Secretary-General's report, the Centre and the ECE secretariat were studying the various problems in an endeavour to find a solution. It should be pointed out, however, that the statement in that paragraph, "that most of the data required by the timber and agricultural divisions of the Commission are now being supplied by the Centre" was not correct.

The Conference of European Statisticians intended to hold a consultation, before its next plenary session, with representatives of the international organizations and agencies active in European statistics, to promote co-ordination and the avoidance of duplication in the collection and publication of foreign trade statistics.

Sir Harry CAMPION (United Kingdom) said that his Government attached great importance to the Statistics Centre and its publications. The United Kingdom had signed a contract with the Centre in order to receive the data it required.

His country had only one centre for collecting and processing data on external trade; at first that centre had experienced some difficulties in connexion with the presentation of its data to the United Nations Centre, but they had now been overcome.

With regard to the publication of data, the United Kingdom centre would like to receive material during the first quarter of each year, as that would facilitate its work. His delegation was especially interested in the Statistics Centre's programme as described in paragraph 12. In particular, it would like to have details of the index number programme and to know, for example, to what commodities the indexes would refer, what method would be used, and whether the index numbers obtained would be comparable with those calculated in the United Kingdom. All those questions carried implications for statistical policy. As to the estimation programme, it was desirable to specify which countries' figures would be estimated and what methods would be used.

He was glad to see that efforts were being made to reduce duplication of effort. Since the work of the Centre was extremely useful, all organizations should endeavour to give it their support.

Mr. YAGER (Observer for the Organisation for Economic Co-operation and Development), speaking at the invitation of the Chairman, said that OECD welcomed the establishment of the International Trade Statistics Centre, which would certainly become progressively more useful in transmitting statistical data to organizations and users. The OECD also welcomed the establishment of the International Computing Centre.

In January 1966, OECD had informed its member countries that it could make arrangements for them to communicate their trade statistics to it through the Statistics Centre and not directly, so as to spare OECD countries the necessity of supplying the same figures to two different organizations. It had done so, after satisfactory trials, for two countries. It should be added that other recent trials had been less satisfactory. The OECD was prepared to use the services of the Centre as much as possible but must retain the right to decide what method was best for application to each country.

With regard to paragraphs 17 to 21 of the Secretary-General's report, he could not entirely subscribe to the terms used. In paragraph 17 it was stated that OECD had requested data from its member countries "to meet the requirements of its publication programme". In reality the main reason why OECD had made such a request was that the data were required for the internal use of the organization. It was true that OECD had asked its members for data "in essentially identical detail to that which Governments normally supply to the United Nations International Trade

Statistics Centre", namely data classified according to SITC; but in practice no real duplication was involved, since the procedure saved the members of OECD from doing the same work twice. It should be added that there were delays in the supply of data by the Centre, a fact which might have been mentioned in the paragraph in question.

In paragraph 19, the phrase "was not negotiable" hardly seemed accurate, for discussions had in fact been held on the subject. With regard to paragraph 21, OECD was still negotiating with its members on the best method to use.

The OECD would willingly take part in the negotiations on external trade statistics which were to be held under the auspices of the Conference of European Statisticians.

Miss CASIS (Inter-American Statistical Institute), speaking at the invitation of the Chairman, noted from annex II to the report that only nine Latin American countries supplied statistics to the Centre and that, even in those cases, the data were not always complete. Paragraph 3 stated that a special effort was being made to secure the data from countries in Latin America through ECLA, and according to paragraph 23 the regional commissions had been or were being approached by the Centre to submit their detailed statistical needs in the field of external trade. From 14 to 19 November, the first meeting of the sub-committee for external trade statistics of the Committee on the Improvement of National Statistics (COINS) would be taking place. The Statistical Office of the United Nations had been invited to that meeting. It would be useful to give that meeting specific information concerning the situation in the Latin American countries, and the Institute secretariat intended to draw the sub-committee's attention to the information given on that subject in the report on the work of the Statistics Centre.

Mr. JUI (China) said that the data supplied by his Government were processed by means of punched cards in accordance with a system peculiar to his country, that complicated the work of the Centre, as such data had to be converted to correspond to the international norms. The Chinese Government intended to install new electronic computers in order to be able to classify and process the data according to the SITC system.

Mr. LOFTUS (Secretariat) emphasized the difficulties which confronted the Centre when countries asked it to adopt a particular procedure and when they said that they were not satisfied with the results and that the method should be changed. That caused many delays, and that situation would probably persist for some time yet. The Statistical Office carefully studied the proposals which various organizations addressed to the Centre, and particularly those from OECD. It was to be hoped that the members of that Organization would realize that processing data in two different places was a very costly operation.

With regard to the United Kingdom representative's comments on paragraph 12, it was obvious that the Centre must see to it that there was no contradiction between the results obtained by the index number method and the data published by the various countries. However, that was not the problem. The Centre would not calculate the data for each country; it proposed to study the role played by price and volume factors in the changes taking place in the principal flows of trade, and it had no intention of publishing index numbers for individual countries. Even in the data now being published concerning some major flows of trade between groups of countries, there were contradictions in the information supplied by the different groups. More precise results would have to be obtained. Furthermore the index number programme would be carried out as an experiment and the results would be submitted to the various countries before the data were published. If it was decided that they should be published, all the details requested by the United Kingdom representative would be given.

The sole purpose of the estimation programme was to fill in the gaps which had been discovered in the data on major flows of trade. The intention was thus to make use of such estimates as were considered reasonable, but those estimates would not be published for each country.

The CHAIRMAN took it that the Commission would like to receive, for its next session, a report similar to the one it had just examined. It might be useful to include in that report a list of the data which international organizations received directly from countries, showing the name of the organization and the kind of data so received.

The Commission clearly approved the measures taken to improve the Centre's services and to avoid duplication of effort, and had no doubt that further progress would be made in that direction. The Commission would certainly wish to approve the consultations now in progress between the Centre and the various international organizations which received data on international trade directly from Member countries.

The meeting rose at 12.35 p.m.

UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



Distr.  
GENERAL

E/CN.3/SR.244  
7 March 1967

Original: ENGLISH

STATISTICAL COMMISSION

Fourteenth Session

SUMMARY RECORD OF THE TWO HUNDRED AND FORTY-FOURTH MEETING

held at the Palais des Nations, Geneva, on  
Wednesday, 12 October 1966, at 2.30 p.m.

Chairman

Mr. BJERVE (Norway)

Rapporteur

Mr. ARCHER (Australia)

Secretary

Miss GROSSMAN

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The complete list of governmental representatives and of representatives of  
specialized agencies, of other inter-governmental organizations and of non-  
governmental organizations attending the session will be found in Official  
Records of the Economic and Social Council, Forty-second Session, Supplement No.3.

INTEGRATED WORK PROGRAMME OF INTERNATIONAL STATISTICS, INCLUDING AREAS AND PROBLEMS OF CO-ORDINATION (agenda item 3):

(e) CLASSIFICATION BY BROAD ECONOMIC CATEGORIES (E/CN.3/341 and Corr.1)

The CHAIRMAN invited the Commission to consider the Secretary-General's report on classification by broad economic categories (E/CN.3/341 and Corr.1).

Mr. ARCHER (Australia) said that, in paragraph 31 of the report of the Commission on its thirteenth session (E/4045), it was stated that there had been general agreement that the classification by broad economic classes shown in annex III of document E/CN.3/312 was useful, but that governments should have ample opportunity to study it and express their views, which should be taken into account before it was finally adopted. In particular, Commission members and interested agencies should be given the opportunity to send their comments on annex III to the Secretariat. No formal request had been made to Australia for such comments, which was why no comments had been submitted.

Australia was interested in the proposed United Nations Classification by Broad Economic Categories (BEC) from the point of view of its use by the International Trade Statistics Centre for the publication of overseas trade commodity data, and as a classification of broad economic categories in Australian statistical publications. It supported in principle the proposal for an international classification of broad economic categories defined in terms of SITC. It also supported the use of a common classification of broad economic categories for import and export statistics, while recognizing that there might be a difference in emphasis between categories of interest for imports and exports respectively.

With regard to the classification proposed by the Statistical Office, he agreed with the initial distinction between food and non-food commodities and the further distinction, under non-food commodities, between industrial supplies - commodities requiring further manufacture - and capital and consumer goods - commodities ready for final use. But he had reservations on some of the further dissections proposed by the Commission and would prefer to see some of the proposed categories amalgamated.



He would also suggest the creation of two new categories for commodity groups which presented special problems in a classification of broad economic categories. That would to a large extent overcome the problem of commodities which were used both for private consumption and for industry. The two most important groups in that respect were fuels and lubricants and transport equipment. The proposed classification attempted to overcome the problem by allocating fuels and lubricants to both Finished Industrial Supplies (II.C) and Non-durable Consumer Goods (IV.B) and transport equipment to Semi-finished Industrial Supplies (II.B.2), Capital Goods (III) and Durable Consumer Goods (IV.A). Countries were asked to supply estimated proportions of such commodities destined for each of the specific categories on the basis of experience with a similar approach in the classification of imports by economic classes. In Australia he did not think that that would be a satisfactory working arrangement. It would be better to create separate economic categories for fuels and lubricants on the one hand and for transport equipment on the other. The United Kingdom had included both those groups as separate categories in the interim classification of broad economic categories which it had proposed for use by Commonwealth countries until a system of annual statistics had been built up on the basis of the United Nations classification.

The Statistical Office also proposed to allocate a small number of less important commodities to different categories in BEC. He would suggest that those commodities should be re-examined to see if agreement could be reached on their allocation to a single economic category on the basis of major use.

He had a number of suggestions to make for amalgamating certain of the economic categories proposed by the Statistical Office. First, he did not believe that food commodities could be satisfactorily classified on the basis of readiness for final use, since most of them whether processed or unprocessed, could be used either for further manufacture or for direct consumption. He therefore suggested amalgamating economic categories I.A.1. and I.A.2 and economic categories I.B. and I.C., so that all food commodities would be classified according to whether they were processed or unprocessed. Secondly, it was confusing to attempt to draw a distinction between semi-finished and finished manufactured industrial supplies since the terms were valid in a technical rather than an economic sense. He therefore suggested amalgamating economic categories II.B. and II.C. Thirdly, he was not in favour of classifying manufactured industrial supplies according to whether they were of agricultural or non-agricultural origin, since the process of manufacture produced commodities of mixed origin. He therefore suggested amalgamating economic categories II.B.1 and II.B.2.

Fourthly, he suggested that category V should not be sub-divided because the trade covered by that category was relatively insignificant.

Fifthly, in connexion with the allocation of SITC items to BEC categories, the treatment of military equipment was unsatisfactory - warships being classified as consumer goods and military aircraft as capital goods - and he suggested that all military equipment should be included in category V. Finally, he suggested that waste and scrap commodities resulting from manufacture should be classified under Manufactured Industrial Supplies rather than Un-Manufactured Industrial Supplies.

Mr. LOFTUS (Secretariat) said that it might be useful at the present juncture if he explained the nature of the proposal before the Commission. There had been a tremendous demand for some kind of classification by broad economic categories, and the pressure from economists working in the general field of international economics had become so great that the Statistical Office had felt that it would not be doing its duty if it did not respond to a legitimate demand. It had therefore prepared the proposed classification and used it in a preliminary fashion in the commodity trade statistics which were being issued with the international trade data for 1966. The classification was, however, still very tentative and was being submitted now so that the Statistical Office could know as soon as possible whether it was the kind of classification that the Commission could support or, if not, what changes should be made immediately and what aspects required further study. The next step would be to circulate the classification to governments for comment. Thus the Commission was not being asked to approve the classification at the present stage: the classification would remain tentative until governments' comments had been received and analyzed.

In reply to the Australian representative's suggestion concerning the need for separate categories for fuels and lubricants and for transport equipment, he said that the categories in the classification were all categories which could not be obtained from existing international trade statistics, and care had been taken not to repeat any category already provided for in SITC. The two categories suggested by the representative of Australia were not included because they were both specific categories of the SITC. There was pressure from the economists against amalgamation and in favour of further sub-division. Traditionally, the statisticians tended to resist the kind of estimating that was required for sub-dividing. But the need existed, and if the statisticians continued their resistance, the economists would do the work themselves and probably

less satisfactorily. The exercise was not a new one, since annual estimates of consumer expenditure were made in every country. The Statistical Office was merely proposing that estimates made nationally should be made available internationally. For example, where a country stated that a certain proportion of its automobiles were used for industrial purposes and the rest for consumer goods, the estimate should be embodied in the import figures so that it would be possible to see what proportion of a country's imports consisted of goods destined for productive uses and what for consumption.

Mr. DUFFETT (Canada) said he welcomed the idea of broad economic categories. Canada had experimented with the system and found it useful but, like Australia, had also found that some of the categories proposed by the United Nations were too comprehensive. It had proved useful to have a separate category for transport equipment because it could not easily be fitted into the broad headings of capital goods and consumer goods. The request in paragraph 10 of the Secretary-General's report that countries should divide imports of transport equipment between capital and consumer goods was plausible, but there were many practical problems which could best be solved by setting up a separate category for transport.

The difficulties accompanying the United Nations system could be illustrated by the classification for "passenger motor cars", which was to be split between durable consumer goods and capital goods, whereas "chassis with engines mounted of a kind used for passenger motor cars" were included as durable consumer goods without classification, and "bodies, chassis, frames and other parts of motor vehicles" were to be split between durable consumer goods and capital goods. There were other peculiarities in the United Nations classification. For instance, fuel, power and lubricants, as examples of materials which were used up in production and therefore not part of the product, were normally shown in a separate category, whereas the United Nations classification included them as finished products (332.4 to 351). The classification of finished goods by origin produced some odd results, particularly in view of the unusual definitions given to agriculture. Many unexpected items, including pearls and human hair, were classified as being of agricultural origin. In an international classification it would be better to classify in terms of economic end use and state of fabrication, rather than by origin. He hoped that the document would be carefully reviewed by classification experts. It should also be sent to all governments for comment.

Mrs. MOD (Hungary) said that the broad economic classification would be a useful instrument for analyzing external trade. She wondered, however, if it was not possible to devise a system using two or three digits instead of four or five as proposed in the detailed classifications. A simpler form would be much easier to use.

She shared the doubts of the other speakers as to the method of sub-dividing items according to final use.

With regard to IV, "Consumer goods", she suggested that durability should take some account of the element of value as well as of the length of life of the products in question. Durability alone could lead to anomalies in the case of, for example, needles or razor blades.

Mr. GRUSON (France) said that, while the initiative of the Statistical Office was very useful and should be encouraged, there were difficulties of two kinds in preparing a precise classification.

First, the Commission would shortly be discussing agenda item 4 (a) on the System of National Accounts, for which, as indicated in chapter IV, paragraph 35 of the proposals for revising the SNA, 1952 (E/CN.3/345), a classification of commodities was required which would be linked directly to the classification of industries. If the SNA was to be regarded as the basic instrument for economic analyses, it would be unfortunate if the Commission approved a classification which was incompatible with it.

Secondly, he had doubts about the proposed twenty-seven categories of multi-purpose commodities for which breakdowns were required. Customs statistics might offer a basis in some cases, but not in all. If the proposed BEC classification were adopted, there would be two categories: one applicable to total resources as in the SNA, and the other applicable exclusively to products imported commercially. That might be useful for commercial users of statistics, but it should not be imposed as a basis for precise statistics. If a statistical document included breakdowns which were not provided for in the SNA and were difficult to establish, there was a risk of producing figures which could not easily be interpreted. It would be better to postpone a decision until agreement had been reached on the principles for the classification of commodities in the SNA.

Sir Harry CAMPION (United Kingdom) said he had hoped that the proposals would have been circulated for comment earlier so that the Director could have taken the comments received into account when preparing the document. The Secretariat should take into account the Australian representative's suggestions before submitting the classification to governments for comment. The document would obviously have to be revised again before it was re-submitted to the Commission. One of the difficulties was that the proposals it contained were somewhat different from what had been expected.

He recognized the need for the classification and agreed in general with the views of the representatives of Australia and France. According to paragraph 10, commodities used both for private consumption and for industry were to be arbitrarily limited to twenty-seven and it was hoped that national statistical offices would be willing to supply annual estimates, in respect of their imports of those commodities, of the proportions destined for each of the specified categories. But, certainly in the case of his own country, the relevant factors were not known on certain items. It might be estimated, for example, that 40 per cent of motor cars went to personal consumption, but that was a very different matter from asserting that personal consumption accounted for 40 per cent of annual imports. It would be disturbing to think that estimates were going to be used as a basis for trade statistics. It would be better to give further consideration to the twenty-seven items and, if it proved impossible to achieve a perfect classification, to admit the fact.

With regard to I.A.1 and 2, it would be difficult in the United Kingdom to distinguish between foods and beverages for direct consumption and for industry. With regard to II.B.1 and 2, he felt it would be better not to attempt to distinguish between industrial supplies of agricultural and non-agricultural origin. The question should be thought over very carefully before the classification was issued as being generally acceptable to all countries.

Mr. MAHALANOBIS (India) said that a classification would be useful, but the proposed list should be examined very carefully. He agreed with much of what had been said by the representatives of the United Kingdom and France. He did not see the point of separating durable and non-durable consumer goods. The category of capital goods presented difficulties: "slates for writing" might possibly qualify as investment in education, but many printed books, which might be more durable, and be of capital value, appeared in other categories.

While welcoming the proposal for broad economic categories, he suggested that the categories should be broader in the first instance and that more detailed breakdowns should be left to a later stage. In addition, certain capital goods should be defined rather carefully since the term had a particular meaning in economics. It was important to state what elements contributed to the definition.

Mr. ASKAR (United Arab Republic), while supporting the idea of a classification, said that the proposal before the Commission presented certain difficulties. First, there was the difficulty of determining the proportions of commodities destined for different uses within an arbitrary limit of twenty-seven. Secondly, there was the difficulty of determining the contributions of the various sectors of the economy to the value of products imported or exported. He suggested that a new distribution of commodities should be attempted: for imports - fuels, primary commodities, finished goods and consumer goods; and for exports - fuels, primary goods, semi-finished goods and finished goods.

Mr. BOWMAN (United States of America) after expressing his satisfaction with the work that had been done on BEC since the thirteenth session and with the publication of the 1965 trade data by broad economic categories for the United States and eight other countries, said that before such data were published again the whole question must be re-examined so as to select the most appropriate classifications of commodities. There was a difference between the broad economic categories that could be used for classifying international trade information reported to the United Nations by Member States and the classifications that might need to be established by any country to analyze its own trade for internal purposes. United States statisticians considered that the new BEC which incorporated extensive changes, was in some respects preferable to the earlier and less sophisticated classification, but in seeking to obtain still more detailed information from countries, the Secretariat was perhaps attempting too much. Certain United States statistical bodies did not regard the new scheme as entirely adequate or applicable to the compilation or analysis of external trade data by individual countries. Indeed in some respects it was incompatible with and could not be substituted for commodity classifications used by United States governmental agencies for different kinds of analyses. They were opposed to its mandatory imposition.

He would be interested to know whether it was correct that the work by the Customs Co-operation Council in Brussels on the standardization of import and export documents might significantly affect the statistical data obtained as a by-product of customs administration, and that it might involve considerable changes in SITC.

Mr. BERTRAND (Observer for the Organization for Economic Co-operation and Development), speaking at the invitation of the Chairman, said that a classification by broad economic categories was certainly useful and the Secretariat of OECD had for some years been working on one on much the same lines as the United Nations Statistical Office, but the difficulties were considerable. The OECD classification was not yet ready and OECD wished to consult member States on what had so far been achieved before circulating it.

Mr. NARAIN (Food and Agricultural Organization of the United Nations) said that the forestry and fishery units of FAO hoped that there would be an opportunity of submitting detailed comments on the classification. The FAO had certain suggestions to make such as, for example, that item 241.2 (wood charcoal) should be transferred from II B (Semi-finished industrial supplies) to IV.B (Non-durable and semi-durable consumer goods).

He would be interested to know whether I (Food and beverages) included animal feed. In FAO classifications, it was always kept separate from food for human consumption.

Mr. CARRE (General Agreement on Tariffs and Trade) said that before a definitive classification intended to be valid for a long period was adopted, certain criteria would need further examination because of the conceptual problems posed by the attempt to divide certain commodities into several categories. He was uncertain whether a logical solution was feasible in every case and perhaps the attempt should be abandoned. The GATT would wish to take part in any revision of the classifications submitted by the Statistical Office.

Mr. LOFTUS (Secretariat) said it was clear from the very helpful comments of members of the Commission that the classification would need to be revised and circulated to Member States and interested organizations for comment. The classification was needed for world trade purposes and was not meant to supplant national classifications, which were designed to meet special needs. Evidently some of the divisions were not regarded as satisfactory, and indeed they had been difficult to devise. At the outset the Secretariat had contemplated such divisions as foods, industrial supplies, capital goods and consumer goods, but users of the classification had insisted on more sub-divisions.

For many countries imports were the main source of capital formation and some kind of special classification was needed in order to determine which commodities were destined for that end. He therefore hoped that countries would be able to provide some data differentiating between the various end-uses of imports. Of course, that could not be done for exports.

Mr. GRUSON (France), said that the nomenclature adopted in the classification ought to be harmonised with that of SNA.

Mr. LOFTUS (Secretariat) said that the classification submitted by the Statistical Office was intended to correspond exactly with the divisions required in SNA for such broad categories as capital goods, consumer goods etc. In due course the sub-divisions also would have to be made to correspond. In revising the classification, the Secretariat would be guided by the decisions taken in respect of SNA and by what countries were doing in compiling their national accounts.

The CHAIRMAN said that consideration of the Secretary-General's report (E/CN.3/341 and Corr.1) was concluded.

NATIONAL ACCOUNTS AND BALANCES (agenda item 4) (E/CN.3/345 and Add.1, E/CN.3/346, E/CN.3/347, E/CN.3/348, E/CN.3/349; ST/STAT/12, ST/STAT/13)

The CHAIRMAN, opening the discussion on item 4, suggested that all the four sub-items might be taken together as they were closely interrelated.

Mr. AIDENOFF (Secretariat), introducing the papers submitted for items 4(a) to 4(d), said that the proposals for revising the SNA of 1952 were contained in document E/CN.3/345 and represented an extension of the definitions for the classification of the system as well as an adjustment of the system to the needs of developing countries submitted in document E/CN.3/320 which had been considered by the Commission at its thirteenth session. The new paper was not as detailed as that and was the outcome of consultations in all regions as well as of meetings of non-governmental bodies, including the International Association on Research in Income and Wealth and the Conference on Research in Income and Wealth. A summary of the conclusions reached by the latter had been sent to the Secretariat and copies were available for members.

In the course of the discussions on the revision of SNA, much attention had been given to widening the common ground between it and the developed Material Products System (MPS). A report on the progress achieved had been submitted by the Secretary-General (E/CN.3/349). It dealt with methods of co-ordinating the two systems in areas



where they overlapped or were coincident. It also outlined the direction which further work would take. Members would note that the European Working Group on National Accounts and Balances had considered the whole subject and intended to proceed further with it.

The question of whether national balance sheets could be integrated into the revised system had been considered and the Expert Group on the Review of National Accounts and Balances had concluded that, although it would not be appropriate in the near future to do so, the matter should continue to be studied on the international plane. It had also made suggestions as to the kind of work to be undertaken. A memorandum on national and sector balance sheets (ST/STAT/12) had been prepared by a consultant to the Statistical Office, Professor Stone.

The problem of income distribution statistics had been discussed during the consideration of certain definitions, and in the Secretary-General's report on the matter (E/CN.3/348) the implications of attaching such statistics to the revised SNA had been discussed. The Expert Group on the Review of National Accounts and Balances had based its discussions on a paper (ST/STAT/13), prepared by Mrs. Mød, who had acted as a consultant to the Statistical Office.

The report on the second session of the Expert Group on the Review of National Accounts and Balances (E/CN.3/346) contained proposals for the revision of SNA.

Mr. GOLDBERG (Canada) said that item 4(a) was of far greater importance than the remaining three sub-items and he therefore suggested that they be taken one by one.

Mr. BEALES (United Kingdom) said he agreed with the Canadian representative: it would be confusing to discuss the four sub-items together.

Mr. MALISHEV (Union of Soviet Socialist Republics) said he also agreed with the Canadian representative. Moreover, not all the papers relating to item 4 were yet available in Russian.

The CHAIRMAN invited the Commission to take up item 4 (a).

(a) THE EXTENSION AND REVISION OF THE SYSTEM OF NATIONAL ACCOUNTS  
(E/CN.3/345 and Add.1, E/CN.3/346)

Mr. GOLDBERG (Canada) said that in order to take stock of the progress made on SNA it was necessary first to work through the previous paper (E/CN.3/320) in order to see which parts had been amended and to make adjustments in the light of the report on the second session of the Expert Group on the Review of National Accounts and Balances. Those papers then had to be related to the summary presented in the Secretary General's report (E/CN.3/345/Add.1). The whole exercise was extremely difficult, even for people who had worked for many years on national accounting, despite the fact that the revision of SNA was a great improvement both in form and substance on the previous one. The Statistical Office should set itself the task of converting the material, the full implications of which were very hard to grasp, into a single composite whole and to express it in language easily comprehensible to fairly expert persons. Of course when income and expenditure accounts were extended to include input and output tables, financial flows and balance sheets, the material inevitably became more complex, but nevertheless he hoped it could be made more intelligible. One reason for the exposition of the subject being difficult to understand was that no systematic distinction had been made between the discussion of principles and the discussion of recommended practices.

It would be helpful if the names used in the new nomenclature for classifications of economic activities, industries, purposes, functions, services, commodities and sectors were related to and compared with one another and with what they had previously designated. At present it was not clear whether industries were now confined to the commercial sector, nor was it clear whether in practice it would be either feasible or necessary to delimit the boundaries of the commercial sector in the production accounts differently from those of the financial sector. Canadian statisticians were not yet convinced that they had fully understood the principles governing the treatment of inventories in the revised SNA. Nor were they sure that they had fully understood the one-to-one relationship between government services classified by economic activity, and the classification of general government agencies according to purposes as set out in the proposals for revising the SNA before the current session.

An intelligible exposition of the new SNA was needed, not only for the experts but also for users of statistics everywhere, and it was important to bring out the extent to which the components of the new system could be rearranged to fit into the existing one. The accounting structure of the latter, despite its obvious shortcomings, had been designed to depict market economics in a simplified way and had a considerable appeal to users in a number of countries, including his own. Judging from experience, users were bothered even by small adjustments in concept, presentation and nomenclature and would need to be reassured that the advantages of statistical integration and the wider international applicability of the new system were not outweighed by its complexities.

The papers before the Commission gave the impression that the expert groups had aimed at constructing a comprehensive system that could be used for long-term development and integration and analysis of economic statistics that was somewhat divorced from practical considerations, but those could not be ignored if the system were to be something more than a sophisticated method for analyzing various trends and transactions and their inter-connexion. Accordingly, as soon as a more comprehensible version had been completed and distributed, it might be desirable for the Statistical Office to find out how many countries could adopt the new scheme, and how frequently the data could be published. The Commission would then be in a better position to assess the practical as well as the theoretical aspects of the system before fully endorsing it.

His comments should not be interpreted as belittling in any way the very considerable achievement represented by the proposals. The development of a framework which had already gained general acceptance among market economies and the erection of bridges with the practices of centrally planned economies were achievements of major importance, which had necessarily involved the acceptance of compromises by all concerned. He was gratified that aggregates of gross and net domestic product valued on a factor income basis had been given due recognition, that a table on income and outlay and capital transactions by kind of economic activity had been included, and that a number of other amendments had been made to meet requests made during previous discussions. He also strongly endorsed the decision of the expert group to include income information on factor shares by industry and kind of economic activity, as well as by legal form of organization. That information was extremely useful for income analysis in industrial economies, and would meet a very serious deficiency in the different versions of the revised SNA which had so far been distributed.

There was, however, one related aspect which he felt should receive more extensive treatment, namely, the relationships between company and establishment-based statistics. He believed that a tentative decision had been reached not to extend industry classifications based on establishments to income and financial information, and, what was more serious, that a rapid tentative decision had been made not to extend industry classifications based on companies or enterprises to production data. The issues involved were of fundamental importance and should not be set on one side, since the structuring of the individual building blocks and thus the type of detail, cross-classifications and aggregations that the statistical system could yield, might depend on their resolution. It was a serious defect of the revised system that those problems had not been discussed and the various alternatives explored.

The revised system also tended to be rather rigid in the treatment of concepts and definitions. The master matrix seemed to govern in the world of ideas of planners, whereas unfortunately in the real world not everything that was logical was necessarily the most sensible or useful, and not everything that was most sensible or useful was necessarily the most feasible. An example of rigidity in treatment of concepts was the recommendation to include operating surplus in the valuation of inventories of own manufacturing; not only might that be difficult to accomplish, but it conflicted with recognized accounting practice in Canada and probably other countries. Apart from a failure to recognize practical problems of collection and user expectation, there appeared to be a conflict between the requirement of integrating information within a single logical framework, and the desirability of providing alternative tabulations for analytical purposes, which not only had not been resolved, but had not even been discussed in the documents. Recognition of such problems was particularly important because the analytical uses for various kinds of national accounting data were expanding, and demands for the development of alternative definitions and classifications of the same information could be expected. The world was at the threshold of the computer era, and provided care was taken to maintain basic information in suitable building blocks, with appropriate coding systems, it should be possible to satisfy much of that demand in the years ahead. The next version of the system should allow for more flexibility.

The major contribution of the new SNA, from the Canadian point of view, was that it distilled achievements in national accounting in a systematic manner and effectively brought into view the various components of the total system. Further, the attempted synthesis of standard industrial and commodity classifications with national accounts classifications was a major step forward. He agreed that the time had come for a review of the present systems of standard classifications, although they were, of course, designed to accommodate a wider range of uses than those of the national accounting systems, and their construction required an intimate knowledge of practical data collection problems. It would be useful at the present stage to bring together classification experts and national accounting experts to undertake such a review. It was a matter for concern that substantial amendments had already been proposed during the construction of the new SNA without discussion with classification experts and experts engaged in data collection. The pyramiding of revision which might result from that could lead to a lot of confusion. Changes should be kept to a minimum pending the development of revised classifications in which national accounting experts and standard industrial classification experts had had an opportunity to collaborate.

There was only one matter of detail that he proposed to mention and that was the question of the banking imputation. The solution suggested by the expert group was, in his view, no solution at all. What was being suggested in effect was that an imputation to banking should be made, but that such imputation led to an over-valuation of the gross domestic product and that consequently the imputation should be deducted by means of an overall negative adjustment. That appeared to him to be contradictory, since an imputation was only justified if a service was actually rendered, which, in the absence of the imputation, would not be included in the gross domestic product. If no such service was rendered, then the imputation should not be made in the first place. The treatment given to the matter in the present SNA was preferable to that suggested by the expert group.

Mr. ASKAR (United Arab Republic) said that the revised SNA would provide an excellent basis for compiling and analysing data at both national and international levels. But the system was market-oriented and was too ambitious for implementation in the developing countries. It should be reconsidered in the light of its main objectives and orders of priority should be established.

Mr. GOTO (Japan) said the proposals for revising the SNA were of particular interest to Japanese statisticians, because basically they were in line with Japanese revised national accounts. The revision of the Japanese national accounts system resulted from a long study begun in 1963 by the National Accounting Research Commission, an expert group convened by the Government for the purpose. Attention had been focussed on reconciling national accounts with the input-output table, although the integration of both accounting systems was not as fully articulated as was recommended in the proposals for revising the SNA.

Judging from Japanese experience, the detailed definitions and classifications provided for in the document would be particularly valuable in implementing the proposed SNA, but he would suggest that they should be explained in simpler language in order that the officials responsible for compiling national account statistics could understand fully their meaning and purpose. He agreed that a glossary of terms should be provided in the final document on the revised SNA and that attention should be devoted to the pedagogical aspects of describing the system.

The proposal that a clear distinction should be drawn between the roles of producer and consumer with respect to general government and private non-profit organizations by introducing the concept of non-commodity or non-marketable output, shown in the matrix as a zero entry, was very significant, particularly since it provided a solution for difficulties encountered in recording household purchases of products made by a government department. It should be noted, however, that the theoretical background and reasons for the adoption of that new method of accounting were not fully explained in the document. There were several other matters on which explanations should be more detailed, the distinction between current and capital transfers, for example. In the final document on the revised SNA, descriptions should be more detailed and explanatory, especially with regard to new proposals.

In order to ensure a better understanding of the revised SNA, it might be useful to establish an international institute or to organize a training course where national accounts statisticians from various countries could receive appropriate training, undertake special statistical studies of national accounting techniques, and discuss common or specific problems relating to national accounting.

Mr. YOUNGMAN (Australia) said that the proposals for revising the SNA, together with the recommendations being prepared on income distribution and balance sheets, already represented a formidable programme, which could easily take from ten to fifteen years to carry out in many countries. The Commission should ask itself how much of that programme was really necessary. It was easy to say that this or that was needed for planning and that balance sheets would come to be regarded as being as essential as production and income accounts, but those who had to foot the bill and provide data might notice that no firm agreement had been reached on the use of flow of funds and no coherent theory developed on how balance sheets might be used. The Australian Government would be very hesitant to support the adoption of the type of scheme taking shape if it purported to be a realistic development programme. It considered that some of the accounts were valuable in an expository sense rather than important for actual development and that the final proposals made should indicate likely priorities as a guide for governments.

He agreed wholeheartedly with the Canadian representative about the exposition of the system. Paragraph 10 of the report of the Expert Group was of vital importance. The system as at present designed was for use by national accounting statisticians but it should be described in ways which would be intelligible and useful to less specialized people, such as economists, businessmen and politicians. A wider range of people than national accounting statisticians should therefore be consulted when preparing the description of the system. The task would be difficult partly because of the uneven quality of the whole. The basic intention was to provide an over-all, consistent, conceptual framework. His delegation considered that some of the concepts that had been included were wrong or, at best, unnecessarily complicated, and would as a result prove difficult to explain. There were also still some inconsistencies in the system. And the task would not be made any easier by the insistence in some places on rigid concepts without any mention of the difficulties involved, by foreshadowing departures in practice from stated concepts, and by the occasional bending of concepts to accommodate possible data limitations.

Some actual or potential inconsistencies would require elucidation. For example, it might have been wiser not to make changes in the industry classifications until it was known that the same changes would be incorporated in the revised ISIC. The changes made in the SNA classifications should therefore be considered as provisional, and that should be made clear in the document. The proposed balance of payments classifications were also significantly different from those of IMF, which the notes on timing of certain tax liabilities and other government transactions were at variance with recommendations made elsewhere. There were also discrepancies in the document on the subject of repairs.

Inconsistencies also existed between the treatment of land and progress payments on construction of fixed assets in the memorandum by Professor Stone and in the proposals for the revision of the SNA. His delegation considered that in both cases the treatment in the memorandum was conceptually better and would be very much easier to apply in practice. There also appeared to be an inconsistency in the treatment of incorporated enterprises and households in the two documents. His delegation had already had occasion to comment on the distinction between "quasi-corporate" and "unincorporated", which was based on an uncertain need and on criteria composed of an unsatisfactory mixture of size and accounting practice, which resulted in unreal distinctions in both the public and private sectors and the placing of indeterminate amounts of enterprise activity into government and household sectors. The idea of accounting separability had nearly been undermined in the proposals for the revision of the SNA in the treatment proposed for retained savings, but the expert group had kept separability for such savings in the case of private quasi-corporate enterprises. In Mrs. M<sup>o</sup>d's paper, however, certain business transfers were included in the household sector, which made the income concept inappropriate and misleading. Furthermore, loans for financing unincorporated enterprises were explicitly excluded in the treatment of consumer credit in Professor Stone's memorandum.

More attention should be given to likely data sources. If capital formation, bad debts, interest, etc., could not be estimated separately for incorporated and unincorporated enterprises, they would all have to be put into the enterprise sector; if they could be separated, they could be sub-divided in the enterprise sector, and the case for amalgamating them with households because of lack of data would vanish.



There were places, however, where inconsistencies were desirable. If sector accounts, for example, were supposed to show a realistic view of the sector, some inconsistencies between sectors were inevitable and arbitrary rules to avoid them would be unrealistic. The treatment of insurance in the proposals for the revision of the SNA was a case in point. It was suggested that premiums and claims were all to be recorded in income accounts, but some insurance claims were so clearly of a capital nature that, if capital transfers were to be a separate category to treat them as current transfers would be misleading. Classification of such claims as capital, however, would presumably give an unacceptable result if the arbitrary consistency rule was applied.

There was also the question of imputations. It had been proposed earlier that various imputations should be abolished, but the Expert Group had suggested in its report bringing back the banking imputation. None of the systems proposed to date would be easy to explain, and his delegation felt that the only hope of finding a system that was reasonable and explainable would be to develop one which faced the realities of banking. Imputations consisted of attributing a market transaction and valuation where none existed. Banks were already operating profitably in a market situation, charging all they needed to cover expenses and make a profit, and paying all they needed to attract deposits. What was needed was a recognition that part of their so-called interest was a charge, which was comparable to what was being proposed for hire purchase.

No explanation was given in connexion with table 10 in the proposals for the revision of the SNA, which presumably represented a first attempt to relate employment, demographic and social statistics to national accounts. Until the question had been more fully discussed, it would be better to omit the table.

His delegation had more serious difficulties in regard to activities of governments and non-profit institutions. At its previous session, the Commission had recommended exploring the desirability of a separate sector for non-profit institutions serving households. While division of those institutions into those serving government, those serving business and those serving households had been implicit in the proposals before the thirteenth session, and was quite logical, the inclusion in general government of those financed and controlled by public authorities, which was now proposed, represented a distinct change of emphasis and seemed undesirable. Universities and public hospitals, for example, should be included in the separate sector for non-profit institutions and not in the government sector.

The meeting rose at 5.15 p.m.



UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



Distr.  
GENERAL

E/CN.3/SR.245  
8 March 1967

ENGLISH  
Original: FRENCH

STATISTICAL COMMISSION

Fourteenth Session

SUMMARY RECORD OF THE TWO HUNDRED AND FORTY-FIFTH MEETING

held at the Palais des Nations, Geneva, on  
Thursday, 13 October 1966, at 10 a.m.

Chairman

Mr. BJERVE (Norway)

Rapporteur

Mr. ARCHER (Australia)

Secretary

Miss GROSSMAN

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National Accounts and balances (agenda item 4)

- (a) The extension and revision of the System of National  
Accounts (continued)

The complete list of governmental representatives and of representatives of specialized agencies, of other inter-governmental organizations and of non-governmental organizations attending the session will be found in Official Records of the Economic and Social Council, Forty-second Session, Supplement No.3.

NATIONAL ACCOUNTS AND BALANCES (agenda item 4):

- (a) THE EXTENSION AND REVISION OF THE SYSTEM OF NATIONAL ACCOUNTS  
(E/CN.3/345 and Add.1, E/CN.3/346) (continued)

The CHAIRMAN drew the Commission's attention to two documents relating to agenda item 4 which had just been circulated, namely a summary of the Conference on Research in Income and Wealth (Review of the United Nations Proposals to Revise Their System of National Accounts) made available by the National Bureau of Economic Research, and an extract from the report of the fourteenth plenary session of the Conference of European Statisticians, entitled "Reports of the meetings of the Working Group on National Accounts and Balances and its Groups of Rapporteurs" (Conf.Eur.Stats/246, IV,D.).

He invited the members of the Commission to continue the consideration of agenda item 4(a).

Mr. BEALES (United Kingdom) stressed the value of the proposals for the revision of the SNA (E/CN.3/345) and the Secretary-General's report (E/CN.3/345/Add.1) and of the Expert Group's report (E/CN.3/346 part II). Any criticism of those reports was due to the fact that their authors had had to work very fast and that there had been differences of opinion among the members of the Expert Group which could not be reconciled for lack of time.

Generally speaking, he supported all the general comments made at the previous meeting by the representative of Canada, and most of those made by the representative of Australia. He would mention only a few of them.

Both the representative of Canada and the representative of Australia had said that the new system needed to be comprehensible to experts who had not participated in its preparation, and also to businessmen and politicians. He would go further and say that it should be acceptable and meaningful to them all.

The representative of Canada had also said that the system should not needlessly depart from normal commercial accounting practice. That was true, for certain practices would otherwise run the risk of being considered meaningless. The result would be a complete loss of confidence in national accounting as a basis for commercial decisions.

He also endorsed the Canadian representative's comment on the rigidity of the matrix form. It was a useful system, but it must be regarded solely as an instrument and should not prevent the use of very simple methods.

Chapter III of the proposals proposed a classification by institutions for use in the income and outlay and capital finance accounts. He agreed with such a classification, but did not believe that there should be a single sector for private and public enterprises. It was true that those enterprises were to be placed in two sub-sectors, but it would be better to divide them into two separate sectors from the outset. Private enterprises and public enterprises behaved differently from many points of view. For example, in the matter of financing, public enterprises received government loans, while private enterprises had to resort to issuing shares or bonds.

The Australian representative had mentioned the idea of a separate sector for institutions serving households, such as hospitals and universities, which he had called public authorities. That, was not, however, true of all countries. In the United Kingdom, for example, universities received funds from private industry and from individuals. It would certainly be desirable to place in a separate category private non-profit institutions not financed by the Government, such as churches, trade unions and major charities. However, that would present great difficulties in practice, and it would therefore be better to postpone the adoption of such a classification.

As to chapter IV of the proposals, he would like the Secretariat to give some explanation regarding the boundaries of the production sector. It had been stated that all production of primary commodities, whether marketed or not, should be included in that sector. He wondered what would happen in the case of vegetables and flowers grown by a household, and whether it would not be better to fix an order of magnitude.

There were still some points of obscurity concerning the section dealing with the allocation of outlay borne partly by households and partly by governments, for example on health and education. That question had been discussed at length by the Conference of European Statisticians without any agreement being reached. At all events paragraph 56 of chapter IV was not clear. Where health services were in question, it was particularly difficult to determine who decided on the purchase - the government supplying the service or the patients receiving it.

Chapter V, entitled "Transactions in the Income and Outlay and Capital Finance Accounts", dealt with the problem of estimating the consumption of capital. That was probably one of the fields in which national practice varied very widely. As it stood, SNA implied that consumption should be estimated at current cost of replacement, whereas that was rarely done in most countries. Even if the present system was retained, there would be serious difficulties in ensuring the international comparability of data.

As to insurance premiums, it would be very difficult in the United Kingdom to obtain the data required in order to distinguish between the service charge imputed on the production account, on the one hand, and claims receivable, on the other. Before the final revision was made, the Expert Groups should study the question more thoroughly and arrive at a simpler solution.

The tables given in chapter VI were many and complex. The final text would have to contain a vast number of explanatory notes stating the exact meaning of the entries and how they were to be used.

He wondered how the Commission intended to present the part of its report dealing with the present agenda item. It would be impossible to include all the details which had been discussed. It might perhaps be best to give some general guide-lines on basic questions, leaving it to working groups or expert groups to study matters of detail.

Mr. MAHALANOBIS (India) commended the proposals for the revision of the SNA and particularly welcomed the fact that chapter VII was devoted to the adaptation of the system to the developing countries.

That section of the report should, however, be more detailed, though there was no need to include a greater number of tables. The developed countries were necessarily more homogeneous because of the high level of capital formation. The disparities were, however, more marked in the poorer countries, and their different stages of development should be given wider consideration. Planning was an important question for those countries, and they could set about it only in the light of their own special needs. The document in question attempted to show that, but it did not go far enough. In India, for example, the indigenous money-lenders should be taken into account, for they supplied about 90 per cent of the credit in rural regions. One very important point was the great potential usefulness of MPS for the poorer countries; it should be presented by the United Nations as a system which could be of great services to such countries.

Mr. MALISHEV (Union of Soviet Socialist Republics) stressed the importance of SNA and MPS in the sphere of statistics. Figures did not rule the world, but they helped to show how it was ruled. Grouped in tables, those figures reflected the various cultural, social and economic aspects of human activity. The SNA and MPS tables thus provided a complete and precise picture of the world.

As early as the Commission's second session, attention had been drawn to the significance of those figures. At that time the two systems had not been properly understood and it had not been clear how they differed from each other. SNA had been produced in 1952. However, conditions had changed, and the time had come to improve it by adapting it to new circumstances.

The MPS had been worked out in the Soviet Union on the basis of information relating to 1923; not theoretical data, but actual figures. In that post-war period, the country had begun its reconstruction and started to plan its economy. As its economy had developed, the Soviet Union had improved its system of accounts which now reflected all aspects of economic development since that time. The system of accounts was characterized by the distinction it made between material production and services, the development of which was shown separately. Material production was considered to be the basis of the economy, for insufficient material production went with correspondingly few services. The two sectors could develop only pari passu. Its national accounts system enabled the Soviet Union to plan all aspects of community life. Sometimes, of course, it was difficult to distinguish between the two sectors, above all where there was an intermediate sector, but it was possible to apply the principle that everything concerned with the transformation of the products of nature should be treated as material production and that everything concerned with services rendered to man should be treated as services. In the former case man was the subject, and in the latter case he was the object.

In that connexion he noted with interest that, in SNA, expenditure allocated to education was not regarded as contributing to capital formation. Thus man was not treated as one of the means of production, but was regarded as a subject, to whose needs all production was subordinate.

The divergences between MPS and SNA, in particular with regard to intermediate consumption, were due to the fact that in planned economies the relative importance accorded the various sectors of production was determined, not by market fluctuations, but by the plan. The same applied to prices.

It must not be forgotten that many countries were preparing to introduce a planned economy system. Since those countries were Members of the United Nations, they were entitled to its assistance. In future, therefore, the Statistical Commission should take a much closer interest in MPS, which could be of great service to such countries.

The Conference of European Statisticians had done a great deal to improve SNA and its work had made possible closer co-ordination between SNA and MPS. MPS, moreover, had had a healthy influence on SNA. The work of the Conference of European Statisticians was a particularly encouraging example of the co-operation which could be instituted between representatives of different systems. All the experts who had attended had made a sincere effort to improve both SNA and MPS; he therefore hoped that the Commission would take note of the fruitful work done by the Conference.

Work connected with MPS and SNA was also of interest on continents other than Europe. Thus the Conference of Asian Statisticians had noted with interest the efforts made by the Conference of European Statisticians to strengthen the links between the two systems, and had expressed a desire to receive full information on MPS. The Statistical Office should therefore invite the Secretary-General to keep closely in touch with the progress made in improving the two systems and in establishing closer ties between them, and should request him to report to the Commission, at its next session, on the progress achieved. All countries should be informed of the characteristics of the two systems.

His delegation had submitted to ECE and to the Statistical Office an improved version of MPS accompanied by tables designed to facilitate study of the document. He hoped the Statistical Office would circulate that document to interested countries. The Statistical Commission would then be able, at its next session, to make an informed examination and comparison of the two systems in order to assist all countries.

Mr. MAYER (France) said that the French delegation was on the whole satisfied with the system envisaged in the proposals for the revision of the SNA, which was the result of very wide international debate and of considerable work by the Secretariat.

The new SNA probably did not represent any advance in the science of national accounting, except perhaps with regard to balance sheets; but it gave tangible expression to, integrated, and thus stabilized, the progress which had been made in that sphere by many countries in the course of the past fifteen years or so. Moreover, since the science of national accounting was constantly developing, it was very probable that the SNA now proposed would be out of date within about fifteen years and would have to be revised again.

One of the merits of the present SNA was that it was the outcome of a study carried out essentially by practitioners. In all the working groups which had met to study proposals for the revision of SNA, statisticians had been in the majority. That had produced a confrontation, not of pure theories, but of national practices, and a better mutual understanding of the problems faced in different countries. From that point of view there was no doubt that the influence of statisticians from countries using MPS had been very great and very fruitful.

That wide international debate among statisticians, however fertile, had nevertheless had some drawbacks; among them, a measure of confusion in the section of the proposals dealing with accounts and tables. There might even be some contradictions due to the fact that various working groups had made successive changes in original proposals. At all events the document gave, on the whole, a very faithful picture of the discussions which had taken place.

He had some general comments to make on the proposed SNA; his first comment concerned the structure of the system and the respective roles of the matrix, the standard accounts and the supporting tables. He thought there was some confusion on those points in the proposals.



The matrix ensured the general coherence of the system; consequently it played a fundamental and practical part and not a purely theoretical one. During the revision of SNA, many countries had changed their ideas of what constituted national accounting. They had ceased to regard national accounting simply as a useful tool for analysing one or other aspect of the economy, and had realized that it was also a means of making the whole system of statistical nomenclatures and concepts coherent. The idea of coherence was very important to countries like France, in which statistics were still at an early stage of development and which stood to gain a great deal from the integrated whole constituted by the matrix.

The accounts described in chapter VI were of two kinds and aimed at two different objectives. The A accounts constituted a summary of the national accounts; the other accounts explained the articulated structure of the system. In that connexion he thought that the B accounts were excellent, whereas the C accounts seemed to him inadequate.

In view of the scope of the analysis, there were inevitably many tables. In that connexion it was open to question, as the Canadian representative had pointed out, whether a conflict might not arise between the usefulness of the tables and the general coherence of the system. To reconcile usefulness and coherence, the tables should be linked up with the matrix.

His second general comment related to the general articulation of the system. Although the articulation of the old SNA had been abandoned in principle, some traces of it were left in the new version. For example in chapter V, section F, under the heading "Current Transfers To and From General Government Agencies", some transfers were mentioned which, according to the matrix and in practice were not always made to the Government. Inaccuracies of that kind should be eliminated in the future.

With regard to the programme of future work on the revision of SNA (E/CN.3/345/Add.1, VI), he would first of all like to know whether the document mentioned in paragraph 23, sub-paragraph (ii), would be prepared before or after the regional conferences of statisticians referred to in sub-paragraph (i) of the same paragraph.

Secondly, he regretted that the programme of future work made no provision for the study and development of statistics on income distribution.

Thirdly, he drew the attention of the Secretariat to the fact that, in general, statistical texts were translated into French in a style which, although very correct in form, was not that currently used by French-speaking statisticians. It was essential, therefore, that a French statistician should take part in the translation of the final text of SNA.

Lastly, several previous speakers had commented on the problem of inventory valuation. In his opinion it would be useful to consider extending to private accounting, in future, the benefit of the progress achieved in national accounting, and to provide for the integration of the former in the latter. Although he did not share the United Kingdom representative's opinion on that point, he agreed with him on the need to review the treatment of insurance against fire and other risks.

Mr. JUI (China) noted that, as a result of the thorough consultations and studies carried out since the thirteenth session, the proposals before the Commission at that session (E/CN.3/320) had been improved; thanks were due to the Secretariat and the experts for that improvement. The proposals before the Commission at its current session conformed to principles which he approved, but the problems involved were so complex that even more careful studies would have to be undertaken before a final formula could be established.

Fluctuations in the terms of trade affected national accounts statistics, especially in the developing countries which exported raw materials at prices that were often unstable. As a result, reports on national accounts statistics could be falsified, and that problem called for further study.

Mr. BOWMAN (United States of America) said that, in general terms, he approved the direction taken in the revision of SNA. He hoped, however, that in the very extensive work which remained to be done, account would be taken of the numerous points on which there was still disagreement. The position adopted by his delegation at that stage of the discussion in no way prejudged the position it would take when the proposed revision came before the Commission for final approval.

When the revision of SNA had been initiated, the major consideration had been to expand the system so that it would include not only income and product accounting but also financial flows, input-output tables and sector balance sheets. However, many delegations had stated that they expected only minor changes in the then SNA so as to integrate other types of accounting in it.

He was not averse to the construction of a new system within a logical framework, but would be opposed to any system which failed to give items priority according to their importance for economic analysis.

It should also be noted that the goal originally sought was far from being reached. All that could be hoped for in the circumstances was the application of a fully integrated system by a dozen countries within a decade. The experts were not to blame; quite the contrary was the case; but there should be no illusions on that subject.

He wished to comment on several points. Firstly, it was imperative that the presentation of the revised SNA should be improved pedagogically.

Secondly, the purpose of the proposed standards should be clearly set forth. If the Commission wished Member States to adopt the revised SNA in virtually complete detail, then it should explain exactly what changes had been made in the existing SNA. For those Member States which had little experience in that field, the system must be comprehensible and applicable to their circumstances. The more developed Member States would have to consider the cost and benefits of a system which might take years to bring into use. If, on the other hand, the major purpose was to define the general principles which would guide the different national systems towards international comparability of data, the general explanation of those changes would have to be quite different.

Thirdly, the needs of analysis should outrank considerations of pure logical structure. The tables should show income distribution by type, by industry and by institutional sector. The report of the Expert Group (paras. 60-62) seemed to recognize that necessity, but the Secretary-General's report made only a very vague reference to it in paragraph 17, sub-paragraph (iii).

Fourthly, he thought that the Commission would have achieved very little for the international comparison of national output until a foundation had been laid for measurement in constant prices.

Economic activities should not be hidden behind monetary transactions, and he had always given priority to accounting for production and income because they brought out the final aspect of all economic activity.

Mr. ASAKURA (Japan) considered that the proposals for the revision of the SNA constituted an excellent model system of national accounts which needed few, if any, finishing touches. In putting such finishing touches, the Commission should take into consideration, not over-theoretical concepts, but possible practical difficulties. In applying the system to different countries, the definitions and classifications should be used flexibly to the extent that international comparability was not substantially impaired. A typical example was the classification of institutional sectors, which varied from country to country.

Another important task was the development of new sources of statistical data, which would become necessary upon the adoption of the new system. For example, the financial statistics now available in Japan would not provide the information needed for the "Capital Finance Accounts" if such information had to conform to the "Classification of Transactions in Financial Claims" as listed in table 1 of chapter V. Thus lendings by Japanese commercial banks could be classified by debtor industry, but not by institutional sector of debtor.

There were also certain items on which statistical data were difficult to obtain. On such items, special studies should be made in order to determine the most suitable statistical methods of making estimates and approximations. In that connexion he supported the suggestion made by Mr. Goto for the establishment of a course to train statisticians from various countries in national accounting techniques.

He had no objection in theory to the inclusion of net purchases of art objects, antiques, etc., in gross investment, but from the practical standpoint he doubted whether such statistical data could be obtained. If those items were included in the national and sector balances, a new difficulty would arise, for art objects and antiques were often difficult to price.

Mr. MAHALANOBIS (India) observed that, from the standpoint of the developing countries, input-output tables were much more useful than a far-reaching analysis of transactions because they dealt with tangible quantities: product, income, households, etc. Such input-output tables made it possible to study the structural changes which had already taken place, and that was very important in long-term planning. Thus in India an inter-industries table covering a period of ten years could be used to work out an order of priorities for planning.

Miss QUESADA (Panama) said that she had noted with interest the changes proposed in SNA in the light of the requirements and circumstances of the developing countries. She was glad to see that the conclusions reached by the working groups which had met in Asia, Africa and Latin America had been taken into consideration with regard, for example, to the order of priority for developing the various accounts and tables of the system.

Among its continuing projects for 1966-1971, the Statistical Office proposed to advise and assist countries in giving effect to international standards, guiding principles and other suggestions in respect of national accounting and to help countries in extending and improving those systems of statistics nationally. In the case of Latin America in particular, a regional adviser in national accounts would assist countries of the region in the biennium 1967-1968, and his activities in the field would continue until 1971. She hoped that those projects would be carried out on schedule and in such a way that the objectives laid down would be attained.

Paragraph 22 of the Secretary-General's report indicated that, in the next document on the revised SNA, chapter VII should be expanded in order to furnish detailed definitions of the special classifications, accounts and tables proposed and to explain the precise relations of those special features of the adaptation to the main system. She considered that suggestion to be of great interest to the developing countries, and hoped the Commission would approve it.

The meeting rose at 12.40 p.m.

UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



Distr.  
GENERAL

E/CN.3/SR.246  
8 March 1967

Original: ENGLISH

STATISTICAL COMMISSION

Fourteenth Session

SUMMARY RECORD OF THE TWO HUNDRED AND FORTY-SIXTH MEETING

held at the Palais des Nations, Geneva,  
on Thursday, 13 October 1966, at 2.30 p.m.

Chairman

Mr. BJERVE (Norway)

Rapporteur

Mr. ARCHER (Australia)

Secretary

Miss GROSSMAN

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National accounts and balances (agenda item 4)

- (a) The extension and revision of the System  
of National Accounts (continued)

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The complete list of governmental representatives and of representatives of specialized agencies, of other inter-governmental organizations and of non-governmental organizations attending the session will be found in Official Records of the Economic and Social Council, Forty-second session, Supplement No. 3.

NATIONAL ACCOUNTS AND BALANCES (agenda item 4)

(a) THE EXTENSION AND REVISION OF THE SYSTEM OF NATIONAL ACCOUNTS (E/CN.3/320, E/CN.3/345 Add.1, E/CN.3/346 (continued)).

The CHAIRMAN invited the Commission to continue its consideration of agenda item 4 (a).

Mr. BURLIN (Ukrainian Soviet Socialist Republic) said that there were few fields of statistics in which such progress had been achieved as in that of national accounts and balances. The MPS had been developed as economies were developing and was still used by his Government, amongst others, as a basis for economic planning. The SNA had been developed from many different systems and deserved careful attention, in particular for the purpose of developing international standards, but it still left many important problems unsolved in connexion with economic processes; those problems could be solved by relating it more closely to the MPS, so as to guarantee comparability and adequacy of terminology. Since the adoption of the SNA fifteen years previously, many developments had taken place which had not yet been taken adequately into account.

He had been unable to study the proposals for revising the 1952 SNA (E/CN.3/345) thoroughly, because he had not received the Russian text until the previous day, but from a rapid comparison with the proposals submitted at the thirteenth session (E/CN.3/320), it was obvious that many important changes had been made. He was pleased to see that the state and private sectors and preliminary and final balances had been separated.

It appeared, however, that not all the comments and suggestions made at the thirteenth session had been taken into account. For example, the suggestion that goods and services should be separated under the classification by branch of production had not been taken up, nor had the confusion about the meaning of the word "important" in chapter II, paragraph 35 of the earlier proposals, been clarified. With regard to that same paragraph, he thought that "own-account construction" should not be put under a separate heading, but should be included under the general heading "construction". And with regard to the suggestion in chapter IV, paragraph 34, of the earlier proposals that consideration

might be given to extending the concept of capital formation by including durable goods in it, he did not think that all purchases of such goods should be included, since some allowance must be made for annual depreciation. Then again, strategic stocks were still not included in accounts relating to additions to stocks of goods and work in progress held by branches of production, while under the MPS they were so included. In the interests of comparability they should be included in the SNA. Similarly, durable goods should be shown in the single account referred to in chapter V, paragraph 5 of the earlier proposals. Finally, table 8 of those proposals should include the population factor; in other words population should be related to the per capita material product, as was the case under the MPS.

All those problems were merely part of serious problems of principle involved in the SNA. The right way to solve those problems was to relate the two systems - SNA and MPS - more closely. What the Indian representative had had to say about the qualities of the MPS and about how useful it could be to the developing countries had only strengthened his conviction of the desirability of aligning the two systems.

The CHAIRMAN, speaking as representative of Norway, said that he would not repeat the views he had expressed at the meeting of the Conference on European Standards on some of the controversial issues still remaining, since those views were reflected in the extract of the Conference's report which had been circulated to members of the Commission. Discussion at the Conference on European Standards had shown that disagreement still existed on the interpretation of some of the definitions to be found in the proposals for revision of the SNA submitted at the current session. He hoped, however, to obtain the clarifications he required from the Statistical Office by correspondence.

Like other members of the Commission, he felt that great progress had been made since the Commission's last session. Some of the concepts in the revised SNA should be given more precision and detailed explanation in order to convey a better idea of the system of accounts. The extension of common ground between the SNA and MPS was important and, discussion of the systems had been of mutual benefit.



The question of what was the ultimate aim of SNA had not been sufficiently clarified. It would be helpful if agreement could be reached on whether the aim was to lay down precise standards or merely to provide guidelines. He favoured laying down precise standards which could be used both at the international and national levels, even if their application at the national level could only be a very gradual process. In saying that, he was fully aware that the system would have to be revised in about fifteen years' time because further extension would then be required.

As far as the programme of work was concerned, he hoped that a large part of the work on the statement of the system would be completed by March 1968. As much as possible should be done to extend the SNA so that it could become a standardized system by then. If a choice had to be made on the use of manpower resources, he would favour sacrificing exposition for system work, in particular in relation to income distribution and national and sectoral balance sheets, since those areas might still have implications as yet undetected. The aim should be to design a sound system of national accounts with a statement of concepts, definitions and classifications rather than to concentrate on producing an impeccable piece of work from a pedagogical point of view. The document submitted to the Commission in March 1968 did not have to be in a form suitable for immediate publication, but it should contain precise descriptions of concepts, definitions and classifications which were easily understandable to members of the Commission, and the matrix presentation should be improved. It should also indicate clearly the points on which agreement had been reached, and where agreement had not been reached, indicate what was the majority view and what were the alternatives. It might also include chapters on income distribution, balance sheets and, if possible, regional accounts, which need not necessarily conclude with the definition of standards.

The task of preparing a document on the revision and extension of the SNA and MPS for publication could be left until after the Commission's session in 1968. It should take the form of a manual designed primarily for the use of national accountants, containing not only a description of the system, but also suggestions on how data could be put into the system. There was also the

question whether the document should be drafted in such a way as to be understandable to the general public. In his view, the answer to that question should be "No"; the task of providing the kind of publication which described the system for such persons as politicians, teachers and businessmen was a national, not an international one.

He agreed that the structure of the system envisaged in the proposals before the current session was complex, but complex tools were needed to analyse modern economic society, which was extremely complex. The matrix approach for describing modern economies was highly efficient. One reason for that was that it could be aggregated to become less and less complicated, a fact that might be stressed in the final document. Admittedly there were data problems, but it could be clearly indicated that every country was not expected to try to fill in all elements of the matrices at once. It would not be practical to lay down priorities applicable to all countries but advice could be given on how governments might develop data so as to be able to use the system.

There were, of course, inconsistencies, one of the most serious of which was the difference between the revised SNA and the present Balance of Payments Manual of IMF, but it might interest the Commission to know that the Conference of European Statisticians had now invited the IMF to bring its Manual into line with the revised SNA.

While he would have preferred no distinction to be made between capital and current transfers, he was prepared to accept the decision that such a distinction should be made. However, equation I.C in chapter II, paragraph 10 of the current proposals would be easier to understand if "K" (net capital transfers from abroad), were moved to the left-hand side of the equation and redesignated "net capital transfers to abroad".

Consideration should also be given to the question of the revision of the ISIC. Broad categories of distribution by commodity would have to be included in the revised ISIC, the established classifications would have to be supplemented by enterprise classifications using broad activity groups, industrial classifications would have to be established that were usable by both SNA and MPS countries and a revision of detail would have to be carried out. It would be excellent if all that work could be completed by 1968, but if that were impossible, a choice would have to be made of what was to be done. In his

view, the revision of detail was the least important, and if anything had to be postponed, it should be that. The Director of the Statistical Office might comment on the time schedule envisaged for the work.

His Government approved the system as a whole and believed that the best solution would be to continue improving and extending the SNA. The Conference of European Statisticians had agreed that the new structure of the SNA was a significant improvement over the present SNA and should be approved.

Mr. AYRES (Brazil) said he agreed with the representative of India regarding the desirability of trying to simplify some of the tables in the proposals in order to ensure progressive development, so desirable for the developing countries. Some of the accounts too could be better adjusted to suit their economic and social planning. He agreed with the United States representative that the time spent by countries in adjusting themselves to the plan was less important than ensuring that they all followed the same general principles, regardless of their state of development. Chapter VII of the proposals brought out the importance that experts attached to the need to adapt the system to the developing countries. He hoped that question would be given the attention it deserved.

Mr. JANSEN (Economic Commission for Europe) said that the Conference of European Statisticians, at its fourteenth plenary session held the previous week, had discussed various aspects of the SNA and the MPS and had reached the conclusion that the structure of the revised SNA was a significant improvement on the existing system and should be accepted in principle. A number of points regarding the structure and presentation of the system that had been made during the conference were recorded in paragraphs 10 to 14 of section IV of the report of the Conference, headed "national accounts and balances", which would be issued shortly (Conf.Eur. Stats/246).

The Conference had stressed the importance of the work being done with the MPS in certain countries in a conceptual framework similar to that of the SNA. It regarded the framework as extremely valuable because it helped national statisticians and accountants to improve the system and it also helped to establish links between both systems. During the discussion a number of points of detail had been made on particular aspects of the results of the review of SNA and were recorded in paragraph 17 of the Conference's report. Section IV.B of the

Conference's report contained a summary of the next stages in the review of the SNA and MPS, while Section IV.C. referred to a study on levels of consumption in Austria and Poland. The programme of work adopted by the Conference (set out in section IV.D of the report) provided for the following meetings on national accounts and balances and related subjects during the year 1967: (a) National Accounts and Balances in constant prices; (b) Statistics of income distribution; (c) SNA/MPS links; and (d) Third session of the Working Group on National Accounts and Balances.

Mr. YAGER (Observer for the Organisation for Economic Co-operation and Development), speaking at the invitation of the Chairman, said that on the whole the OECD was satisfied with the conceptual structure of the proposed revision of the SNA. The proposals now before the Commission were an improvement on the previous ones. More than three years earlier, many people had felt that there was a need to revise the standardized system of accounts, not because the existing system was bad, but because it had been outstripped by national statistics and because economic systems had changed and economic policies had developed. Input-output was becoming a highly developed tool of economic analysis and the time seemed ripe for work on some kind of international comparability. Flow-of-funds techniques also were being developed in a number of countries and it would be advisable to integrate them in an international system. The Balance of Payments Manual was being revised jointly by IMF and OECD and there was now a clear need to integrate the international standards of the SNA with those of the Manual.

That was an ambitious programme and it was obvious that the existing system would have to serve for some time to come. Assuming general acceptance of the need to revise and extend the SNA on a world level, it was clear that the special needs of the developing countries must be recognized and that advantage must be taken of the opportunity to find links between the SNA and MPS systems and bring them closer together.

While work on an improved system had been proceeding, OECD had been studying the working of the present system. A comparison had already been made of the differences between replies to the questionnaire sent out jointly by the United Nations and OECD, for the purpose of trying to find how differences could be eliminated and to work out with the United Nations Statistical Office a common reporting form. Although the investigation had originated in a wish to reduce

the reporting burden on countries, it could have a wider use in helping to bring to light problems of practical interpretation of the definitions with which national accounts offices had been faced in the existing system. It could also help in the preparation of a clearer manual for the new system.

Mr. ZHELEEV (Observer for the Council for Mutual Economic Assistance), speaking at the invitation of the Chairman said that the MPS system was described in a paper which had been prepared by statisticians of the Central Statistical Office of the Union of Soviet Socialist Republics and discussed with statisticians of the other socialist countries. The paper had been submitted to ECE early in 1965 and subsequently considered by the Working Group on National Accounts and Balances at the thirteenth session of the Conference of European Statisticians. Many constructive comments had been made and a revised document had accordingly been prepared, incorporating those comments and containing a more complete evaluation of the main aspects of the system and a fuller presentation of the methodology. That revised document (Conf.Eur.Stats/WG.22/12) had been submitted to ECE during the present year.

The main differences between the SNA and the MPS were differences of principle. For example, in the SNA the idea of production embodied the creation of material welfare, whereas in MPS production included not only material welfare but the services which contributed to it. There were also differences in the interpretation of gross national product which, in the MPS, included intermediate consumption. The MPS contained the index of net production - gross national product less intermediate consumption. There were also differences in the evaluation of production. In the SNA, production was estimated at market price, whereas in the MPS it was estimated at the prices effective during the year under study. Another point of difference was the idea of sector. The MPS, like the SNA, contained a sectoral breakdown of the economy, but the terms were interpreted differently. In the MPS the breakdown made it possible to determine whether the State, private enterprise or the co-operatives were involved.

The SNA system classified economic activity according to kind, production turnover and purpose, so that the sub-divisions in the two systems, being totally different, produced data that were not comparable. The classification of branches of economic activity also differed between the two systems as did the treatment of services. In the SNA system, agriculture included cattle raising,

afforestation and logging, whereas in MPS there was a separate heading for forestry and logging was included under industry. In the MPS system, the output of some branches was classified according to activity but a different method was followed in SNA. If the two systems could be improved, the discrepancies between them could be eliminated and a greater degree of comparability achieved.

The nature of economic investigations carried out in socialist countries and those in the west differed fundamentally and it was natural, therefore, to have two parallel systems of national accounting, analysis and integration, but there was a pressing need to establish links between the two. The CMEA's Permanent Commission on Statistics had started elaborating basic principles of methodology and indicators of inter-branch balances which was to be based on a classification of twenty-three economic branches in member countries and on a more detailed classification of forty-six such branches. The problem of prices to be applied would have to be solved for the purposes of that study. At the final stages of preparing the study on the fundamental methodology of preparing the balance of the national economy, a description of the methodology of inter-branch balances would be included. In 1967 and 1968 CMEA was intending to continue refining the definitions of the main classifications to be used in the study. The changes in the approved classification of branches of the national economy of member states of CMEA, which did not differ fundamentally from ISIC would be taken into account in preparing those definitions. The CMEA was also planning to amplify the description of the financial balance in connexion with foreign trade transactions, material benefits, services and financial liabilities. Methods for evaluating indicators of the balance of national economy were also to be worked out.

The sector on the labour balance was to be considerably enlarged and it should be possible to meet the wishes of the Working Group of the Conference of European Statisticians about compiling figures of private work by workers and employees employed in various kinds of enterprises as well as the amount of free time spent in that way.

A working group on the methodology of compiling a balance of national economy would be meeting and should complete the work by 1968 for submission to the Conference of European Statisticians. He hoped that CMEA's programme for improving the description of the national economic balance fitted in with that of the Conference of European Statisticians which was to be presented to the Commission at that session.

Mr. MULLIER (Economic Commission for Africa) said that in 1955, only about ten countries in the African region compiled national accounts, but now, with very few exceptions, almost all of them collected annual figures. The earlier SNA, based as it had been on revenue, had been difficult to apply in Africa and representatives of member countries at the Third Conference of African Statisticians had pleaded for a system oriented more towards production, at least as an intermediate measure. The Statistical Office had helped to work something out on those lines, which had been found much more practicable. The new revised system had been examined at the Fourth Conference of African Statisticians, held in 1965, where it had been welcomed as suitable for planning purposes, for macro-economic analyses at the sub-regional level, and in general easier to use. A working group would be meeting next year to examine the latest proposals for revision and he was confident that they would be accepted at the Fifth Conference of African Statisticians, to be held in October 1967.

Mr. VISWANATHAN (Economic Commission for Asia and the Far East) said that the work of ECAFE on the revision of SNA had proceeded under the direction of the Conference of Asian Statisticians. A seminar on the subject had been held in 1964 and a working group had met in 1965. The working group that was to meet at the end of 1966 would be considering national accounts at constant prices, public sector accounts and housing sector accounts. The 1965 working group had discussed the proposals for the revision of the SNA submitted to the Commission at its thirteenth session and had welcomed the fact that most of the recommendations set out there had been accepted and incorporated in the proposals for revision submitted at the current session. In its report (E/CN.11/ASTAT/Conf.7/L.2) the working group had indicated that the work of extending the common ground between SNA and MPS and finding links between the two systems would be of value to the countries of the region because of the significance of certain MPS concepts in planning economic development. It had pointed out that in a number of countries in the region it would take a considerable time to develop the basic data required as well as the desired accounts and tables, but that the new SNA could be used to detect gaps in the available basic data as well as to attain consistency in concepts, definitions and classifications to be used for compiling the required series.

In the report on its seventh session (E/CN.11/741), the Conference of Asian Statisticians had declared that further consideration should be given to the possibility of obtaining, by re-arrangement of the composition of sectors, a less complex set of sector headings so as to adopt terminology that was as clear and simple as possible for non-expert users. It considered in particular that attention should be given to the treatment of unincorporated enterprises in the B accounts.

The ECAFE had noted with appreciation the progress of international work on the revision and had welcomed the full definitions and detailed schemes of classification in the proposals before the Commission at its current session as well as the manner in which the problem of adapting the proposals to the needs of developing countries had been handled. It would be well if the revised version to be published included some reference to methods of estimating and a list of priorities, as a guide to developing countries for organizing their system of accounts and basic statistics. In some cases, entries might need to be changed so as to avoid unnecessary complications. For example, initially it might be preferable, in chapter VII, annex I, table B to compile supporting tables such as tables 1, 6 and 7, rather than to compile a consistent system of accounts for the segments made up of areas, as proposed in annex I, table A.

The minimum system of national accounts called for internationally could be introduced as a part of the international reporting system, in which case the system should be composed of at least two parts, one being devoted to the first stage target for the system of national accounts available in most developing countries.

The classification of commodities, referred to in paragraphs 35 to 38 of chapter IV, should be set up not only as a basis for co-ordinating ISIC and SITC but also as the basis for all the classifications of commodities and non-factor services, including such classifications as household goods and services, non-factor services for imports and exports, and fixed capital formation. The classification would, in many instances, furnish the subordinate categories of ISIC.



The amount of gross output or the amount of intermediate consumption of industries would not be determined uniquely unless the classification of commodities had been strictly defined. The proposed treatment of factor income payments intentionally neglected the strict distinction between such payments, and other capital put into production and current transfer payments, but ECAFE considered that it would be more useful to set up production accounts and related supporting tables by commodities as well as by industries, on the assumption that all the means of production and other capital were possessed by their users. Such data would allow the international comparison of the physical structure of production independently of variations in social institutions, methods of capital financing, etc. and would help in input-output analyses. However, it might be necessary to compile an income reconciliation table showing current flows of income, and differentiating between the users and owners of real assets, and financial claims. The table would give the structure of actual economic activities related to property, the leasing of property and financial institutions. It would also show national income instead of national disposable income.

The method of valuation of commodities at producer prices exclusive of net commodity taxes, as set out in paragraphs 13 and 14 of chapter IV, would be suitable. However, the distortion in the data that might complicate input-output and related analyses might also be caused by other factors such as differences in quality. It would be useful to know the amount of all indirect taxes, less subsidies, on a commodity classified by its destination, particularly for analyses of foreign trade policies. Consequently it would be better if each entry were divided into two, first, the valuation at producer prices exclusive of all indirect taxes, and secondly, the amount of all indirect taxes. Also, if possible, a line should be added showing the quantity of products covered in table 2, annex II of chapter VI.

As a general rule, it would be more useful if all non-financial unincorporated enterprises were included in the same sector and the quasi-corporate enterprises treated as an exception.

Mr. GOLDBERG (Canada) said that the Statistical Office should give priority to the work of transforming the system into a consolidated and intelligible whole instead of devoting resources to extending it in order to include balance sheets or income distribution. It was particularly important to make the system readily comprehensible if one of its major purposes was its internal use by member States. It was in the general interest to reach agreement on internationally recommended definitions and classifications with which all countries should try and conform, even at the sacrifice of certain points of detail to which they might attach importance, though the diversity of national systems might justify some variations in presentation. Clearly enough detailed data would be needed in national reports to make conversion to international standards easier.

Mr. LOEB (Economic Commission for Latin America) said that the working group on national accounts convened by ECLA had found the proposals for the revision of SNA generally acceptable and had expressed the hope that data in constant prices would be compiled as soon as possible. Latin American countries were having to tackle serious structural imbalances such as inflation, devaluation and wide fluctuations in external purchasing power, all of which made it vital for them to have analytical tools at hand for assessing macro-economic aggregates. Members of the working group had stressed the importance of the public sector as a key sector in the system. They had also underlined the difficulty of calculating parity prices.

Miss CASIS (Inter-American Statistical Institute), speaking at the invitation of the Chairman, said that certain basic statistics were lacking in Latin American countries for preparing national accounts, while others needed to be improved. Most of the countries were short of qualified statistical staff. The IASI was doing what it could to help countries perfect their basic statistics, as well as providing courses in methodology for statisticians.

Sir Harry CAMPION (United Kingdom) said that, for lack of time, he would not comment on the interesting statement by the representative of CMEA on the work being done to revise MPS but it was obviously important to go ahead with the revision of SNA so that the links between the two could be established. In April 1965 it had been decided to try and complete the revision of SNA by the Commission's fifteenth session in 1968. By that time new members would have been elected and it was important that the proposals should be available for examination as early as possible in that year. The work ought therefore to be completed in 1967 and he was accordingly a little disturbed to note that some of the proposed dates for meetings in connexion with the revision seemed to be somewhat late.

Much remained to be done to improve the presentation of the scheme and make it simpler, but it had been encouraging to hear from the Observer for OECD and the spokesmen of the regional economic commissions that, on the whole, the proposals were acceptable. Priority should also be given to adapting them for use by developing countries. Presumably a revised document would be issued some time in the fairly near future and he wondered whether the Statistical Office wished members to send in more detailed comments, or whether the intention was that national statistical offices should do so through their representative at the regional conferences of statisticians to be held in 1967.

The meeting rose at 5.0 p.m.



UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



Distr.  
GENERAL  
E/CN.3/SR.247  
8 March 1967  
ENGLISH  
Original: FRENCH

STATISTICAL COMMISSION

Fourteenth Session

SUMMARY RECORD OF THE TWO HUNDRED AND  
FORTY-SEVENTH MEETING

held at the Palais des Nations, Geneva, on  
Friday, 14 October 1966, at 10 a.m.

<u>Chairman:</u>	Mr. BJERVE (Norway)
<u>Rapporteur:</u>	Mr. ARCHER (Australia)
<u>Secretary:</u>	Miss GROSSMAN

CONTENTS:

National accounts and balances (agenda item 4)

- (a) The extension and revision of the System of National Accounts (concluded)
- (c) A system of income distribution statistics supplementary to the systems of national accounts and balances

The complete list of governmental representatives and of representatives of specialized agencies, of other inter-governmental organizations and of non-governmental organizations attending the session will be found in Official Records of the Economic and Social Council, Forty-second Session, Supplement No.3.

NATIONAL ACCOUNTS AND BALANCES (agenda item 4):

- (a) THE EXTENSION AND REVISION OF THE SYSTEM OF NATIONAL ACCOUNTS (E/CN.3/345 and Add.1, E/CN.3/346) (concluded)

Mr. LOFTUS (Secretariat) said that he wished to give some details of the activities which the Statistical Office proposed to undertake between the fourteenth and fifteenth sessions of the Commission.

The Statistical Office intended to produce by July 1967 a new document on the revised SNA, which would contain all the decisions and recommendations adopted by the Commission, the regional economic commissions and the expert groups. Before completing the new presentation, the Office would like to receive detailed observations from members of the Commission on the proposals for revising the SNA (E/CN.3/345) and the report of the Secretary-General (E/CN.3/345/Add.1). The new presentation would be communicated to all States Members of the United Nations, which would be invited to make comments. In addition, consultations on the subject would take place at the regional level.

In reply to a question raised by the French representative at the 245th meeting, he explained that the purpose of the consultation referred to in paragraph 23(i) of the Secretary-General's report was to add to the new document a chapter on constant prices and to draw up additional tables for the revised SNA.

An Expert Group would meet in December 1967 to put the new document into final form. The text would be communicated at once to the members of the Commission, for examination at the session to be held in the spring of 1968.

The resources of the Statistical Office would not allow it to study problems other than those discussed in the proposals and in the Secretary-General's report, with the addition of systems of national accounting in constant prices. It would therefore

have to give up the idea of studying systems of income distribution statistics, balance sheets and regional accounts, which would eventually form the subject of supplements to Studies in Methods Series F No.2 (A System of National Accounts and Supporting Tables).

The new document would specify to what extent, how frequently and in what order of priority data and tables should be published, and the Statistical Office would request Member States to inform it of the plans they proposed to follow in putting the revised SNA to use.

The revised ISIC would be completed in the spring of 1968 and would, if approved by the Commission, replace the classification of activities of establishment-type agents which had been proposed on an interim basis.

The Statistical Office would continue to follow closely the activities of the CMEA and the Conference of European Statisticians concerning the relationships between the SNA and the MPS.

The CHAIRMAN asked whether the Statistical Office intended to modify the programme of work as set forth in paragraph 23 of the Secretary-General's report.

Mr. LOFTUS (Secretariat) said that he did not think any drastic changes need be made in the programme of work.

No complete system of income distribution statistics would be proposed, but an interim report would be made on the subject. If one of the Member States represented on the Commission would second an expert to the Statistical Office for a period of approximately one year, it would then be possible to propose a complete system. The classification of commodities would be prepared within the specified time, but in the case of regional accounting the same problem arose as with income distribution.

In reply to a question put by Mr. GOLDBERG (Canada), Mr. LOFTUS (Secretariat) said that Member States represented on the Commission should send in their observations before the end of 1966 in order that those observations might be taken into consideration in the preparation of the new presentation.

Mr. YOUNGMAN (Australia) asked whether comments made by Member States on the July 1967 document could be published in summary form.

He also wished to know whether the Secretariat proposed to indicate in that document how regional accounts, balance sheets and income distribution statistics could be integrated in the revised SNA.

Mr. LOFTUS (Secretariat) replied that the Secretariat would publish a summary of the observations sent in by Governments and that, without making a detailed examination of the three subjects mentioned by the Australian representative, it would endeavour to indicate how they would fit into the revised SNA.

Mr. MALISHEV (Union of Soviet Socialist Republics) asked what the Statistical Office planned to do with regard to the MPS.

Mr. LOFTUS (Secretariat) replied that, besides following the activities of the Working Group of the Conference of European Statisticians, the Secretariat had access to monographs drawn up by certain countries, in which SNA and MPS were compared; moreover some members of the Expert Group were well acquainted with MPS. Before the end of 1967, the Secretariat would be in a position to supply the Commission with information which would enable it to review the progress made in that field.

Mr. DUFRASNE (Belgium) thought it would be useful if a French-speaking expert participated in the preparation of the French version of the SNA manual to be published in the spring of 1968.

Sir Harry CAMPION (United Kingdom) noted that the proposals for ~~revising~~ the SNA had been issued as a Commission document and communicated to all States Members of the United Nations, but that those States had not been invited to submit observations on them. A new document would therefore be prepared, taking into account the observations made by members of the Commission, and it would be on that text alone that all States Members of the United Nations would be able to comment. There was no disguising the fact that preparing those different versions and taking account of the suggestions sent in would lay a very heavy task on the Secretariat, which would have to take great care to keep the work up to schedule.

Mr. MAHALANOBIS (India) thought that MPS was a system of potential interest to the developing countries; he would like the links between SNA and MPS to be examined more particularly with regard to income distribution statistics. Such a study would take some time to complete, and he did not suggest that it should be done in the near future.

Mr. BOWMAN (United States of America) said that in his statement the Director of the Statistical Office had furnished some highly useful information on the activities he proposed to pursue before the Commission's fifteenth session. A considerable amount of work remained to be done, but the time-table established in 1965 could be met. The revision of SNA would not be complete, because there were three subjects which could not be thoroughly studied, but at least some indication would be given as to how they would fit into the System.

As to the links between MPS and SNA, he noted that the Conference of European Statisticians would continue its work in 1967 and that its conclusions could then be examined by the Commission.

The definitive classification of kind of economic activity for establishments and enterprises and the related classification of commodities would represent an important advance in the work on classifications for the revised SNA.

Mr. GOLDBERG (Canada) felt that, in view of the scope of the programmes of work, the Secretariat might perhaps call in a consultant to prepare the document which would be communicated to all Member States and which, for that reason, would have to be drafted in particularly clear language.

Since one of the Commission's main objectives was to bring about a synthesis between the ISIC and SNA, it might be advisable to set up a group of experts to examine proposals for the revision of ISIC.

Mr. BOWMAN (United States of America) thought the Commission might express its views concerning the links between SNA and MPS when it had had an opportunity to examine the results achieved by the Working Group on National Accounts and Balances of the Conference of European Statisticians. As to the developing countries, he did not consider that MPS was better suited to their needs than SNA.

Mr. MALISHEV (Union of Soviet Socialist Republics) expressed surprise at the attitude adopted by the Statistical Office towards the MPS. Certain delegations had spoken of economies that had to be made. It was to be hoped that those economies would not affect the translation of documents. If an attempt were made to economize too much, the activities of the Statistical Office might be impaired and the functions, which the Office was called upon to perform, restricted. In any case the Commission should not lose sight of the fact that there were two different systems in existence based on different principles. A way should therefore be found of pursuing the study of both systems side by side and of respecting the interests of both the parties involved.



Mr. MAHALANOBIS (India), enlarging on his remarks concerning SNA and MPS, said that SNA was without any doubt a remarkable achievement, but that both SNA and MPS were too complex to be put to use by developing countries. He wondered whether one or the other system, or both systems, could not be presented in a simplified form that would meet the requirements of such countries. Would the Statistical Office agree to examine the question whether it was possible to link SNA with MPS? He was not asking the Statistical Office to commit itself to any date for the completion of that work. Nor had he said that one of the systems was preferable to the other. However, as the USSR representative had said, there were two systems in existence, and it was logical that both should be studied. If the two systems could not be linked, the developing countries might perhaps use MPS at first and move on to SNA when they reached the industrialization stage. The main consideration was to find a way to help the developing countries.

Mr. LOFTUS (Secretariat) said that he was not aware of having spoken of economies that had to be made; however, in describing the programme of work for the period up to 1968, he had stated that it was a material impossibility for the Statistical Office to envisage a fuller programme unless countries came to its assistance by making qualified persons available for the work involved. The Statistical Office was in fact studying MPS as well as ways and means of linking it with SNA. It intended to publish a detailed description of MPS, as had been done for SNA, so as to improve the concordance between the two systems. Means of linking the two systems were also being studied at Geneva, and the Statistical Office was following that work attentively. As to the use of MPS by developing countries, the Statistical Office had appointed an expert to give countries assistance in the matter if they so requested. Lastly, the Statistical Office would submit a progress report to the Commission at its next session. However, the task of concording the two systems could not possibly be finished by the spring of 1968.

As to the Belgian representative's request that the translation of SNA should be entrusted to a French-speaking expert, no posts were provided for translators in the Statistical Office. However, he would bring the matter to the attention of the competent departments.

One delegation had raised the question whether the Statistical Office could call in an expert to draft the new SNA. Arrangements had already been made for that purpose, and the Statistical Office intended to invite Professor Stone to undertake the task of presenting the document in a more readily comprehensible form.

The Statistical Office had neither the time nor the resources to convene a group of experts on classification and national accounts. It would take the Canadian representative's proposal into consideration and would try to find a simpler way of carrying out the work.

Work on the revision of ISIC was continuing. The draft revised text had been communicated to governments with a request for their views. When the replies came in, the Statistical Office would prepare a final draft taking account of possible links between ISIC and SNA. The final text could probably be submitted to the Commission at its session in the spring of 1968.

Mr. DAVIES (Economic Commission for Europe) described the work being done by ECE to improve the concordance between SNA and MPS. The ECE had succeeded in linking the principal aggregates of the one system with the corresponding aggregates of the other. However, both systems were in process of revision and any change might affect the nature of the links between them. ECE was keeping abreast of the changes made in the two systems and was studying the effect of those changes on the links between the different aggregates. The work was kept up to date, but no purpose would be served by publishing the results at that stage. When the new revised versions were adopted, ECE intended to issue a new statement of the links between them.

Mr. DUFRASNE (Belgium), explaining the request he had made concerning the translation of SNA, said that he thought it would be useful to engage a French-speaking expert to revise the translation by correcting some of the technical terms.

Mr. MULLIER (Economic Commission for Africa) said that he wished to reassure the Indian representative. African countries had had some difficulty in using SNA, which was ill suited to their needs. They had therefore asked the Statistical Office whether an intermediate system could be developed, and had made various suggestions. The ECA had noted with satisfaction that many matters of concern to African countries had been taken into consideration in the revised text.

Mr. LOFTUS (Secretariat) remarked that, so far as national accounts were concerned, production accounts were those of greatest interest to developing countries. It was therefore necessary to see what links existed between SNA and MPS in the production accounts of the two systems. That question should be examined as a matter of priority at Geneva by the Expert Group specially appointed to study means of relating the two systems. When that study was completed, it would be easier to see what would best suit the developing countries.

Mr. MALISHEV (Union of Soviet Socialist Republics) praised the work done by the Conference of European Statisticians on the links existing between the two systems of accounts. It was to be hoped that, in its report, the Commission would express satisfaction with the work done by the Conference.

(c) A SYSTEM OF INCOME DISTRIBUTION STATISTICS SUPPLEMENTARY TO THE SYSTEMS OF NATIONAL ACCOUNTS AND BALANCES (E/CN.3/346, chap.IV, and E/CN.3/348)

Mr. AIDENOFF (Secretariat) said that, at its second session, the Expert Group on the Review of National Accounts and Balances had exchanged views on the requirements to be met by a system of income distribution statistics designed to supplement the two systems of national accounts, namely SNA and MPS, and on how such a system would affect the revised SNA. The Group had had no time to do more than study the principal characteristics of such a system. Its comments were given in chapter IV of its report (E/CN.3/346).

In the report of the Secretary-General (E/CN.3/348), which was based on the Expert Group's discussions, the Secretariat had tried to take the study a little further and to isolate the main objectives and the characteristics of such a system, taking into account, in particular, its relationship with the revised SNA. A group of experts on Social Policy and the Distribution of Income was to meet in January 1967. For that occasion the Statistical Office would prepare a document on the items of the group's agenda which related to the statistical aspects of income distribution. The document would contain a description of the Commission's programme relating to income distribution, with special reference to the problems of concern to the experts, which were set out in paragraph 4 of the Secretary-General's report. With a view to the preparation of that document, the Statistical Office hoped to receive guidelines from the Commission concerning the principal characteristics of a system of income distribution statistics. It should be noted that the Conference of European Statisticians intended to study that question during a meeting which would probably take place towards mid-1967. The Statistical Office would take part in that meeting and would prepare one of the main documents for it. In the light of the results of the various meetings and of the work done between the two sessions of the Commission, the Statistical Office would submit a progress report to the Commission on the work carried out concerning income distribution statistics.

With regard to the income distribution data for inclusion in the revised SNA, both the Commission and the Expert Group had emphasized the necessity of giving those data greater prominence in the body of SNA. The next revised version of SNA

would accordingly contain tables showing the proportions of income accruing to the different statistical units. It would probably be necessary to incorporate in the next version of SNA definitions of the recipient units, such as households and individuals, definitions of the statistical units referred to in paragraphs 12 and 16 of the Secretary-General's report, and some brief classifications of income flows. Such were the general features of the income distribution statistics which would appear in the revised SNA. The supplementary programme on income distribution statistics would be devoted to more detailed aspects of the subject.

Mr. MAYER (France) said that item 4(c) of the agenda covered some very important subjects. His country was particularly interested in them because its incomes policy made it necessary for the competent Government departments to receive full information on the subject, and also because France belonged to the European Economic Community, in which social policy played a very important part.

The development of a system of income distribution statistics was fraught with many difficulties, both conceptual and statistical. The conceptual difficulties arose from the fact that income distribution structures were closely linked with national institutional structures, which varied greatly from one country to another. The statistical problems arose from the fact that the sources used were closely related to national taxation practices which were also very variable.

Neither type of problem was more than touched upon in the Secretary-General's report; to its credit, however, the document proposed a very comprehensive and detailed nomenclature and took up the most important features of income distribution statistics.

He was particularly pleased that the document drew attention to the importance of the three aspects of income accounts mentioned in paragraph 7. The problems involved in defining statistical units were also very clearly stated.

Nevertheless, he noticed with some anxiety that there were discrepancies between the suggestions made in the report concerning the system of income distribution statistics and the recommendations made in connexion with the revised SNA. In his opinion it was essential to co-ordinate the two systems, for statistics on income were often used in conjunction with others, such as consumption, price and taxation statistics. In the circumstances, a lack of consistency in definitions and nomenclature could lead to serious mistakes.

The discrepancy between SNA and the system of income distribution statistics proposed in the report was particularly apparent in the case of primary incomes. In the SNA context, primary incomes were wages and salaries and entrepreneurial income; the principle adopted in the Secretary-General's report was different. Moreover, interest did not appear as a primary income in SNA. The part of paragraph 29 dealing with interest paid to individual entrepreneurs was equally incompatible with certain features of SNA. Furthermore, when the revision of SNA had been in progress, some experts had proposed that the employers' outlays mentioned in paragraph 24 should be regarded as final consumption outlays, and that proposal had been rejected as premature. It was consequently surprising to find in the document a recommendation which had not been taken into consideration in SNA. At all events that question should be studied more thoroughly before any definite position was taken on it.

Although the discrepancies he had mentioned left some room for anxiety, he thought that the report was of great interest and afforded an excellent basis for discussion. However, it seemed to him too early for the Commission to accept the recommendations made in the document and to propose, on that basis, international guidelines on income distribution statistics.

Mr. MAHALANOBIS (India) agreed with the view just expressed by the representative of France; the suggestions made in the Secretary-General's report were a step forward in the study of income distribution statistics and were worth thinking over, but the Commission should limit itself to expressing a general opinion about them without taking a specific position on every point.

He would like some clarification of the last sentence in paragraph 7, particularly the expression "purchased goods and services". He drew the attention of members of the Commission to paragraph 17, which stated that it would be of interest to classify households according to size of income. In his opinion any such classification might prove very difficult because, especially in developing countries, the size of households varied considerably, not only from country to country, but also within a single country. In the rural parts of such countries, in particular, it was usual to find extended families comprising a very varied number of individuals. Indian statisticians, who had come up against that difficulty, had discovered the usefulness of a classification by outlay per resident. Other developing countries might perhaps find it helpful to adopt that procedure, which was a means of collecting some very pertinent information.

With reference to the second sentence in paragraph 20, there was a danger in using equivalence scales in relation to adults in order to obtain data on consumption, for they were utterly fallacious as working hypotheses. In particular, consumption varied according to age and sex. For example, in countries where milk production was low, children consumed more milk than adults did. In India the consumption of cereals was greater among women in poor families, since the best food was kept for the men and boys. It was very regrettable that the document gave no precise details on equivalence scales or on weighting by age and sex.

It would sometimes be of assistance to developing countries to include in the personal consumption of employees the benefits accruing to them from the health, recreational, educational and other facilities which employers made available to employees collectively. Hence he could not entirely approve the contents of paragraph 24. In his opinion, some flexibility was required in defining the concept of compensation of employees.

He unreservedly endorsed the principles stated in the last two sentences of paragraph 42. The preparation of statistics was apt to be a futile exercise if its purposes were forgotten. Those principles were especially valid for statisticians in developing countries.

Mr. BEALES (United Kingdom) agreed with previous speakers that much remained to be done before it would be possible to set international standards, or even to make recommendations, concerning income distribution statistics.

Among the questions which would have to be thoroughly studied before that stage could be reached, one of the most important concerned the sources of the data used in compiling income distribution statistics, and the advantages and disadvantages of the various kinds of sources. The sample survey was a good method of obtaining data on households, but it had its disadvantages. In the United Kingdom, interviewers were faced with the problem of non-response, especially in high-income households. Moreover the information obtained through sample surveys did not always fit in very well with the definition of individual income or of household income adopted for national accounting purposes. Data supplied by the tax authorities were another useful, though limited, source of information on the range of incomes. the individual was taken as the statistical unit, it might be useful to obtain from employers a classification of their staff by kind of work and by wage or salary level. That

method, however, had the disadvantage that employers were not always able to supply exact information on the marital status of their employees, the number of persons in each employee's household, etc.

The definition of income also required more thorough study. Some definitions which could be used in estimating total income were not applicable at the individual or household level. Thus data on employers' contributions to social security funds, private pension funds, insurance funds, etc., could not always be allocated by employee, for employers sometimes made lump-sum payments into such funds.

Some types of analysis relating to entrepreneurial income and to interest on the equity of households in pension funds and life insurance were not mentioned in the Secretary-General's report. United Kingdom statisticians had for some years been attempting to analyse the redistribution of income effected through the tax system and through the payment of social insurance benefits to the population by the State. From that kind of analysis, which was based on the results of family expenditure surveys, very instructive conclusions could be reached concerning social well-being.

Mr. GOLDBERG (Canada) recognized the value of the work done on income distribution statistics, but did not think the time had yet come for the Commission to lay down international guidelines on the subject. In particular, he agreed with the United Kingdom representative on the need for a thorough study of the sources of data. The analysis of the replies to the questionnaire sent out under paragraph 2 of Commission resolution 8(XIII) would probably supply some useful material which could be made available to the Commission at its next session and which would help it in its task.

Since the study of the system of income distribution statistics was to be taken up in detail by the Conference of European Statisticians in 1967, he would merely make a few general remarks on the Secretary-General's report and would send more detailed comments to the Statistical Office.

The system of income distribution statistics should be regarded, not as a substitute for, but as a supplement to, the system of national accounts. It was therefore essential that the two systems should be mutually consistent, as the representative of France had rightly pointed out. The population covered by income distribution statistics should be the same as that covered by the main system. It was probable, however, that many countries would be unable to

establish a perfect concordance between the two systems overnight and would have to try to do so gradually. The Statistical Office could perform a useful service by indicating in its next report, the stages in which it thought that objective should be approached.

The terminology of the Secretary-General's report did not always correspond to that normally used by English-speaking statisticians. To facilitate the use of the proposed system, it would be desirable to keep to the traditional language of national accounting.

Some flexibility was needed in defining the concept of total consumption of the population.

The meeting rose at 12.35 p.m.



UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



Distr.  
GENERAL

E/CN.3/SR.252  
8 March 1967

Original: ENGLISH

STATISTICAL COMMISSION

Fourteenth Session

SUMMARY RECORD OF THE TWO HUNDRED AND FIFTY-SECOND MEETING

held at the Palais des Nations, Geneva,  
on Tuesday, 18 October 1966 at 3 p.m.

Chairman

Mr. BJERVE (Norway)

Rapporteur

Mr. ARCHER (Australia)

Secretary

Miss GROSSMAN

CONTENTS:

1970 World Population and Housing Census Programmes  
(agenda item 5) (continued)

(a) Report of the Expert Group to Review the Draft Recommendation  
for the 1970 Population and Housing Censuses

and

(b) Draft principles and recommendations for the 1970 population  
censuses

and

(c) Draft principles and recommendations for the 1970 housing  
censuses

The complete list of governmental representatives and of representatives of specialized agencies, of other inter-governmental organizations and of non-governmental organizations attending the session will be found in Official Records of the Economic and Social Council, Forty-second Session, Supplement No.3.

1970 WORLD POPULATION AND HOUSING CENSUS PROGRAMMES (agenda item 5) (continued):

- (a) REPORT OF THE EXPERT GROUP TO REVIEW THE DRAFT RECOMMENDATIONS FOR THE 1970 POPULATION AND HOUSING CENSUSES (E/CN.3/344)
- (b) DRAFT PRINCIPLES AND RECOMMENDATIONS FOR THE 1970 POPULATION CENSUSES (E/CN.3/342)
- (c) DRAFT PRINCIPLES AND RECOMMENDATIONS FOR THE 1970 HOUSING CENSUSES (E/CN.3/343)

The CHAIRMAN invited the Commission to continue its consideration of agenda item 5.

Mrs. MOD (Hungary) said she agreed with what the French representative had said about total population. The present international recommendation should be developed to give some explicit directions as to what was to be used as a basis for determining total population. A proposal was made in the European draft programme that migrant workers should be taken into account on the basis of the de facto principle, whereas the world programme left the question of migrant workers open. It might perhaps be useful to adopt the European proposal in connexion with the world programme.

It appeared that the notion "family" was recommended as a basic topic only in the European draft programme. The concept of household composition was included in the world draft programme, where it was recommended that the primary aspect to be considered was the number of family nuclei of which the private household was composed; that was slightly contradictory. Furthermore, in the recommended series of tables, only two related to the household, while the draft recommendation emphasized the importance and the wide field of application of the household as a statistical unit. That section might be expanded by supplementing the recommendation with some tables combining the size of the household with the socio-economic group of the head of the household. It had been said during the discussion that it might be wise to analyze society more deeply from various aspects. One of those aspects might be the socio-economic one. It would of course be necessary to have a socio-economic classification, a difficult task to undertake on a world-wide scale.

One matter which might be rectified was the differences in the wording used in different documents dealing with the same subject.

Miss QUESADA (Panama) said that the two drafts would provide a useful guide to governments preparing for the 1970 Population and Housing Censuses, particularly those of developing countries. In Panama difficulties would be encountered in collecting data on the household unit, on the number of occupants in a dwelling, for example, and on rents, but since it was important to obtain such data, experiments could be carried out before the 1970 censuses with a view to finding some satisfactory method of doing so. The Committee on Improvement of National Statistics was to meet in 1967 to study preparations for the 1970 World Population Census, and would no doubt make suggestions on the subject.

She supported the draft resolution in paragraph 4 of the report on population censuses (E/CN.3/342); the proposed revision of the Handbook of Population Census Methods, the preparation of a technical manual on methods of evaluating population census results and the provision of technical advice and fellowships under the Technical Co-operation Programme would be most helpful.

Mr. AYRES (Brazil) joined in the expressions of appreciation addressed by all speakers to the Secretary-General for his important reports. He said he had only two things to add to what other speakers had said about the draft principles and recommendations for a population census. First, consideration should be given to revising the concept of the household as set forth in paragraphs 141, 142 and 143 of the annex to the report on population censuses by laying greater stress on the family. Secondly, as far as occupation was concerned, since it was likely that in the developing countries a large part of the population engaged in some agricultural activities, in which considerable mobility of labour was observable, it was desirable to investigate habitual occupation and to compile information on actual occupation in the week immediately before the census.

Mr. DAVIES (Economic Commission for Europe), said that the meeting of the European Working Group on Population and Housing censuses in March 1966 had been preceded by work on census matters carried out by Groups of Rapporteurs. The Working Group had adopted topics, standard definitions of basic topics and standard classifications, with the exception of socio-economic and educational classifications. Socio-economic and educational classifications had not been dealt with, pending receipt of the results of work being done by the ILO on a standard classification of

occupations and a classification by education being prepared by UNESCO. Preliminary discussion had also taken place on the standard tabulation programme. The Working Group would meet again in the autumn of 1967, following a meeting of a Group of Rapporteurs to deal with questions relating to the tabulation programme.

There were some differences between the European and the proposed world programme, but since the Working Group was to meet again, it would have an opportunity of seeing how far the European could be brought into line with the world programme. In a number of cases there would be no difficulty in expanding the European recommendations consistently with the international ones, as had been done for the 1960 censuses, but there were some differences which could not be met in that way. Some of the international recommendations were not suitable for use in Europe, and there was therefore a risk of inconsistency in some respects, as far as the European region was concerned. If the Commission dealt with the draft principles and recommendations item by item, as appeared to be the intention, he would draw attention to instances where such inconsistencies might arise.

Mr. VISWANATHAN (Economic Commission for Asia and the Far East) said that two meetings of a Working Group had been held, in December 1964 and in March 1966, to discuss the preparation of an Asian programme for the 1970 censuses of population and housing which could form part of the United Nations world programme in those fields. At the first meeting the Working Group had reviewed the experience of countries in the region in conducting censuses of population and housing during the period 1955-1964, and had discussed the topics to be investigated in the 1970 censuses. At its second meeting, the Working Group had discussed principally the tabulation programme for the 1970 censuses.

The review of experience had been conducted in terms of national needs for data, reaction of the respondents and their ability to give accurate information, difficulties encountered in the collection of data and the usefulness of the data compiled. At its first meeting the Working Group had examined the lists of topics recommended for compilation of data for the 1960 world census of population, and in the light of the experience of countries in the region and their national needs, had prepared an amended list of topics regarded as basic.

The Conference of Asian Statisticians had endorsed the new list and had agreed that "citizenship" and "school attendance", which had been in the basic list for the 1960 census, should be transferred to the additional list, because a majority of the

countries in the region had found it unnecessary to collect data on those topics at the previous census. On the other hand, it had agreed that "religion" and "total number of children living", in which a majority of countries had expressed interest, should be transferred from the additional list to the basic list. Only one new topic had been added to the basic list, namely, "duration of residence at place of enumeration". That had been considered useful for providing, in conjunction with place-of-birth data, a crude index of the volume and direction of internal migration, assuming that only one move was made during the lifetime of the person concerned.

The Working Group had recognized the limitations of "place of birth" alone or in combination with "duration of residence" for the purpose of measuring internal migration. Nevertheless, it had felt that of the two potential topics on that subject, "duration of residence" rather than "prior place of residence" should be transferred to the basic list, because of the difficulty of gathering reliable information on "prior place of residence". "Prior place of residence" had been left on the additional list as an optional topic. Moreover, the topic "mental or physical disabilities" had been changed to "physical disabilities" as the Working Group considered that data on "mental disabilities" might be difficult, if not impossible, to collect through a census. Three topics included in the 1960 additional list had been omitted from the proposed 1970 list.

Since different countries used different criteria for distinguishing urban from rural areas, the second Working Group had felt that a common definition should be recommended to all countries. It had recognized, however, that it would not be possible for some countries to adopt a new definition immediately and that the definition used in each country was usually dependent on national circumstances. Some countries had not favoured an abrupt change, as they did not wish to disturb the comparability of their data with data obtained in previous censuses. The Working Group had, however, felt that the problem was an urgent one, which should be solved as soon as possible, since unless a solution were found, attempts at comparison between countries would continue to meet with the same difficulties for another ten years or more. The Working Group had eventually recommended that each country should try to reach a definition suited to its national circumstances, but that definitions based either on administrative status or on tradition should be discarded. The Conference of Asian Statisticians had endorsed the Working Group's recommendation and had agreed that it was desirable that suitable definitions should be found before the next census and that they should be used for the tabulation in the related census reports.

Most of the topics recommended by the Working Group had been included in the list for the world programme contained in the report on population censuses. The only differences related to religion, language and relation to head of family, which the Working Group recommended for inclusion in the basic list, while they had been included in the additional list for the world programme. There were similar differences between the Working Group's recommendations for the housing censuses and those for the world programme.

With regard to training, ECAFE proposed to strengthen national training centres and to train census staff there. It also hoped to use a regional advisory team, consisting of advisers on censuses, sampling, data processing and, if necessary, cartography, in the training centres. A seminar on the organization and conduct of population and housing censuses was planned in December 1967. It also proposed to establish a regional data processing centre, although it was too soon to say when it would be ready.

Mr. MULLIER (Economic Commission for Africa) said that two meetings had already been held at Addis Ababa in connexion with the population and housing censuses. The programme drawn up at the meeting held in July 1965 had been accepted, with slight modifications, by the Conference of African Statisticians which had met in October 1965. The second meeting had been held at the beginning of 1966, and its conclusions would probably be adopted by the Conference, which would meet in the autumn of 1967. The presence at those meetings of members of the United Nations Statistical Office had ensured a large measure of uniformity between the African programme and the world programme, though difficulties of adaptation and explanation had arisen with respect to purely regional problems, for instance, how to classify a household whose head had several wives.

The basic topics agreed to by the Conference of African Statisticians were very close to those agreed to in the ECAFE region. There were, of course, differences of detail. In Africa, for example, countries were being asked to specify whether, at the time of the census, a person had the status of a present, absent or temporary resident. Then again, in some African countries the ethnic group was of capital importance, so that in some instances "nationality" would be replaced by "ethnic Group". Definitions of dwelling units had also had to be adapted to meet the case of nomadic tribes which lived in tents.

Two seminars were to be organized in 1967 and 1968 so that when the principles and recommendations were in more nearly final form, those responsible for carrying out the censuses could be informed of what would be required of them. There was already one adviser on demographic matters in the region and it was hoped that a second one would be made available soon. ECA also hoped to obtain a small computer to help with the processing of data.

Mr. LOEB (Economic Commission for Latin America) said that as the Inter-American Statistical Institute was the body mainly concerned with population and housing censuses in the Latin-American region, he would leave its representative to inform the Commission about what was being done. The Economic Commission for Latin America intended to organize a seminar in 1968 on methods of carrying out population and housing censuses. Regional advisers would be available from 1967 onwards to help with statistical problems and to prepare for the 1970 population and housing censuses.

Miss CASIS (Inter-American Statistical Institute), speaking at the invitation of the Chairman, said that the census programme developed by IASI was closely coordinated with that of the United Nations, and the Statistical Commission's principles and recommendations were being used as a standard by the twenty-one Latin-American countries. The principles and recommendations set out in documents E/CN.3/330 and E/CN.3/332, which had been before the Commission at its thirteenth session, had been examined by a sub-committee on demographic statistics and housing, convened by the Institute last January, and tabulations for the 1970 census had been agreed upon. The definitions would be finally approved by the committee on improvement of national statistics that was to meet in 1967. It would thus be able to take into account the Statistical Commission's decisions on the principles and recommendations. The Committee would have to decide on whether or not to include the classification "number of children living". The definition of a household was being studied with a view to establishing practical criteria that would conform with the United Nations recommendations. The sub-committee on demographic statistics and housing had discussed the difficulty of obtaining data on educational levels, arising out of the variations in educational systems not only as between countries of the region but within any given country. In Latin-American countries one week would not suffice as the base period for obtaining data on the economically active population and the sub-committee had decided that the problem called for further study.

As far as the housing censuses were concerned, the sub-committee had decided that it would be difficult to tabulate separately rooms used exclusively for commercial or professional purposes and that each country should determine whether or not kitchens should be tabulated. It had come to the conclusion that it would not be feasible to ask for information on floor space and that the data would be easier to obtain by sampling.

In the case of dwelling units, the sub-committee had been in favour of something on the lines of the United Nations classification but simpler, allowance being made for special cultural and climatic features in the Latin-American continent.

All the suggestions put forward by the sub-committee at the session to be held in January 1967 would be considered by IASI at its ninth session. The Institute itself was concentrating on helping member countries to train census staff and advise national census offices in co-operation with ECLA and interested United States bodies.

The revised principles and recommendations were a marked improvement on the previous ones and would be of great value to Latin American countries.

Mr. EL-BADRY (Secretariat), speaking on behalf of the Population Division, said that in the two reports under discussion, member countries' experience with the 1960 census had been taken into account as well as regional needs. The principles and recommendations would help to solve a number of problems and reduce possible conflicts between national and international requirements.

Among points of particular importance in demographic research, he welcomed the recommendation to tabulate the number of children living as that would help assess fertility and mortality, particularly in countries where registration was defective. The more detailed tabulations recommended in tabulations 27, 28, 29 and 39 in the annex to the report on population censuses might be followed later by recommendations for sub-divisions according to education, father's occupation and residence, whether urban or rural. Such detail, though costly to obtain, could be prepared on a sample basis and would help towards an understanding of the influence of social and economic variables on fertility. Experience with analysing data on parity from the 1960 census and before had indicated that they were open to various types of error, such as failure to count the children living away from the household; perhaps some recommendation should be made in the near future to try and eliminate such errors. The recommended tabulations of distribution of living quarters according to the demographic characteristics of the head of the household would be very useful for demographic studies and would provide the numerators for the headship ratios for age, sex and marital status that were used for household projections.



The Population Commission was keenly interested in evaluating demographic statistics and a manual on methods appraising the quality of basic data for population estimates, which had been prepared ten years ago, was widely used by demographic statisticians, particularly those dealing with data on developing countries. At its last session in 1965, the Commission had recommended that a manual be prepared on field methods of testing accuracy of enumeration in population censuses, so that the Handbook of Population Census Methods would be of great interest to the Population Commission.

With regard to the co-ordination of work on international statistics, which had been discussed by the Commission under item 3, he said that some of the projects, such as evaluation by computer, adjustment of deficient statistics and projections by computer of population size and distribution being done by the Population Division, were already co-ordinated with the Statistical Office. The manual on educational projections had already been published in collaboration with UNESCO and a manual on labour force projections was being prepared jointly with the ILO. The Population Division was also going to assist FAO on the population aspects of a food projections study.

Mr. BROLIN (United Nations Educational, Scientific and Cultural Organization) said that UNESCO was gratified at the favourable reception given to its proposals that data on literacy, educational qualifications and school attendance be included in population censuses. It was giving priority to educational planning and experimental literacy projects prior to launching the world campaign for full literacy. The expansion of tabulations of direct interest to UNESCO would certainly place an extra burden on the data-collecting authorities, but, after all, education was one of the most important forms of investment for economic development and educational planning was a vital part of economic and social planning. More detailed information on the educational qualifications of the population was needed for manpower projections and in order to set educational targets. The agency was working on an international standard classification of education and studying the application of science and technology for development needs, and for that census data on the number and qualifications of scientists would have to be obtained.

The classification of educational qualifications in paragraph 202 of the annex to the report on population censuses had been criticized by the Indian representative, but UNESCO's secretariat was fully aware that it represented only a rough classification which had been developed for the purpose of its Manual of Educational Statistics.

A means of arriving at a standard terminology was being studied but the time was not yet ripe for a detailed and precise classification. The one set out in paragraph 202 simply enumerated various disciplines as examples.

Paragraph 220 had been examined by UNESCO's Department of Education which had decided that it was too negative and might be reworded to read:

"The language, or languages, in which a person can read and write is not a factor in determining literacy as such. In multilingual countries this may, however, be essential for educational policy and constitutes therefore a useful additional subject of inquiry."

The wording of paragraph 221 was not that originally proposed by UNESCO and he suggested that it be replaced by the following text:

"Data on literacy should be collected for all persons ten years of age and over, preferably by five-year age-groups up to 34, and ten-year age-groups thereafter. In tabulations which do not give a detailed age distribution, data on literacy should refer to the population aged 15 years old and over, in order to facilitate international comparisons".

Mr. RIZHOV (Observer for the Council for Mutual Economic Assistance), speaking at the invitation of the Chairman, said that the expert groups and the Statistical Office had done very useful work in preparing such detailed and lucid principles and recommendations. The two reports before the Commission were both comprehensive and easy to use. During the past three years the Permanent Commission on Statistics of CMEA had been working out a methodology for population and housing censuses in member countries, some of which had already carried out censuses based on CMEA's recommendations. Special working groups had been convened to examine the material prepared on the subject by the Statistical Office and the Conference of European Statisticians, as a result of which certain recommendations concerning census programmes and definitions had been approved by the Permanent Commission on Statistics. In addition, rapporteurs had been appointed to study such matters as sampling methods applied to census data, the processing of data by computer, as well as control techniques. The Permanent Commission on Statistics had decided to continue convening seminars in various member states to consider census problems and to arrange for the exchange of views.

The CHAIRMAN suggested that the two reports of the Secretary-General before the Commission should be dealt with together in the Commission's report and should form the subject of a single draft resolution.

It was so agreed.

Mr. BOWMAN (United States of America) said he was not clear as to whether the suggested modifications put forward by members of the Commission during the discussion of item 5 would be incorporated in the principles and recommendations.

Sir Harry CAMPION (United Kingdom) asked whether the procedure contemplated by the Secretariat was that the Commission would ask for the two documents to be published and if so, whether the Commission's own observations on the principles and recommendations would be issued as a separate paper.

Miss POWELL (Secretariat) said that the Secretariat assumed the Commission would wish the modifications proposed by members to be incorporated in the reports before they were published as recommendations for population and housing censuses.

Commenting on the points made during the discussion, she said that concern had been expressed about the change in the definition of a household where boarders and lodgers were concerned. According to the definition recommended for the 1960 census, boarders had been considered as part of the household because they ate with the family, but lodgers were dealt with separately. Many countries in their comments had pointed out that, although they had subscribed to that definition, in fact the enumerators for the 1960 census had been obliged to disregard it. The Expert Group had accordingly concluded that it would be simpler to eliminate the distinction, thus bringing the definition of a household closer to that used in the Soviet Union and in some other countries.

In answer to the question put by the representative of ECE, she said that the items inserted in the basic international list had been those recommended by all four regions. Any others had been included in the additional list. However, on the recommendation of the United Nations Population Division, supported by a number of other countries, it had been decided to transfer "number of children living" from the additional to the international list. Because of UNESCO's interest in literacy and school attendance, those two items had also been transferred to the international list. In countries outside Europe, school attendance figures could not be obtained from school enrolment statistics. The international basic list was only intended as a guide, and some of the topics were of special interest to countries outside Europe, but any country was free not to investigate a particular item.

Several members of the Commission were in favour of including data on floor space, and although each of the regional working groups had initially been of the same opinion, on further reflection they had come to the opposite conclusion and the item had now been omitted.

The problem of how to distinguish between urban and rural population, raised by the Chinese representative, had been discussed at length in ECAFE and the conclusion reached there had been that there was insufficient information on which to formulate an international definition. Each of the working groups had suggested that countries should experiment in the 1970 census with tabulating variables for small geographical units. The United Kingdom and some other countries had already done some work on the subject, and it was hoped that the 1970 census would yield further information.

In answer to two other questions put by the Chinese representative, she said that the manual on post-census field checks and the evaluation of censuses was being drafted in Spanish and that the English version was to be ready by December. The manual was to be published in 1967. The adviser in demographic and social statistics had been in Bangkok since July 1966.

With regard to the United Kingdom representative's comment on the length of the principles and recommendations, she agreed that some were rather long but would point out that it had been suggested that some of them should be expanded. However, the Handbook of Population Census Methods, the current version of which was a three-volume edition based on the 1950 censuses, was at present being revised in the light of the 1960 censuses, and the revised edition might have a slightly different basis. In reply to his question on the meaning of the term "recommended" in the international list, she said the term was used for topics which were regarded as basic by all the regions. There were three exceptions - school attendance, literacy, and children living - which, as explained in paragraph 161 of the annex to the report on population censuses, had been included for another reason and had all been recommended by at least three regions.

In reply to the representative of Morocco, she said the manual on post-census field checks was not perhaps the appropriate place for a discussion on the problem of adjusting age and sex data, which often did not conform with reality, but consideration was being given to its inclusion in the manuals issued by the Population Division.

The representative of Canada had remarked that the report on population censuses did not deal with the question of mailing and computer editing. The question had been omitted because it was considered more suitable for the manual, where the process of census-taking was described in detail.

The reason why "age at marriage" had not been given priority, rather than "children living", was that the latter had been endorsed by the Population Commission. "Age at marriage" would not be suitable for countries which found it difficult to obtain correct information on age and would find it even more difficult with age at marriage, especially when many marriages were not recorded at all.

A question had also been asked on the inclusion of topics on the state of repair of houses and the value of structures. Those had been excluded after long debate in the regions, because of the difficulty of obtaining data. The construction of outer walls had been included because it offered the only possibility of evaluating housing according to type, but there had never been any question of its being a major topic.

The representative of Belgium had raised the question of the change in terminology in paragraph 144 of the annex to the report on population censuses. The term "collective households" had been replaced by "persons not living in households" on the proposal of the Expert Group, which considered that there was no such thing as a collective household, and that the term was therefore misleading. She was unable to answer the Belgian representative's question as to whether the definition of family, given in paragraphs 204 and 205, coincided with the definition in the Demographic Dictionary, as the dictionary had no official status in the United Nations.

Mr. FETIPALDO (Uruguay) said he thought that "occupation", which was dealt with in paragraphs 239 and 240 of the annex to the report on population censuses, should be divided into "main occupation" and "secondary occupations". Secondary occupations were of great importance to some countries, and the category should be optional for those countries that needed it. It should also be made clear whether the main occupation was the best paid, the one at which most time was spent, or the one which was of most economic importance to the country concerned.

The question of literacy dealt with in paragraphs 219 - 222 was very important for the Latin-American countries, but it was also one on which it was difficult to get accurate information. People were reluctant to admit to illiteracy because they felt it to be an indication of inferiority. It would therefore be better not to include the question as a basic one, since it might cause a negative reaction to the census. "Socio-economic status", dealt with in paragraph 269, should also be deleted,

because it was meaningless without data on incomes, and that was not an item to be recommended for a census.

With regard to the relationship of the population census to other types of census he felt that the population census should be mainly concerned with demographic data. The suggestion in paragraph 33 that information on economic status might be utilized for the census of establishments should be viewed with caution. The housing census and the population census should be taken concurrently because they were very closely related. The ultimate purpose of the housing census was to obtain information on the population's living conditions and much of the information in the population census would help governments in planning housing.

Mr. FEBVAY (France) said he would like to hear the Secretariat's views on the question of "total population", which he had raised at the previous meeting, and which had also been mentioned by the representative of Hungary.

Mr. GENTIN (Union of Soviet Socialist Republics) said he would like to hear the Secretariat's views on the three questions he had already raised - the inclusion of floor space in housing stock, whether living quarters not intended for human habitation should be regarded as living accommodation, and the desirability of subdividing the two main categories of ownership referred to in paragraph 305 of the annex to the report on housing censuses.

Mrs POWELL (Secretariat) said that it was for the Commission to decide whether it wished to recommend any changes. If the Commission so wished, the Secretariat would include the items suggested by the USSR representative.

Mr. VISVANATHAN (Economic Commission for Asia and the Far East) said that the question of floor space had been included as a basic item in the Working Group's recommendation of December 1964, as would be seen from paragraph 35 of the report of the Second Working Group on Census of Population and Housing of the Conference of Asian Statisticians (E/CN.3/ASTAT/Conf.7/L.4).

Mr. POWELL (United States of America) said that the procedural issues had been clarified and minor suggestions, of the kind he himself had made, could be handled by the Secretariat. But at the present stage, when the documents had been reviewed by the Expert Group and by the regional commissions, the Commission should not recommend substantive changes unless there was general agreement on them.

With regard to the proposals of the French and Soviet Union representatives, he was not himself clear about the definition of total population. He had no objection ~~to the item of floor space as such, but would be opposed to its inclusion as a basic~~ item for all countries. On the question of inhabited premises not built as dwelling places, he would say that any place where people were living was a housing unit, and that it was important to know how many people were living in such accommodation; the question of ownership did not raise any difficulties. He would prefer that those three items should not be included in the basic list, though they could be important for certain countries, which should accordingly be encouraged to collect data on them.

Mr. Harry CAMPION (United Kingdom) said that the Commission was agreed that a document on the principles and recommendations for a housing census, and a document on the principles and recommendations for a population census, should be published. The problem was now to deal with the proposals and suggestions made by members of the Commission. The final stages had been reached and no further proposals were expected from other quarters.

Mr. LOFTUS (Secretariat) suggested that the Rapporteur and the Secretariat should study the points raised, eliminate those which had been fully discussed and which, for valid reasons, had not been accepted by the Expert Group or by the regional commissions, and prepare for the Commission a list of the points needing further discussion and decision.

With regard to the point raised by the representative of France on the inclusion of foreign workers in the population census, practice differed. Some countries conducted a de jure census, which included their citizens working abroad; others conducted a de facto census, which always included foreign workers. It had been thought wiser not to interfere with national practice, but to ask all countries to state what their practice was so that, in establishing world figures, there would be no overlapping. Consequently, such a proposal would not be included unless there was general support for it in the Commission.

Mr. MALISHEV (Union of Soviet Socialist Republics) suggested that in listing the items proposed, the Secretariat should place at the beginning of the list the ones that had been supported.

The CHAIRMAN asked if the Commission accepted the procedure suggested by the Secretariat.

It was so agreed.

The CHAIRMAN asked for comments on the transfer to the supplementary list of "children living", "literacy" and "school attendance".

Mr. LOFTUS (Secretariat) said that literacy was a fundamental problem for about three-quarters of the world population. It was essential both for the purposes of the United Nations, and for the efforts by the developed countries to help developing countries, that the state of literacy in the world should be known and related to world population questions. The Commission would be failing in its duty if it omitted such a fundamental question from the world census of population. The fact that it would not apply to certain countries was no reason to exclude it from the basic list applicable to the whole world. He urged the Commission to reconsider the matter very carefully before relegating it to the supplementary list.

The meeting rose at 5.40 p.m.



UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



Distr.  
GENERAL

E/CN.3/SR.253  
9 March 1967

ENGLISH  
Original: FRENCH

STATISTICAL COMMISSION

Fourteenth Session

SUMMARY RECORD OF THE TWO HUNDRED AND  
FIFTY-THIRD MEETING

held at the Palais des Nations, Geneva, on  
Wednesday, 19 October 1966, at 10.15 a.m.

<u>Chairman:</u>	Mr. BJERVE (Norway)
<u>Rapporteur:</u>	Mr. ARCHER (Australia)
<u>Secretary:</u>	Miss GROSSMAN

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- Control and limitation of documentation (agenda item 6)
- Other business (agenda item 7)
- Report to the Economic and Social Council on the  
fourteenth session (agenda item 8) (resumed from the  
250th meeting)

The complete list of governmental representatives and of representatives of specialized agencies, of other inter-governmental organizations and of non-governmental organizations attending the session will be found in Official Records of the Economic and Social Council, Forty-second Session, Supplement No.3.

CONTROL AND LIMITATION OF DOCUMENTATION (agenda item 6) (E/CN.3/L.67)

Mr. LOFTUS (Secretariat) reminded the Commission that, pursuant to a series of General Assembly resolutions, the Economic and Social Council in its resolution 742 II (XXVIII) had requested the preparation of a summary of action taken by the Council and its subsidiary bodies to reduce the quantity of documentation produced. The Statistical Office for its part, had endeavoured to keep the quantity of its documentation within reasonable limits. The Commission, in its turn might spread out its programme over several sessions thus making it possible to limit the number of documents submitted at each session. The agenda for the fifteenth session would be drawn up by the Chairman, the officers of the Commission and the Secretariat, with the participation of other members of the Commission meeting for the purpose.

OTHER BUSINESS (agenda item 7)

Date and place of the fifteenth session

Mr. LOFTUS (Secretariat) announced that the Economic and Social Council had made certain changes in its programme of meetings. Instead of meeting in March and July, the Council had decided in future to hold a first session of four weeks in May and a second session, also of four weeks, in July. Since the Council wished to examine the reports of its subsidiary organs at the May session, the Statistical Commission's report would have to be completed by the end of March.

Since the report was translated while the Commission was in session, about ten days were needed to complete work on the document. Thus the Commission would be able to meet from the first to the third week in March 1968.

Sir Harry CAMPION (United Kingdom) considered that although it was for the Council to fix the date and place of the session, the Commission could indicate its preferences. He hoped that its fifteenth session would be held in New York; there would be new members taking part in its work, and with the staff and equipment maintained by the Statistical Office at headquarters, they could be put in the picture more quickly there.

Mr. BOWMAN (United States of America) agreed with the United Kingdom representative.

The CHAIRMAN suggested that the Commission should recommend to the Economic and Social Council that its fifteenth session should be held in New York at the beginning of March 1968.

It was so decided.

Other matters

Mr. MALISHEV (Union of Soviet Socialist Republics) said that he was not entirely satisfied with the Russian text of the documents submitted to the Commission. He would also like the report to mention that the delay in issuing documents in the various working languages had hampered the Commission's work considerably.

Mr. JUI (China) said that he was aware of the heavy workload on the Secretariat; however, since there was a Chinese translation section, he hoped that all the Commission's documents and particularly its report would be translated into Chinese.

The CHAIRMAN stated that the Rapporteur would take into account in his report the comments made by members of the Commission concerning translation into the various working languages.

REPORT TO THE ECONOMIC AND SOCIAL COUNCIL ON THE FOURTEENTH SESSION  
(agenda item 8) (resumed from the 250th meeting)

Organization of the session (E/CN.3/L.68)

The chapter on the organization of the session was adopted.

Integrated work programme of international statistics, including areas and problems of co-ordination

Report of the inter-agency statistical co-ordination meeting (July 1966)  
(E/CN.3/L.68/Add.1/Rev.1)

Paragraphs 1 to 4

Paragraphs 1 to 4 were adopted.

Paragraph 5

Mr. BERTRAND (Observer for the Organisation for Economic Co-operation and Development), speaking at the invitation of the Chairman, asked what would be the status of the statistician representing OECD in the co-ordinating committee on statistical activities.

Mr. LOFTUS (Secretariat) said that, since relations between the statistical services of the United Nations and the statistical services of other organizations were established at the secretariat level, he saw no need to give them a precise legal standing. Hence no legal problem arose in connexion with participation by an OECD statistician in the work of the co-ordinating committee on statistical activities.

Paragraph 5 was adopted.

Paragraph 6

Paragraph 6 was adopted.

Paragraphs 7 and 8

Mr. MAHALANOBIS (India) proposed the deletion of the words "endorse, approve," from the operative paragraph of the draft resolution set forth in paragraph 7, and the deletion of paragraph 8.

Mr. LACROIX (International Labour Organisation) pointed out that paragraph 8 did not appear in the French text. In the French text of the operative paragraph of the draft resolution he would prefer the words "reviser" and "recommander" to be replaced by the words "examiner" and "faire des recommandations", which seemed to him a more accurate translation of the words "review" and "make recommendations".

The CHAIRMAN said that the French text would be corrected as suggested by the representative of the ILO.

Mr. NARAIN (Food and Agriculture Organization of the United Nations) supported the Indian representative's proposal.

Sir Harry CAMPION (United Kingdom), supported by Mr. BOWMAN (United States of America), pointed out that the draft resolution was not concerned only with standards proposed by specialized agencies. If the word "approve" was deleted, the text would mean that the Commission could not even approve its own recommendations. It was necessary, therefore, to go carefully. However, the amendment would be acceptable if the phrase "make recommendations" was understood to include endorsement and approval.

He proposed the insertion of the word "statistical" before the word "standards" in the sixth line of the operative paragraph.

Mr. NARAIN (Food and Agriculture Organization of the United Nations) observed that the draft resolution should be interpreted in the light of its preamble, which was derived from paragraph 6; that paragraph dealt explicitly with programmes

emanating from specialized agencies. On the other hand, nothing could deprive the Commission of its right to scrutinize the programmes set up by the Statistical Office; it was obvious, for example, that its right to approve the population census programme needed no confirmation.

Mr. LACROIX (International Labour Organisation) considered that, if the Commission used the expression "make recommendations", it would have no difficulty in including among its recommendations the approval of texts upon which it was statutorily competent to pass an opinion. The purpose of the draft resolution was the adoption of a procedure such that, when standards were established by a specialized agency but before they were finally approved, the Commission would have an opportunity to make recommendations to the agency concerned, including for example a recommendation that the standards should not be approved. If the Commission made a recommendation to that effect, it was unlikely that the agency would adopt the standards in the form in which they had been presented to the Commission.

After an exchange of views, the CHAIRMAN suggested that paragraph 8 should be deleted, and that the closing words of the operative paragraph of the draft resolution should be amended to read as follows: "... and on the practical methods by which the Statistical Commission could review and make recommendations on proposed statistical standards in these inter-related fields prior to their recognition as world standards".

It was so decided.

Paragraph 7, as amended, was adopted.

Integrated five-year programme of international statistics (E/CN.3/L.68/Add.2)

Paragraph 1

Paragraph 1 was adopted.

Paragraph 2

Mr. DUFFETT (Canada) considered that the Secretary-General's report (E/CN.3/351) would in fact be very useful to the Secretariat, but he wondered whether the part it would play in matters of co-ordination was not exaggerated in paragraph 2 of the report.

The CHAIRMAN suggested that the word "very" in the first line of paragraph 2 should be deleted.

It was so decided.

Paragraph 2, as amended, was adopted.

Paragraph 3

Mr. MALISHEV (Union of Soviet Socialist Republics) considered that the end of the second sentence was not clear and should be amended so as to indicate the need for economy.

Mr. LOFTUS (Secretariat) suggested the following wording: "from the technical point of view as well as in relation to the economic use of resources".

The CHAIRMAN said he thought that the meaning of the sentence could be brought out more clearly by the words "from the technical point of view as well as in relation to the limitations imposed by available resources".

Mr. ARCHER (Australia), Rapporteur, proposed that that wording should be adopted and that, in the fifth line of the paragraph, the words "as well as" should be replaced by the word "and".

It was so decided.

Paragraph 3, as amended, was adopted.

Paragraph 4

Mr. ARCHER (Australia), Rapporteur, proposed that the words "will avoid" and "do not" should be replaced by the words "would avoid" and "did not" respectively.

It was so decided.

Paragraph 4, as amended, was adopted.

Paragraph 5

Sir Harry CAMPION (United Kingdom) said that he would like the text to specify what kind of data processing was meant.

Mr. ARCHER (Australia), Rapporteur, said that the expression "automatic treatment of data" could be used.

Mr. DUFRASNE (Belgium) thought that it would be better to make no change in the text in order to allow the most appropriate method to be chosen.

The CHAIRMAN observed that the words "the special field" certainly indicated that electronic data processing was meant. He suggested that the word "electronic" should be inserted before the word "data".

It was so decided.

Mr. MALISHEV (Union of Soviet Socialist Republics) wondered why the first sentence of the paragraph mentioned the training of statisticians in Africa and Asia but not in Latin America.

Mr. LOFTUS (Secretariat) explained that it referred to proposals actually submitted which concerned only Africa and Asia.

Mr. AYRES (Brazil) thought that a new sentence should be added to the paragraph to take account of the proposal made during the discussion by the Australian representative that various statistical training centres should be established.

Mr. ARCHER (Australia), Rapporteur, said that the Australian representative's comment had been taken into account, since the second sentence spoke of "establishing a training centre in which officers from the developing countries could receive suitable training".

Mr. FITIPALDO (Uruguay) said that he had asked himself the same question as had the representative of the Soviet Union. If, in the course of discussion, members of the Commission had expressed the view that there were sufficient facilities for training statisticians in Latin America, then obviously the text could remain as it was; but if some of them had deplored the lack of centres in Latin America, that region should also be mentioned among those where that need was felt.

Mr. LOFTUS (Secretariat) suggested that the words "already made" should be inserted after the word "proposals". The Commission was simply taking note of proposals which had already been submitted.

Mr. BOWMAN (United States of America) observed that the proposals in question came from other bodies; he thought that that should be made clear.

Mr. LOFTUS (Secretariat) suggested that the passage in question should read: "note was taken of the proposals already made in the regional commissions".

It was so decided.

Paragraph 5, as amended, was adopted.

Progress report on the International Trade Statistics Centre (E/CN.3/L.68/Add.3)

Paragraph 1

Paragraph 1 was adopted.

Paragraph 2

Mr. BOWMAN (United States of America) proposed that the beginning of the fifth sentence should be amended to read as follows: "It was considered that the staff of the Centre performing work paid for on a cost basis by Member States or other institutions would have to be expanded".

It was so decided.

Mr. MALISHEV (Union of Soviet Socialist Republics) proposed that the fifth and sixth sentences of the paragraph should be transposed.

It was so decided.

Sir Harry CAMPION (United Kingdom) proposed that, in the third sentence of the paragraph, the word "destined" should be replaced by the word "likely".

It was so decided.

Paragraph 2, as amended, was adopted.

Paragraph 3

Paragraph 3 was adopted.

Paragraph 4

Mr. DAVIES (Economic Commission for Europe), said that the words "on international trade" should be inserted at the end of the first sentence.

It was so decided.

Sir Harry CAMPION (United Kingdom) proposed that, at the end of the last sentence of the paragraph, the words "by international organizations" should be added.

It was so decided.

Paragraph 4, as amended, was adopted.

Relationship between population and agricultural censuses (E/CN.3/L.68/Add.4)

Paragraphs 1-3

Paragraphs 1-3 were adopted.

Paragraph 4

Mr. BOWMAN (United States of America) said that the Expert Group had in fact considered the matter of co-ordination between population and agriculture censuses, as paragraph 4 stated; however, the Group had not felt competent to examine that question in detail. Perhaps that should be mentioned.

Sir Harry CAMPION (United Kingdom) proposed that, to cover the point made by the United States representative, the words "had been considered also by the Expert Group" should be replaced by the words "had been raised with the Expert Group".

It was so decided.

Paragraph 4, as amended, was adopted.

Paragraph 5

Mr. MALISHEV (Union of Soviet Socialist Republics) proposed that the closing words of the paragraph, which read "especially important in developing countries where these are in short supply", should be deleted. The idea expressed immediately before those words was applicable to all countries and not only to the developing countries.

It was so decided.



Mr. BOWMAN (United States of America) said that he was not entirely satisfied with the wording of paragraph 5. He proposed that it should be amended to read as follows: "In the course of the discussion, it was brought out that such conceptual differences between the two types of censuses, when they were designed to meet different analytical needs, were unavoidable. It was felt, on the other hand, that every effort should be made to avoid different concepts in relation to the agricultural population, so as to further efficient utilization of all available census resources".

It was so decided.

Paragraph 5, as amended, was adopted.

Paragraph 6

Mr. MAHALANOBIS (India) proposed that the word "efficiency" should be replaced by the word "reliability".

It was so decided.

Paragraph 6, as amended, was adopted.

Paragraph 7

Mr. MAHALANOBIS (India) proposed that, in the second sentence, the words "or simultaneous" should be inserted between the words "post-censal" and the words "sample survey".

It was so decided.

Mr. BURLIN (Ukrainian Soviet Socialist Republic) proposed that, in the first sentence, the words "as well as other data used in population censuses," should be inserted after the words "household lists".

It was so decided.

Mr. DUFRASNE (Belgium) questioned the idea expressed at the beginning of the second sentence. In his opinion it was by no means impracticable to ask demographic questions in an agriculture census; indeed, it was the only available means of obtaining an analysis of the structure of the agricultural population.

Mr. MAHALANOBIS (India) said that one of the conclusions reached in the Commission's discussions on that point was that the addition of demographic questions to the agriculture census would present very great difficulties in many countries. Hence the second sentence of paragraph 7 expressed the sense of the discussion very well.

Mr. ARCHER (Australia), Rapporteur, suggested that the beginning of the second sentence should be replaced by the following text: "Adequate coverage of demographic questions in the agriculture census was deemed" etc.

Mr. DUFFETT (Canada) said that, if the Rapporteur's suggestion was accepted, the phrase "if a complete census was taken" should be omitted.

Mr. NARAIN (Food and Agriculture Organization of the United Nations) observed that the reason why several representatives had difficulty in accepting the second sentence as it stood was that it expressed three ideas at once - ideas which incidentally, were expressed separately in other paragraphs of the document. In the circumstances, the simplest solution would be to delete it altogether.

Mr. MAHALANOBIS (India) said that he was not in favour of deleting the second sentence. If it was too complex, it would be better to reword it in a more precise form; that would be of assistance to countries where statistics had not yet reached a high degree of development.

After an exchange of views in which Mr. DUFFETT (Canada), Mr. MAHALANOBIS (India) and Mr. BOWMAN (United States of America) took part, Mr. ARCHER (Australia), Rapporteur, said that he would submit to the Commission at its next meeting a revised version of the second sentence which would take account of the comments made in the course of the discussion.

The meeting rose at 12.35 p.m.



UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



Distr.  
GENERAL  
E/CN.3/SR.254  
9 March 1967  
Original: ENGLISH

STATISTICAL COMMISSION

Fourteenth Session.

SUMMARY RECORD OF THE TWO HUNDRED AND  
FIFTY-FOURTH MEETING

held at the Palais des Nations, Geneva, on  
Wednesday, 19 October 1966, at 3 p.m.

<u>Chairman</u>	Mr. BJERVE (Norway)
<u>Rapporteur</u>	Mr. ARCHER (Australia)
<u>Secretary</u>	Miss GROSSMAN

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Report to the Economic and Social Council on the fourteenth  
session (agenda item 8) (continued)

The complete list of governmental representatives and of representatives of specialized agencies, of other inter-governmental organizations and of non-governmental organizations attending the session will be found in Official Records of the Economic and Social Council, Forty-second Session, Supplement No. 3.

GE.67-4217

REPORT TO THE ECONOMIC AND SOCIAL COUNCIL ON THE FOURTEENTH SESSION  
(agenda item 8) (E/CN.3/L.68/Add.4-7) (continued)

The CHAIRMAN invited the Commission to continue its consideration of the draft report to the Economic and Social Council.

Relationship between population and agricultural censuses (E/CN.3/L.68/Add.4) (concluded)

Paragraph 7

Mr. ARCHER (Australia), Rapporteur, suggested the following new text for paragraph 7 to take into account the points made at the previous meeting:

"7. The Commission agreed that conceptual differences do not affect the most important present relationship between the two censuses which is the use of the enumeration districts, household lists and other population census material and data in the planning and conduct of a subsequent agricultural census. In the view of the Commission it was difficult for most countries to link demographic questions into a full agricultural census. The demographic data needed for analysis of the structure of the agriculture population and changes therein might very well be obtained from a concurrent or post-censal sample survey."

The new text for paragraph 7 was adopted.

Paragraph 8

Mr. MAHALANOBIS (India) proposed that, in the first sentence, the word "integrated" be substituted for the word "small".

It was so agreed.

Paragraph 8, as amended, was adopted.

Paragraph 9

Mr. MAHALANOBIS (India) proposed that the word "multi-purpose" be inserted after the words "suggested that countries experiment with", in order to make clear that the sample surveys were intended to establish links between the two types of census.

Mr. LOFTUS (Secretariat) suggested that such a change was hardly necessary, seeing that multi-subject household sample surveys were mentioned in the preceding paragraph as the most suitable way of obtaining the needed data.

Mr. BOWMAN (United States of America) said that, as multi-purpose sample surveys were too comprehensive, he could not support the amendment.

Mr. DAVIES (Economic Commission for Europe) said that the Conference of European Statisticians had considered other possible ways of obtaining the data required. One was the possibility of a country or countries making a detailed examination of all the returns from one enumeration unit and of all the returns from the corresponding enumeration unit in the other census in order to establish more clearly the reasons for the divergence between the results of the two censuses. Another possibility was to take the returns from a number of questionnaires and try to match them with the returns from the related unit in the agricultural census. That being so, perhaps the words "and other methods" might be inserted after the words "sample surveys".

Mr. MAHALANOBIS (India) said that the phrase "and other methods" was far too vague. The possibilities discussed by the Conference of European Statisticians ought to be described.

The CHAIRMAN said that detailed information could be found in the report of the Conference of European Statisticians; he doubted whether it ought to be set out in the Commission's own draft report.

Mr. BOWMAN (United States of America) said he was opposed to amending the Rapporteur's text for paragraph 9. He disliked the phrase "and other methods" which seemed to imply, quite wrongly, that what had been discussed by the Conference of European Statisticians was different from sampling.

Mr. DUFRASNE (Belgium) said that it should be made clear that sample surveys included both sampling in the field and sampling from data collected. In fact it would have been preferable to refer to "sampling methods" rather than "sample surveys".

Paragraph 9 was adopted without change.

Classification by broad economic categories. (E/CN.3/L.68/Add.5)

Paragraph 1

Paragraph 1 was adopted.

Paragraph 2

Paragraph 2 was adopted.

Paragraph 3

Mr. DUFFETT (Canada) said that reference ought to be made in paragraph 3 to two items in the BEC which had caused difficulty namely, fuel, power and lubricants, and transport equipment. He accordingly suggested that the following passage be inserted after the second sentence:

"Two categories offered particular problems. Fuel, power and lubricants disappear in the course of production, are thus difficult to allocate, and are often shown as a separate category. Transport equipment is difficult to allocate as between capital and consumption, especially in the case of exports, and is also often shown as a separate category."

Mr. LOFTUS (Secretariat) pointed out that, since the two items formed separate categories in the SITC, data on them were already available.

Mr. DUFFETT (Canada) said that, nevertheless, if a classification by broad economic categories was to be compiled, presumably those two items would have to be sub-divided between capital and consumption goods. The existence of the problem ought to be mentioned in the report.

Sir Harry CAMPION (United Kingdom) said he could not agree that an attempt should be made to divide up transport equipment as between capital and consumer goods.

Mr. LOFTUS (Secretariat) said that certain items of transport equipment, such as locomotives and lorries, were clearly capital goods, but a difficulty did arise over passenger cars. However, every country distinguished between vehicles as capital goods and as consumer goods annually in its national accounts.

Mr. MAHALANOBIS (India) said that if the division could be made, useful data would be obtained.

Sir Harry CAMPION (United Kingdom) said that the problem should be brought to the attention of countries for their comment. In his opinion it would be a mistake to try and make some kind of arbitrary division as far as passenger cars were concerned. The kind of classification used for internal purposes was not the kind required for BEC.

Mr. PUFFETT (Canada) said that the purpose of his amendment had been to draw attention to the problem. He considered that a segregation of fuels, etc. and transport equipment as separate items would be desirable. It had been done in Canada for some years and found to be useful, but his delegation did not wish to impose its views on other countries.

Mr. LOFTUS (Secretariat) said that a new draft of BEC would be circulated to Governments for their observations and it would be made clear that the intention was not to obtain data on a monthly basis but to publish annual summaries of international trade in capital goods, consumer goods, durable and non-durable goods.

The Canadian amendment was adopted.

Paragraph 3, as amended, was adopted.

Mr. BOWMAN (United States of America) asked whether the Statistical Office would need additional annual reports from countries in order to prepare its summary of international trade, or whether the summary could be prepared from the data already regularly reported to the United Nations by Member States. He supposed that in his own country opinion would be fairly evenly divided on the value of analysing international trade statistics in terms of end use of commodities.

Mr. LOFTUS (Secretariat) said that the Secretariat would like to be given annual estimates derived from internal statistics.

Paragraph 4

Sir Harry CAMPION (United Kingdom) proposed that the third sentence be amended to read: "The classification should be revised in the light of the views expressed by the Commission and then circulated to countries for comment."

It was so agreed.

Paragraph 4, as amended, was adopted.

Mr. LOEB (Economic Commission for Latin America) suggested that some mention be made of the fact that the revised version of the classification should be sent to the regional economic commissions and regional statistical organizations.

Mr. BERTRAND (Observer for the Organization for Economic Co-operation and Development), speaking at the invitation of the Chairman, said that OECD would like to be given an opportunity of commenting on the revised classification.

The CHAIRMAN said that he had been informed by the Secretariat that the revised classification would be sent both to the regional economic commissions and to the organizations represented at the Commission's sessions.

Sir Harry CAMPION (United Kingdom) said he hoped that BEC would nevertheless not be included in the agenda of every regional economic commission.

Mr. LOFTUS (Secretariat) said that, under normal inter-secretariat arrangements, papers were always sent to the regional economic commissions by the Statistical Office and vice versa.

National Accounts and Balances: A system of income distribution statistics supplementary to the systems of national accounts and balances (E/CN.3/L.68/Add.6 and Corr.1)

Paragraphs 1 and 2

Paragraphs 1 and 2 were adopted.

Paragraph 3 (E/CN.3/L.68/Add.6/Corr.1)

Mr. DUFFETT (Canada) pointed out that, in the second line from the end, the word "systems" should in each case be in the singular.

Paragraph 3, as amended, was adopted.

Paragraph 4

Mr. LOFTUS (Secretariat) said that, to meet various amendments proposed by the Indian representative, it was suggested that the words "in analysis" be added at the end of the first sentence; that a semi-colon be placed after the word "enumeration" in the second sentence and the remainder of the sentence redrafted to read, "here also difficulties might arise from the fact that the extent of non-response could vary with the level of income of the respondents."; that the words "inter alia" be inserted after the words "per household" in the third sentence; that paragraph 4 end after the third sentence and the remaining two sentences be incorporated in a new paragraph 5, which would then start with the fourth sentence of the present paragraph 4, amended to read: "Emphasis was laid on the usefulness of distributions of expenditure and on distributions of per capita income and per capita expenditure where the size of households varied greatly."; that a new sentence be then inserted to read: "It was pointed out that for the developing countries the private consumption expenditure obtained from the system of national accounts could be analysed into significant distributions."; and that the final sentence be formed of the final



sentence of the present paragraph 4, amended to read: "Reference was also made to the fact that, from the point of view of welfare, it was important to take into consideration price movements which could alter the distribution of wealth with consequential effects on levels of living and on consumption expenditure."

The Indian amendments were adopted

Mr. DUFFETT (Canada) suggested that the word "sample" before "surveys" in the second sentence of paragraph 4 be replaced by the word "household".

It was so agreed.

Mr. BOWMAN (United States of America) suggested that the words "or other possible biases" be added after the word "non-response" in the second sentence of paragraph 4.

It was so agreed.

Paragraph 4, as amended, was adopted.

New paragraph 5

Mrs. MOD (Hungary) suggested that the word "particularly" be inserted before the words "for the developing countries" in the second sentence.

It was so agreed.

The new paragraph 5, as amended, was adopted.

Paragraph 6 (formerly paragraph 5)

Paragraph 6 was adopted.

Paragraph 7 (formerly paragraph 6)

Mr. LOFTUS (Secretariat) proposed that the form of the resolution be improved by deleting the preambular paragraph and including the specific reference to the Council's resolution in sub-paragraph (1) of the operative paragraph, the end of which would then read: "convened under resolution 1086 D (XXXIX) of the Economic and Social Council on the subject of income distribution in the context of social policy,".

The Secretariat amendment was adopted.

Sir Harry CAMPION (United Kingdom) proposed that, in sub-paragraph (3), the word "national" be inserted before, and the words "in the field of income distribution statistics" after, the word "practices".

The United Kingdom amendment was adopted.

Mr. MAHALANOBIS (India) proposed that, in sub-paragraph (2), the words "in the field of income distribution statistics" be replaced by "in the field of statistics of the distribution of income and expenditure". He also suggested that, if that were done, the words "and expenditure" be added after the word "income" in the amendment suggested by the United Kingdom representative.

The Indian amendments were adopted.

Mrs. MOD (Hungary) pointed out that, in sub-paragraph (2), the word "system" in the penultimate line should be in the plural.

Mr. DUFFETT (Canada) suggested that the order of the sub-paragraphs be changed so that present sub-paragraphs (1), (2) and (3) became (3), (1) and (2) respectively.

It was so agreed.

Paragraph 7, as amended, was adopted.

National Accounts and Balances: The extension and revision of the System of National Accounts (E/CN.3/L.68/Add.7)

Paragraph 1

Mr. ARCHER (Australia), Rapporteur, proposed that, in the second sentence, the phrase "excluding national and sector balance sheets and income distribution statistics" be replaced by the phrase "excluding national and sector balance sheets, income distribution statistics and regional accounts".

The Rapporteur's amendment was adopted.

Mr. MALISHEV (Union of Soviet Socialist Republics) proposed that the word "excluding" be replaced by the words "not including".

The USSR amendment was adopted.

Sir Harry CAMPION (United Kingdom) proposed that the whole phrase be placed in parentheses.

The United Kingdom amendment was adopted.

Paragraph 1, as amended, was adopted.

Paragraph 2

The CHAIRMAN said that, since regional accounts had been mentioned in paragraph 1, they should also be mentioned in paragraph 2. If there were no objection, he would suggest leaving it to the Secretariat to include an appropriate mention in the paragraph.

It was so agreed.

Mr. MALISHEV (Union of Soviet Socialist Republics) said that from the last sentence in the Russian text, it was not quite clear that due account would be taken of the requirements of the developing countries. ~~Provided he received assurance that~~ that was the intention, he would not propose any amendment.

The CHAIRMAN said the Secretariat would ensure that the Russian text was brought into line with the English text so that the intention was made quite clear.

Paragraph 2, as amended, was adopted.

Paragraphs 3 and 4

Paragraphs 3 and 4 were adopted.

Paragraph 5

Mr. ARCHER (Australia), Rapporteur, proposed that two sentence be added at the end of the paragraph reading: "It was suggested that it would be helpful if, in equation 1.6 of Chapter II, E/CN.3/345, net capital transfers and net current transfers were recorded on the same side of the equation, i.e. either payments to abroad or receipts from abroad. Consequential changes would also be required in the matrix tables 1 and 2 of the chapter."

The Rapporteur's amendment was adopted.

Paragraph 5, as amended, was adopted.

Paragraph 6

Paragraph 6 was adopted.

Paragraph 7

Mr. GOLDBERG (Canada) proposed that, in order to indicate more clearly what was intended by the first sentence, two sentences be inserted after that sentence reading: "Since the factor incomes in the production accounts of the system are compensation of employees and operating surplus, a supporting table could be added under classification of these flows according to the kind of economic activity and sector of the producing units, utilizing enterprise statistical units for the purpose. More detail on income shares should also be shown in the tables on the income and outlay accounts of the system." The amendment was a summary of paragraph 61 of the report of the second session of the Expert Group on the Review of National Accounts and Balances (E/CN.3/346).

He also proposed that the word "Moreover" at the beginning of what now became the fourth sentence, be deleted and the remainder of the paragraph, beginning with the words "The tables", become paragraph 8.

The Canadian amendments were adopted.

Paragraph 7, as amended, was adopted.

New paragraph 8

The new paragraph 8 was adopted.

Paragraph 9 (formerly paragraph 8)

Mr. GOLDBERG (Canada) proposed the addition, at the end of sub-paragraph (ii), of a passage reading: "and the merits of extending enterprise-type statistics into the production and capital expenditure accounts, and establishment-type statistics into the income outlay and capital finance accounts, in order to facilitate joint analysis of production and financial statistics."

The CHAIRMAN said that the amendment might involve basic changes in the system of national accounts proposed.

Mr. AIDENOFF (Secretariat) said that the amendment would seriously affect the whole structure of the system. The basic unit in production, consumption and capital expenditure accounts was establishment-type, and the basic unit in income outlay and capital finance accounts was enterprise-type. The extensions proposed by the Canadian representative would result in a duplicate accounts structure. The amendment just adopted to paragraph 7 would provide a bridge between establishment-type and enterprise-type statistics, which could be fitted into the new structure. That would cover part, but not all, of what the Canadian representative had in mind.

Mr. GOLDBERG (Canada) said he had not intended any basic change in structure. He merely wished to ensure that methods of expanding the system on the lines indicated were included in the aspects referred to in the opening sentence of the paragraph, so that even if they were ultimately rejected as impracticable, they would at least be discussed. Establishment-type and enterprise-type statistics were basic elements in the system.

Mr. BOWMAN (United States of America) said he strongly supported the Canadian amendment. The point was an important one and had given rise to considerable discussion.

The CHAIRMAN, speaking as the representative of Norway, said he had doubts about the amendment. In the context of the first sentence of the paragraph it might ~~imply a stronger directive to the Expert Group than was intended.~~

Mr. YOUNGMAN (Australia) said the Canadian amendment was acceptable to his delegation as interpreted by the United States representative, but not as interpreted by the Secretariat.

Mr. AIDENOFF (Secretariat) suggested that the intention of the amendment might be made clearer if the word "merits" were replaced by the word "question".

Mr. GOLDBERG (Canada) said he could accept that modification.

Sir Harry CAMPION (United Kingdom) proposed that the Canadian amendment become a new paragraph 10.

It was so agreed.

The Canadian amendment was adopted.

Paragraph 9 was adopted.

New paragraph 10

The new paragraph 10, subject to any necessary editing by the Rapporteur, was adopted.

Paragraph 11 (formerly 9)

Mr. GOLDBERG (Canada) said he thought that sub-paragraph (i) was a little ambiguous.

Mr. YOUNGMAN (Australia) proposed that the first three lines be re-drafted to read "In one view, it was considered desirable to raise separate private and public sectors in respect of non-financial corporate and quasi-corporate enterprises...".

The Australian amendment was adopted.

Mr. LOFTUS (Secretariat) proposed that the word "enterprise" in the last line of sub-paragraph (i) be replaced by the word "sectors".

The Secretariat amendment was adopted.

Mr. GOLDBERG (Canada) said it would be more correct if the opening words of sub-paragraph (iv) read: "Some members of the Commission" instead of "In one view".

Sir Harry CAMPION (United Kingdom) said he questioned the validity of the statement in the last sentence of sub-paragraph (iv).

The CHAIRMAN suggested that the paragraph, as amended, be approved on the understanding that the Rapporteur would make any necessary modifications to subparagraph (iv) in the light of the comments of the Canadian and United Kingdom representatives.

It was so agreed.

Paragraph 11, as amended, was adopted.

Paragraph 12 (formerly 10)

Paragraph 12 was adopted.

Paragraph 13 (formerly 11)

Paragraph 13 was adopted.

Paragraph 14 (formerly 12)

Mr. GOLDBERG (Canada) proposed the addition at the end of the penultimate sentence, of the phrase: "in terms which would be readily understood by persons with a background in national accounting at the very least."

Mr. ARCHER (Australia), Rapporteur, proposed the insertion of the words "working in this field" after the word "persons" in the Canadian amendment.

The Canadian amendment, as amended, was adopted.

Paragraph 14, as amended, was adopted.

Paragraph 15 (formerly 13)

Mr. GOLDBERG (Canada) suggested that, in the third sentence, a more precise date than "early in 1968" should be given.

Mr. LOFTUS (Secretariat) proposed that the words "early in 1968" be replaced by the words "in January 1968".

The Secretariat amendment was adopted.

Paragraph 15, as amended, was adopted.

Paragraph 16 (formerly 14)

Paragraph 16 was adopted.

Paragraph 17 (formerly 15)

Paragraph 17 was adopted.

Paragraph 18 (formerly 16)

Mr. DUFRASNE (Belgium) proposed that, in the second sentence, the word "done" be replaced by the word "revised".

The Belgian amendment was adopted.

Paragraph 18, as amended, was adopted.

Paragraph 19 (formerly 17)

Mr. ARCHER (Australia), Rapporteur, proposed that the first sentence be redrafted to read: "The Commission noted that this programme of work was extremely heavy and left no place for much work on the subjects of income distribution statistics, national and sector balance sheets and regional accounts before the fifteenth session of the Commission".

The Rapporteur's amendment was adopted.

Paragraph 19, as amended, was adopted.

Paragraph 20 (formerly 18)

Sir Harry CAMPION (United Kingdom) proposed that, in paragraph (4) of the resolution, the final words be amended to read "into the official languages of the United Nations".

The United Kingdom amendment was adopted.

Paragraph 20, as amended, was adopted.

The meeting rose at 6.05 p.m.





UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



Distr.  
GENERAL

E/CN.3/SR.255

9 March 1967

ENGLISH

Original: FRENCH

STATISTICAL COMMISSION

Fourteenth Session

SUMMARY RECORD OF THE TWO HUNDRED AND  
FIFTY-FIFTH MEETING

held at the Palais des Nations, Geneva, on  
Thursday, 20 October 1966, at 9.40 a.m.

Chairman

Mr. BJERVE (Norway)

Rapporteur

Mr. ARCHER (Australia)

Secretary

Miss GROSSMAN

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Report to the Economic and Social Council on the fourteenth session  
(agenda item 8) (concluded)

Closure of the session

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The complete list of governmental representatives and of representatives of specialized agencies, of other inter-governmental organizations and of non-governmental organizations attending the session will be found in Official Records of the Economic and Social Council, Forty-second Session, Supplement No. 3.

REPORT TO THE ECONOMIC AND SOCIAL COUNCIL ON THE FOURTEENTH SESSION  
(agenda item 8) (E/CN.3/L.68/Add.1-11) (concluded)

National accounts and balances: The extension and revision of the System of National Accounts (E/CN.3/L.68/Add.7) (concluded)

Mr. ARCHER (Australia), Rapporteur, proposed that the former paragraph 10 should be replaced by a text to the effect that it was thought that the question of extending enterprise-type statistics into the production and capital expenditure accounts and establishment-type statistics into the income and outlay accounts, in order to facilitate joint analysis of production and financial statistics, should be discussed in the new document in some detail.

It was so decided.

Paragraph 10, as amended, was adopted.

National accounts and balances: Progress in relating the SNA and MPS (E/CN.3/L.68/Add.8)

Paragraph 1

Paragraph 1 was adopted.

Paragraph 2

Mr. MALISHEV (Union of Soviet Socialist Republics) said that the Russian translation of the fifth sentence was ambiguous.

The CHAIRMAN assured the USSR representative that his comment would be borne in mind when the final text of the report was prepared.

Paragraph 2 was adopted.

Paragraph 3

Paragraph 3 was adopted.

Paragraph 4

Sir Harry CAMPION (United Kingdom) said that, in the fourth sentence, the words "increase the two systems" should be replaced by the words "increase the common ground between the two systems".

It was so decided.

The CHAIRMAN said that, in the last sentence, the words "total consumption of the population" were not used in the normal sense given them by the Commission. They should therefore be put in inverted commas.

It was so decided.

Mr. MALISHEV (Union of Soviet Socialist Republics) said that he would like the last sentence of the paragraph to be expanded so as to express the Commission's desire that work on the "total consumption of the population" should continue.

After an exchange of views between the CHAIRMAN, Mr. DUFFETT (Canada) and Mrs. MOD (Hungary), Mr. ARCHER (Australia), Rapporteur, proposed that the following words should be added at the end of the sentence: "and considered it useful that work should be continued on those lines".

It was so decided.

Paragraph 4, as amended, was adopted.

#### Paragraph 5

Mr. ZHELEV (Observer for the Council for Mutual Economic Assistance), speaking at the invitation of the Chairman suggested that, in the second sentence, the words "under the auspices of the CMEA" should be replaced by the words "by the Permanent Commission of the CMEA on statistics".

It was so decided.

Paragraph 5, as amended, was adopted.

#### Paragraph 6

Mr. ARCHER (Australia), Rapporteur, proposed that the second sentence should be amended by replacing the opening words "It was considered" by the words "It was agreed", and by replacing the second half of the sentence, from "as adapted" to "supporting tables", by the words "and the MPS in respect of the production accounts and their supporting tables, as adapted to the needs of the developing countries".

It was so decided.

Paragraph 6, as amended, was adopted.

#### Paragraph 7

Paragraph 7 was adopted.

National accounts and balances: National and sector balance sheet accounts  
(E/CN.3/L.68/Add.9)

#### Paragraph 1

Paragraph 1 was adopted.

#### Paragraph 2

The CHAIRMAN suggested that, in the first sentence, the words "financial claims as well as real assets" should be replaced by the words "financial assets and liabilities".

It was so decided.

Mr. FITIPALDO (Uruguay) observed that the words "establishment-type units" had been inaccurately translated into Spanish.

The CHAIRMAN gave an assurance that the Spanish text would be corrected.

Paragraph 2 was adopted.

Paragraph 3

Mr. ARCHER (Australia), Rapporteur, proposed that the word "easily" should be deleted from the first sentence, and that the following sentence should be added at the end of the paragraph: "In addition, the data on capital gains and losses which would be included in the revaluation accounts would supplement information on the distribution of income."

It was so decided.

Paragraph 3, as amended, was adopted.

1970 world population and housing census programmes (E/CN.3/L.68/Add.10)

Paragraphs 1 and 2

Paragraphs 1 and 2 were adopted.

Paragraph 3

Sir Harry CAMPION (United Kingdom) observed that the many problems which had arisen in the preparation of document E/CN.3/L.68/Add.10 were partly due to the fact that the Commission had not examined the Expert Group's recommendations in detail.

Paragraph 3 was adopted.

Paragraph 4

Paragraph 4 was adopted.

Paragraph 5

Mr. FITIPALDO (Uruguay) proposed that, at the end of the Spanish text, the word "clasificación" should be replaced by "procesamiento".

It was so decided.

Paragraph 5 was adopted.

Paragraph 6

Paragraph 6 was adopted.

Former paragraph 7

Mr. MAHALANOBIS (India) proposed that the first sentence of the former paragraph 7 in document E/CN.3/L.68/Add.10 should be retained in the report, in whatever position the Secretariat considered most appropriate.

It was so decided.

Document E/CN.3/L.68/Add.10/Amend.1

Paragraph 7

Paragraph 7 was adopted.

Paragraph 8 (former paragraph 17, as amended)

Mr. FEBVAY (France) said that his delegation, which had requested a change in the former paragraph 17, was completely satisfied with the wording now proposed.

In reply to a question put by Mr. DUFRASNE (Belgium), Mr. LOFTUS (Secretariat) explained that the members of a foreign worker's family would of course be enumerated if they had accompanied him to the country of his employment.

Sir Harry CAMPION (United Kingdom) proposed that, in the first line of paragraph 8, the words "by two members" should be deleted.

It was so decided.

Paragraph 8, as amended, was adopted.

Paragraph 9

Sir Harry CAMPION (United Kingdom) feared that the last sentence might be misleading. He suggested that it should specifically state that the Commission had endorsed the proposal and had added three recommended topics.

The CHAIRMAN said that the Secretariat would amend the sentence on the lines indicated by the United Kingdom representative.

It was so decided.

Paragraph 9 was adopted.

Paragraph 10

Mr. BOWMAN (United States of America) proposed that the last part of the second sentence, reading "it would not be necessary to include these topics in the census" should be replaced by the words "it would be appropriate to exclude these topics from the census".

It was so decided.

Paragraph 10, as amended, was adopted.

Paragraph 11

Mr. BOWMAN (United States of America) repeated, with references to the second sentence, the comment he had made on the previous paragraph.

Mr. DUFRASNE (Belgium) considered that the second sentence was too categorical. The definition of the family varied from country to country, and in Belgium children were regarded as part of the family irrespective of their place of residence. If the intention was to classify families according to the number of living children per age group, the civil registers would not allow it.

Sir Harry CAMPION (United Kingdom) suggested that the closing words of the sentence should be amended to read "it may be appropriate to exclude this topic from the census".

Mr. DUFRASNE (Belgium) said that, where the civil registers were properly kept, there was no need to take a census in order to study the child mortality rate. If, on the other hand, the aim was to determine the number of children living per family, that was entirely another matter and no longer concerned child mortality. In the last sentence of the paragraph, the Commission should therefore indicate that in its opinion there was no need to ask that question, for the study of child mortality, in countries where the civil registers were properly kept. It could, of course, be asked for the purpose of obtaining other information.

The CHAIRMAN explained that the topic "number of children living" had been recommended because some countries had thought it necessary for the measurement of the child mortality rate. There had been no question of obtaining a classification by number of children living. He would like to know if the Secretariat had recommended a tabulation of distribution of families by number of children living.

Miss POWELL (Secretariat) replied that the Secretariat had not recommended such a tabulation. However, the questionnaires drawn up for census purposes asked for the number of children living per family in order to check the results of the previous census.

Sir Harry CAMPION (United Kingdom) said that the point was to determine the number of children living, but not residing with their family.

Mr. FEBVAY (France) expressed agreement with the Belgian representative and suggested a formula such as the following: "The Commission noted, however, that in countries with fully adequate vital registration statistics it was not necessary to include this topic in the census for the purpose of obtaining information on child mortality."

Règlement n° 7

PRESCRIPTIONS UNIFORMES

RELATIVES A L'HOMOLOGATION DES FEUX DE POSITION,  
DES FEUX ROUGES ARRIERE ET DES FEUX-STOP DES VEHICULES A MOTEUR  
(A L'EXCEPTION DES MOTOCYCLES) ET DE LEURS REMORQUES

1. Définitions

- 1.1. Par "feu de position", on entend un dispositif monte sur un véhicule à moteur ou une remorque et qui a pour fonction de signaler vers l'avant la presence du véhicule.
- 1.2. Par "feu rouge arrière", on entend un dispositif monté sur un véhicule à moteur ou une remorque et qui a pour fonction de signaler vers l'arrière la presence du véhicule.
- 1.3. Par "feu-stop", on entend un dispositif monte sur un véhicule à moteur ou une remorque et qui a pour fonction de signaler vers l'arrière la mise en action d'un dispositif de freinage, usuellement celui de service.
- 1.4. Par "dispositif", on entend l'appareil d'éclairage ou de signalisation qui comprend la source lumineuse (et, le cas échéant, un système optique) la plage éclairante et le boîtier. Un dispositif peut comporter un ou plusieurs feux; s'il comporte plusieurs feux, ceux-ci peuvent être :
  - 1.4.1. groupés (plages éclairantes distinctes, sources lumineuses distinctes, même boîtier),
  - 1.4.2. combinés (plages éclairantes distinctes, même source lumineuse, même boîtier),
  - 1.4.3. incorporés mutuellement (même plage éclairante, sources lumineuses distinctes ou source lumineuse unique fonctionnant dans des conditions différentes, même boîtier).

2. Demandes

- 2.1. La demande d'homologation sera présentée par le détenteur de la marque de fabrique ou de commerce ou son représentant dûment accrédité. Elle précisera :

Where necessary, information could be requested on the secondary occupation, precise criteria being used to distinguish the main occupation from the secondary one.

The CHAIRMAN asked the Brazilian representative whether his proposal was that the text of paragraph 19 of document E/CN.3/L.68/Add.10 should be added to the list given in paragraph 12, and that the words "and the suggestion was rejected" should be deleted.

Mr. AYRES (Brazil) said that he was asking not for the time-reference period to be changed from one week to one year, but for the following sentence to be added to paragraph 12: "It was also suggested that questions should be asked concerning the usual occupation, i.e. the main occupation, of each person and that additional information should be collected in order to determine whether, during the week preceding the census date, that person had been engaged in that main occupation or in another occupation".

Mr. BOWMAN (United States of America) said that, although paragraph 283 of the annex to document E/CN.3/342 stated that the time-reference period should be not longer than one week, it nevertheless provided that where "classification on the basis of current activity over this brief time period does not reflect year-round activities ...., supplementary information ..... over a longer period may also be collected."

Moreover, in paragraph 12 (e), of document E/CN.3/L.68/Add.10/Amend.1, reference was made to the distinction between "main occupation" and "secondary occupation".

If it was accepted that the Commission's task was to recommend world standards, the presentation of too long a list of suggestions might give the impression that the Commission had not taken sufficient trouble to develop such standards.

The CHAIRMAN thought that all members of the Commission would agree that it would be a mistake to list too many questions in paragraph 12. In view of the United States representative's interpretation of paragraph 283 of the annex to document E/CN.3/342, he asked the Brazilian representative whether he considered it necessary to include the point in question in paragraph 12.

Mr. AYRES (Brazil) felt that, since paragraph 12 listed the comments made by members of the Commission, the text he had just read should be included in it.

Mr. DUFFETT (Canada) thought that, if sub-paragraph (g) was retained, the Brazilian representative's comment would be adequately covered by the wording: "It was suggested that the time-reference period mentioned in paragraph 283 could include more than one week".



The CHAIRMAN considered that it would be better to discuss that question when the Commission took up sub-paragraph (g).

Mr. DAVIES (Economic Commission for Europe), said that he would like to add to the list of comments two supplementary points on classification by kind of activity.

The CHAIRMAN suggested that paragraph 12 should be examined sub-paragraph by sub-paragraph.

Introduction

The introduction was adopted.

Sub-paragraph (a)

Sub-paragraph (a) was adopted.

Sub-paragraph (b)

The CHAIRMAN wondered whether the sub-paragraph need be retained.

Mr. MALISHEV (Union of Soviet Socialist Republics) said that he saw no reason to delete it. The suggestion had been made in the course of the discussion and should appear in the report.

Sub-paragraph (b) was adopted.

Sub-paragraph (c)

Mr. Harry CAMPION (United Kingdom) thought that the words "children born alive" and "children living" should be deleted, for that question was dealt with in another part of the report.

It was so decided.

Sub-paragraph (c), as amended, was adopted.

Mr. BOWMAN (United States of America) noted that the formula used in referring to the source of suggestions varied from one sub-paragraph to another. In some places it was said that the suggestions came from one member or two members, while in other places the source was not specified. A more uniform presentation should be adopted.

Mr. MAHALANOBIS (India) thought that the best plan would be not to specify the source, since on occasion a suggestion made by one member had been supported by several other delegations.

The CHAIRMAN suggested that the task of making appropriate changes in the text should be left to the Rapporteur.

It was so decided.

Sub-paragraphs (d) and (e)

Sub-paragraphs (d) and (e) were adopted.

Sub-paragraph (f)

Mr. DAVIES (Economic Commission for Europe), said that, in the European programme on the 1960 population censuses, a classification by socio-economic group had been recommended which did not depend on income data. The classification had been established on the basis of data on occupation, status within occupation, kind of activity and, up to a certain point, branch of economic activity. That classification had been generally used and the countries which had adopted it seemed to have found it satisfactory. It was probable that a classification of the same kind, which did not take income data into account, would be used in 1970. It would indeed be preferable to use income data for the classification by socio-economic groups, but it was not essential. If sub-paragraph (f) was to be adopted, it should first be amended in some respects.

Mr. BOWMAN (United States of America) pointed out that paragraphs 269-272 of the annex to document E/CN.3/342 did not state that income should be regarded as one of the essential economic characteristics from which to determine the socio-economic status of an individual. It was merely suggested that income might be taken into account. It was true that one member of the Commission had said that it was impossible to obtain income data but, since they were not essential, the best course would be to delete sub-paragraph (f).

Mr. FEBVAY (France) agreed with the United States representative. There was nothing to suggest that, in Europe, income data were essential to a classification by socio-economic group. Socio-economic classifications could be made without using that information, and ideas on income could be clarified by sampling surveys later on.

Mr. FITIPALDO (Uruguay) said it was his delegation which had raised the question. In some developing countries, estimates of the socio-economic status of an individual on the basis of kind of activity, occupation etc., would in many cases give only very approximate results if income were not taken into consideration. Sub-paragraph (f) could either be deleted or be amended so as to indicate the difficulties which some countries faced if they tried to determine the socio-economic level of individuals without also taking income into account.

Sub-paragraph (f) was deleted.

Sub-paragraph (g)

The CHAIRMAN invited the Commission to examine that sub-paragraph bearing in mind the Brazilian representative's comments.

Mr. DUFFETT (Canada) thought that the best course would be to delete the sub-paragraph since, as the United States representative had said, document E/CN.3/342 provided that the reference period could be greater than one week.

Mr. AYRES (Brazil) said he had not asked for sub-paragraph (g) to be amended. He had proposed that a new paragraph reading as follows should be added to the list of comments: "It was also suggested that questions should be asked concerning the usual occupation, i.e. the main occupation, of each person and that additional information should be collected in order to determine whether, during the week preceding the census date, that person had been engaged in that main occupation or in another occupation".

The CHAIRMAN said that the text proposed by the Brazilian representative was more or less a repetition of paragraph 283 of the annex to document E/CN.3/342.

Mr. AYRES (Brazil) withdrew his proposal.

The CHAIRMAN suggested that sub-paragraph (g) should be deleted.

It was so decided.

Sub-paragraph (h)

Mrs. MOD (Hungary) said that the sub-paragraph referred to a suggestion which she had made; it could be deleted.

It was so decided.

Sub-paragraphs (i) and (j)

Sub-paragraphs (i) and (j) were deleted.

Sub-paragraph (k)

Mr. MALISHEV (Union of Soviet Socialist Republics) said that he attached importance to the idea expressed in that sub-paragraph, which had been put forward by his delegation. Even better, from his point of view, would be the text of paragraph 24 of document E/CN.3/L.68/Add.10, which could be abridged somewhat.

Mr. MAHALONOBIS (India) reminded the Commission that he had asked whether it would be possible to have some information on the standards established by the ILO with regard to floor space, which might be very useful to the developing countries.

The CHAIRMAN suggested that it should be left to the Rapporteur to arrive at a final wording for that paragraph in consultation with the delegations concerned.

It was so decided.

The CHAIRMAN asked the representative of ECE to explain what questions he wished to add to the list of comments.

Mr. DAVIES (Economic Commission for Europe) said that the world programme proposed that the economically active population should be divided into "employed" and "unemployed". In some ECE countries unemployment was negligible and that question was not considered worth including in the census. Consequently, for the European countries, the distinction between employed and unemployed persons was optional. Hence it would be appropriate to add the following comment to the list: "It was suggested that, in the classification by type of activity, the subdivision of the economically active population into 'employed' and 'unemployed' should be put on an optional basis".

The second comment related to category (c), "Income recipients", in paragraph 288 of the annex to document E/CN.3/342. Drawing on income not derived from employment was not a type of activity in the same way that the other categories of the classification were types of activity. For example, there were "home-makers" and "students" who received income from pensions or investments, and there would be some difficulty in applying that category. Consequently the following comment should be added to paragraph 12: "Doubts were expressed concerning the inclusion of a heading for 'income recipients' in the classification by type of activity."

Mr. MAHALANOBIS (India) reminded the Commission that, in the course of the discussion, he had mentioned the difficulties experienced by developing countries owing to the extent of under-employment. He accordingly approved of the first suggestion made by the representative of ECE but for different reasons from those which had been stated. With regard to the second proposal, he agreed that the category "Income recipients" would create difficulties.

Mr. MALISHEV (Union of Soviet Socialist Republics) supported the second suggestion made by the representative of ECE which, from a practical point of view, seemed to him more readily acceptable than the recommendation made in the population census programme.

Sir Harry CAMPION (United Kingdom) said that he was not in favour of including too many comments in the report. He nevertheless accepted the two suggestions made by the representative of ECE, although the second one had not been discussed.

Mr. BOWMAN (United States of America) pointed out that the two suggestions in question could not be included in the list of comments without the Commission's consent.

With regard to the first, there was no reason why the headings should not be left as they appeared in the world programme. If some countries had no unemployed, or if they did not wish to enumerate the unemployed, they need only indicate that they had no unemployed. The sub-division provided would make it possible to obtain useful data on the number of persons seeking work and unable to find it, and it should be retained in the basic programme.

With regard to persons whose income did not come from employment, it should be noted that the categories (a) and (b), on the one hand, and the category (c), on the other, which appeared in paragraph 288 of the annex to document E/CN.3/342 were not mutually exclusive in the proposed system.

If those questions had been mentioned in the course of the discussion, they could be included in the list of comments. If, however, the purport of the suggestions was that the Commission should decide to remove an item from the list of recommended topics and transfer it to the list of other useful topics he could not support them.

Miss POWELL (Secretariat) said that in paragraph 284, the subdivision into employed and unemployed was submitted simply as a suggestion. Those criteria had been adopted because they were found to be needed in some regions. In order to bring out the optional nature of that classification, the words "should be distinguished" in paragraph 284 could be replaced by the words "might be distinguished". With regard to headings (a), (b) and (c) in paragraph 288, she drew attention to paragraph 289, which stated that some individuals might be classifiable in more than one category of the not-economically active population.

Mr. DAVIES (Economic Commission for Europe) said that it was not entirely clear to him how far the recommendations presented in document E/CN.3/342 were optional or compulsory. The Conference of European Statisticians might be regarded as failing to conform to the world statistical programme if it disregarded the subdivision into employed and unemployed.

Miss POWELL (Secretariat) said that, even in that case, the European programme could be regarded as conforming to the principles of the world recommendations. Even the list of recommended topics retained a certain flexibility, for it was impossible to impose a world classification to which all countries were strictly bound to conform.

Mr. DAVIES (Economic Commission for Europe) said that, in that case, he withdrew his suggestions on the understanding that paragraph 284 would be amended as Miss Powell had suggested. He hoped that a group of the Conference of European Statisticians would be able to discuss those two questions.

Paragraph 12, as amended, was adopted.

E/CN.3/L.68/Add.10 (continued)

Paragraph 26

Sir Harry CAMPION (United Kingdom) proposed that, in the first sentence, the words "and requested the Regional Conferences of Statisticians to conform to the regional recommendations as far as practicable" should be deleted.

It was so decided.

Paragraph 26, as amended, was adopted.

Draft resolution

Mr. GOTO (Japan) asked what exactly was meant, in operative paragraph 2, by the expression "provision of technical advice".

Mr. LOFTUS (Secretariat) said that the expression referred not only to the advice which consultants on mission could give to Governments, but also to technical aid in various forms, such as the supply of equipment.

Miss QUESADA (Panama) asked whether the documents mentioned in operative paragraph 1 could be distributed to States not members of the United Nations.

Mr. LOFTUS (Secretariat) said that the Secretariat received requests from States not members of the United Nations and transmitted documents to them. Such exchanges took place at the Secretariat level and it would be inappropriate to mention them in the text of a resolution.

The draft resolution was adopted.

Other Business (E/CN.3/L.68/Add.11)

Paragraphs 1 - 3

Paragraphs 1 - 3 were adopted.

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Paragraph 4

In reply to a question put by Sir Harry CAMPION (United Kingdom), Mr. LOFTUS (Secretariat) said that the exact date of the Commission's fifteenth session would depend on the date on which the Economic and Social Council held its spring session in 1968.

Paragraph 4 was adopted.

The draft report as a whole, as amended, was adopted.

CLOSURE OF THE SESSION

After the customary exchange of courtesies, the Chairman declared the session closed.

The meeting rose at 1.5 p.m.