UNITED NATIONS

ECONOMIC AND SOCIAL COUNCIL

Distr.
GENERAL

E/CN.3/442
19 December 1973

ORIGINAL: ENGLISH

STATISTICAL COMMISSION
Eighteenth session
Geneva, 7-18 October 1974
Item 3 (a) of the provisional agenda

CO-ORDINATION AND INTEGRATION OF INTERNATIONAL STATISTICAL PROGRAMMES

Report of the fifth session of the Working Group on International Statistical Programmes and Co-ordination

CONTENTS

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INTRODUCTION

1. The fifth session of the Statistical Commission's Working Group on International Statistical Programmes and Co-ordination was held from 2 to 4 July 1973 at Geneva. The agenda as adopted is contained in the annex to the present report.

2. Pursuant to the decisions of the Working Group at its earlier sessions and of the Statistical Commission at its seventeenth session, 1/ the officers of the Commission served as officers of the Working Group and J.L. Ripert (France) chaired the session. Other members were: I. Kerstenetzky (Brazil); J. Kazimour (Czechoslovakia); R. Chander (Malaysia); C.A. Moser (United Kingdom of Great Britain and Northern Ireland) and P.F. Krueger, an alternate (United States of America). J. Ryten (Canada) and L.R. Jackson (United States) were invited experts. Specialized agencies and other bodies represented at the meeting were the International Labour Organisation; Food and Agriculture Organization of the United Nations; United Nations Educational, Scientific and Cultural Organization; World Health Organization; the General Agreement on Tariffs and Trade and the International Computing Centre.

I. THE FRAMEWORK FOR THE INTEGRATED FIVE-YEAR SCHEME OF TECHNICAL ASSISTANCE

3. The Working Group based its discussion of this item on the report of the Secretary-General, entitled "The framework for the integrated five-year scheme of technical assistance" (ST/STAT/59), prepared following interagency consultations on the matter.

4. The Working Group expressed its regret that representatives of the United Nations Development Programme (UNDP) could not attend the session.

5. The Working Group noted that a document on the five-year scheme would contain descriptions of the technical assistance activities of the Inter-American Statistical Institute (IASI), the Council for Mutual Economic Assistance (CMEA), the European Economic Community (EEC) and the Organisation for Economic Co-operation and Development (OECD) in addition to the materials on the United Nations system. The Working Group was informed that, in accordance with the wishes of the Statistical Commission, the document will include the technical assistance activities of the International Bank for Reconstruction and Development (IBRD). The Working Group considered it desirable in the future to show data regarding bilateral assistance in statistics in the appendices of such integrated schemes. The introduction of the first document on this subject should indicate technical assistance activities not covered by it, such as bilateral assistance arrangements.

1/ Official Records of the Economic and Social Council, Fifty-fourth Session, Supplement No. 2, para. 211.

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6. The Working Group was informed of the necessarily indicative character of the estimates to be developed for 1975-1979. It was agreed that there was a need to describe in the document the assumptions on which the estimates were based. It was felt that information on the results of past work in this area should be included in addition to future plans.

7. Following the recommendations of the Statistical Commission on this subject, several suggestions were made regarding considerations that should be taken into account in developing an integrated scheme of technical assistance in statistics:

(a) It was emphasized that the needs for assistance and training in primary and derivative statistics should be well balanced. It was also felt that projects pertaining to primary statistics should receive high priority and that the introduction of complex systems should not be accorded undue weight;

(b) The variety in the needs of different developing countries should be borne in mind;

(c) The provision of training and fellowships very often was at least as important as, if not more important than, the assignment of outside experts to the developing countries. In giving high priority to training projects, it was desirable to attach equal importance to the initial training of future statistical officials and the further training of existing government statisticians;

(d) The need for assistance regarding electronic data processing should be underlined;

(e) Attention should be paid to the practical difficulties experienced in the execution of statistical technical assistance projects, particularly regarding the recruitment of experts;

(f) While adhering to the important principle of fostering international comparability in statistical data between countries, in cases where international guidelines for statistics are not quite suitable to the needs of the developing countries, technical assistance projects may require the sacrifice of some world-wide comparability requirements in order to help develop the most adequate statistical tools under the special circumstances of the developing country concerned;

(g) Increased importance in technical assistance programmes should be given to appropriate methodological research projects in order to help statistical efforts in the developing countries;

(h) The need for more workshops to discuss experience with various practical approaches to statistical data collection should be given high priority;

(i) It is desirable to co-ordinate bilateral and multilateral assistance programmes in statistics.

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8. The need for statistical data in planning, executing and evaluating projects in the development process should be fully recognized in the developing countries. Adequate training should be provided for all users.

9. In conclusion, the Working Group took note with great satisfaction of progress in co-ordination in this area by the organizations concerned. It considered the document a clear outline of guidelines for the preparation of the integrated, long-term scheme of technical assistance in statistics and a useful basis for the work envisaged.

II. CLASSIFICATION OF STATISTICAL PROJECTS

10. The report of the Secretary-General entitled "Classification of statistical projects" (ST/STAT/57) was submitted to the Working Group as the joint report of the United Nations and the specialized agencies. It presented the results of interagency consultations on a cross-classification of statistical projects by activity and by field.

11. The Working Group noted that, as an internal working instrument, the classification would be used to code the statistical projects set out in future joint reports of the Statistical Office of the United Nations and of the statistical services of the specialized agencies, particularly the five-year international statistical programmes and the integrated scheme of technical assistance in statistics of the United Nations system. The aggregated classification shown in the document was intended to be used only for the purpose of providing more detailed figures in the preparation of the five-year international programmes.

12. The Working Group was informed that the classification in document ST/STAT/57 was a synoptic version of a much more detailed classification of statistical series in preparation and that the comments of the Working Group would be utilized for improvement.

13. During the discussion of the "type codes" proposed, the following comments were made:

(a) The separability of projects falling under types B(a) and B(b) was doubtful, and possibly also undesirable, inasmuch as meetings could be better reviewed in conjunction with the relevant subject-matter projects and, therefore, should be shown together with such projects;

(b) On the other hand, the suggestion was made to subdivide, if possible, projects falling under type code B(a) into two distinct groups, one consisting of projects aimed at the initial development of over-all world statistical standards and another comprising projects related to their application or interrelationships such as work on the links between the System of National Accounts (SNA) and the System of Balances of the National Economy (MPS)).

14. Regarding the "field codes", a number of detailed points were made and it was agreed that additional remarks on these codes would be sent to the Statistical Office.

15. It was agreed that field code 2.1 would be renamed "national accounts and balances".

16. The suggestion was made that the Statistical Office should explore the possibilities of disseminating the final, detailed classification of statistical series for use by national statistical agencies.

17. The Working Group expressed a favourable view of the synoptic classification of statistical projects as a whole. It has been stated by the Statistical Office that the comments will help the organizations concerned in the improvement and application of the detailed as well as synoptic classifications. It was agreed that a code for household income and expenditure should be included.

III. INTERREGIONAL SEMINAR ON STATISTICAL ORGANIZATION

18. The Working Group was given an oral progress report on preparations for the Interregional Seminar on Statistical Organization to be held from 3 to 12 October 1973 at Ottawa, Canada. The Working Group was informed that the Government of Canada, which will be host to the seminar, kindly agreed to provide not only the conference facilities, but also interpretation in three languages.

IV. THE INTERAGENCY ARRANGEMENTS FOR THE INTERNATIONAL STATISTICAL REPORTER

19. The report of the Secretary-General on interagency arrangements for the International Statistical Reporter, (ST/STAT/56) outlined plans for this publication, intended to be issued twice a year.

20. A detailed proposal, prepared by the Statistical Office of the United Nations in consultation with IBRD, was presented to the Administrative Committee on Co-ordination's Sub-Committee on Statistical Activities at its seventh session (Washington, D.C., 6 to 9 February 1973). The Sub-Committee agreed with the proposals and, in April 1973, the Administrative Committee on Co-ordination endorsed them.

21. The Working Group expressed a very favourable view of the contents of the proposed publication. The Working Group also appreciated the efforts made to solve the very difficult problems of financing encountered in past years regarding this project. The Working Group particularly applauded the very constructive way in which the United Nations Statistical Office and the IBRD agreed to arrange for the publication of the International Statistical Reporter in English.

22. However, reservations were recorded on the desirability of commencing a publication in one language before completing arrangements for issuing it in other official languages of the United Nations. The Working Group recommended that an attempt should be made to complete arrangements with other international organizations to make possible the issuing of other language versions. The Working Group thought it undesirable to launch the publication in one official language of

the United Nations without having some guarantee that editions in other languages would be issued within a reasonable time.

V. ELECTRONIC DATA PROCESSING FOR THE STATISTICAL OFFICE OF THE UNITED NATIONS

23. The Working Group noted that the Statistical Commission, at its seventeenth session had recommended 2/ a review of the electronic data processing of economic and social statistics in the United Nations by the Director of the United Nations Statistical Office with a view to a further discussion of this matter by the Commission at its eighteenth session. The Commission had requested that a first report on this subject be discussed at the fifth session of the Working Group.

24. In the report of the Secretary-General on electronic data processing (ST/STAT/61), the Commission's recommendations have been interpreted against the background of its discussion of the subject as well as related discussions by the Working Group at its third and fourth sessions. Accordingly, part I of the report dealt with issues related to data processing operations of the Statistical Office in New York and its outpost at Geneva and their optimum location. Part II of the report was devoted to a description of the relevant operations of the International Computing Centre (ICC) at Geneva and the New York Computing Centre (NYCC).

25. The information given orally to the Working Group by the Director of the Statistical Office and the Director of the Electronic Data Processing and Information Systems Service emphasized the points listed below.

(a) In the course of the preparation of the report, a number of consultations were carried out with interested officials from several organs of the Secretariat, and interviews were held with staffs involved in the relevant operations. An on-the-spot study of the Geneva operations of the Statistical Office was made in April 1973 with the assistance of an expert consultant to the Statistical Office on data processing and related matters.

(b) Since early 1972, the Statistical Office has not been responsible for the New York Computing Centre. The United Nations Electronic Data Processing and Information Systems Service (EDPIS) was established in 1972 and reports to the Under-Secretary-General for Administration and Management. The Director of EDPIS is responsible for "the central management and control over all electronic data processing activities undertaken by the United Nations" (A/C.5/1475, para. 14) including electronic data processing of economic and social statistics. However, primary responsibility for the definition of need, assessment of benefits and the obtaining of approval for major computer applications remains with the Statistical Office and other users.

2/ *Ibid.*, para. 42(a).

(c) The role of the United Nations Statistical Office vis-à-vis the computing centres at Geneva and New York was essentially that of a user of the facilities. As a user of the data processing centres, the Statistical Office was interested in securing quick and uninterrupted services from them at reasonable cost. The facilities in New York and Geneva operated at less than full capacity and were able to accommodate considerable additional work. Accordingly, access to hardware and ancillary equipment was not considered likely to be a major problem for the Statistical Office in the foreseeable future.

(d) Nevertheless, the Statistical Office had difficulty providing Member States and international agencies with computerized statistical outputs quickly and economically. This stemmed largely from the character of the designs of existing computer programmes and data files, as the programmes and data files of the Statistical Office were structured to produce specific publications containing prearranged tabulations. Most of the computer programmes were designed some eight years ago.

(e) Reflecting the objectives set by the Statistical Commission, the recent budget and medium-term plan submission of the Statistical Office had, as one of its major goals, the transformation of its data bases to provide quick retrieval not only of pre-planned tabulations, but of unanticipated cross-classifications of the data. The initiation of this work awaited, among other steps, the recruitment of a highly qualified project leader and the drawing up of detailed plans and specifications.

(f) Regarding the location of the Statistical Office, it was recognized that a common threat to the effectiveness of a statistical office was its isolation from the stream of policy-making and administrative decision-making. On balance, the probabilities of this happening were great if the United Nations Statistical Office were to be moved to Geneva or elsewhere. In line with the guidelines set by the Statistical Commission, a major goal of the Statistical Office was to strengthen and expand its good working relationship with the substantive divisions of the Department of Economic and Social Affairs. Stronger working relationships with these divisions should, in turn, place the Statistical Office in a better position to evolve relevant programmes to effectively promote the statistical aspects of the International Development Strategy of the Second United Nations Development Decade. The strengthening of such relationships was clearly facilitated by the location of the Statistical Office in New York.

(g) For the Statistical Office, a most important element in its mandate - and one which received greater attention in line with the priorities established by the Statistical Commission - was that of providing substantive support for technical assistance to developing countries in a wide range of statistical fields and in electronic data processing. An integral part of such support was the need for close and constant working relationships with the Office of Technical Co-operation, the Technical Assistance Recruitment Service, the United Nations Development Programme (UNDP) and the United Nations Fund for Population Activities.

Current activities in regard to the African Census Programme were mentioned to illustrate this point. This programme has in recent months involved numerous discussions and meetings with representatives of the various agencies concerned at United Nations Headquarters. Thus, one of the major contributions of the United Nations Statistical Office to developing countries - its programmes of technical assistance - was greatly facilitated through its location in New York.

(h) It was recalled that at the seventeenth session of the Statistical Commission, "Some members stressed the paramount importance of close links between users and producers of statistics and felt strongly that, whatever happened, nothing should be done to separate the United Nations Statistical Office and, in particular, those of its personnel involved in substantive statistical work, from its central policy and decision-making groups of the United Nations in New York". 3/

(i) The Statistical Office was a small office (some 150 persons, one-half of them professional) and the staff was distributed over a large number of activities, each rather small. The conception of mass-production involving large numbers of people, characteristic of large national statistical offices, was not applicable to the United Nations Statistical Office. Respondents to any single questionnaire number fewer than 200.

(j) The largest single operation of the Statistical Office concerned international trade, the "D series", or quarterly and annual external trade data based on tapes and punch cards received from Governments. The unit carrying out this operation comprised 11 people. The announcement to move this unit to Geneva came suddenly. Time allowed only for conversion of programmes essential to basic operations to the new facilities and only the hiring and training of new general service staff before the move in April 1971. This resulted in a serious backlog that generated long and disconcerting delays in publications and tapes that have not yet been completely overcome.

(k) Aside from disrupting the timeliness of outputs, communication between the relevant staffs of the Statistical Office in New York and Geneva has been rendered much more complicated. It was clearly very difficult to communicate with, guide and control a production staff at a distance of 3,000 miles, especially when computer processing is involved. It was also much more time-consuming and, therefore, more expensive in real terms.

(l) In view of the devaluation of the United States dollar and the ensuing higher post adjustments in Geneva than in New York, it was stated that the cost of maintaining the staff is probably higher now in Geneva than in New York.

(m) Furthermore, the small statistical unit in Geneva suffered from a lack of secretarial and other supporting services needed to deal with day-to-day problems. Nor have funds been assigned to facilitate personal visits either to

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3/ Ibid., para. 40.

or from Geneva to clear up inevitable problems and misunderstandings as they arise. These extra costs were inevitable concomitants of such a move, but, apparently, were overlooked.

26. Following the discussion of the above, the Working Group concurred on the following conclusions:

(a) The International Computing Centre at Geneva fulfilled a valuable function in the United Nations system and, as indicated in part II of the Secretary-General's report (ST/STAT/61), there was every intention by the United Nations to give it active support. However, it is clearly in the over-all interest that this support should be provided without prejudice to the continued effectiveness and usefulness of the Statistical Office. At any rate, the major data processing problems of the Statistical Office did not stem from its present location, but from its computer programmes and data files. A redesign of these programmes and files to enable the Statistical Office to improve its responsiveness to the needs of Member States and the international community was urgently needed;

(b) There seemed to be no valid reason for keeping the small-scale national accounts activity in Geneva;

(c) A reunification of the trade statistics outpost of Geneva with the Statistical Office in New York should be planned as a longer-term objective. Reunification with Headquarters staff should be carried out only when this could be accomplished without generating important adverse effects to users and without serious setbacks to timeliness. In particular, users having access by remote terminals to tapes stored at Geneva (such as the United Nations Conference on Trade and Development and the Economic Commission for Europe) should continue to enjoy such access without any reduction in service. Thus, prior to such a move, careful planning and detailed preparations would have to be undertaken, as well as the training of new general service staff. The Statistical Office was not in a position to assign priority to this task. In addition, it was desirable that the redesign of the processing of Statistical Papers, Series D as an integral part of the more comprehensive redesign of the computer work of the Statistical Office referred to above should be operational when the repatriation of the outposted staff is carried out;

(d) Meanwhile, steps should be taken to render the workload of the D-series staff at Geneva more manageable, perhaps by providing some additional assistance. The possibility of reducing the workload by discontinuing for a time the processing of the backlog of the quarterly series should also be explored. Communication between the two offices will be strengthened;

E/CN.3/445

(e) As requested by the Statistical Commission, a final report will be prepared on this subject for it at the eighteenth session (scheduled to be held in October 1974) and the situation will be reviewed at that time.

VI. OTHER RELATED MATTERS

A. International Development Strategy: first over-all review and appraisal of issues and policies

27. The Deputy to the Under-Secretary-General, Department of Economic and Social Affairs, introduced this item for discussion by the Working Group.

28. The Working Group was informed of the release of a report of the Secretary-General on this subject 4/ and of related deliberations by the Committee for Development Planning at its ninth session. 5/

29. Both the report of the Secretary-General, which covered selected issues related to the implementation of the International Development Strategy (such as the changing priorities in economic and social development, the changing modes and problems in production, the changing trade relations, the changing aid relations, and the external framework for development), and the deliberations of the Committee for Development Planning at its ninth session had an important bearing on statistical questions related to those issues.

30. The report of the Secretary General in the context of the analysis of the changing priorities in economic and social development stressed the problems recognized in interpreting comparative levels among countries and changes in gross product. Since over-all economic growth was one of the criteria by which progress was appraised in the 1970s, the nature and problems of the statistical measuring process have been given increased attention.

31. One of the questions to be studied in the context of the biennial appraisals of the International Development Strategy was that of designing supplementary targets and criteria specifically to meet the deficiencies of the gross product as a measure of economic and social welfare.

32. While the measure of gross product was not developed for use as an over-all statistical indicator of welfare, in many cases it was used as a readily available approximation for comparative levels and changes in welfare.

33. The report of the Secretary-General emphasized that the simple uses of the indicators of gross product for such purposes were misleading. For a number of reasons, the gross product was not a measure of welfare. National accounts were compiled from records of economic transactions without regard for their end result in terms of human satisfaction. The contribution of production to welfare differed markedly from one item to another. Indeed, many of the items produced actually reduced welfare, or at best prevented or mitigated a nuisance or disutility. Increased transportation requirements for goods and people due to an increased division of labour and the use of resources to combat the ill-effects of these

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4/ The International Development Strategy: First over-all review and appraisal of issues and policies. United Nations publication, Sales No. E.73.II.A.6.

5/ Official Records of the Economic and Social Council, Fifty-fifth Session, Supplement No. 5, paras. 9-101.

activities (such as congestion and air pollution), all were accounted as elements of the gross product. In a welfare-oriented system of national accounting, expenditures on such activities could conceivably be regarded as costs in producing the usable output rather than increments to the output.

34. In view of the fact that in the economically more advanced countries, an appreciable increase in gross product is required merely to prevent the quality of life from deteriorating, the spread of the presently recorded per capita product between developing and developed countries is likely to be much greater than that of the per capita output of usable goods and services.

35. In addition, the aggregate figures of the gross product provide no indication of how the goods and services produced have been distributed. Since the disparities in income within countries were of great concern in many nations, it is important to recognize deficiencies in relying on aggregate output measures as indications of progress.

36. To remedy the situation, the Working Group noted that three basic suggestions were made:

(a) To develop, as a supplementary indicator, a set of estimates describing the basic consumption (food, clothing, housing) of countries;

(b) To study the possible establishment of a more sophisticated, more comprehensive measure of welfare-oriented economic activity that could be called "net beneficial product";

(c) To foster the development of statistics of the distribution of income.

37. It was thought that the work suggested in (a) above was a less elaborate undertaking than that in (b). It was recognized that the elaboration of a set of welfare-oriented accounts in order to derive the measure of "net beneficial product" would require action such as agreement on a new series of conventions regarding the treatment as costs of many items now regarded as end products; better elaboration of the imputed (non-marketed) elements of output, further work concerning the pricing of items not traded internationally, and evaluation of the impact of a nation's environmental concerns on its accounting methods.

38. The Committee for Development Planning, at its ninth session 6/ recognized the difficulties involved in developing welfare-oriented measures of output. Nevertheless, it applauded the Secretary-General's specific proposals regarding the efforts to supplement available conventional measures and decided to convene a working group to examine questions relating to such development.

39. The Committee for Development Planning hoped that the Statistical Commission and other appropriate bodies would seriously pursue the suggestions of the

6/ Ibid.

Secretary-General on this subject. At the same time, it emphasized that in the search for improvements, care should be taken not to discourage efforts being made to strengthen the conventional measures of gross product and the United Nations System of National Accounts, especially in the case of developing countries. 7/

40. In line with this suggestion by the Committee for Development Planning, the Director of the Statistical Office informed the Working Group that Professor Richard Stone was approached to write a paper on the issues relating to the deficiencies of the gross domestic product and related measures for discussion by the Statistical Commission at its eighteenth session.

41. The Working Group deliberated issues related to the International Development Strategy in great detail. Comments by the members are summarized below.

(a) Given the now widely-recognized limitation of the GDP, work on the development of both better basic consumption estimates and the concept of the "net beneficial product" should be accorded high priority.

(b) In view of the changing needs of the 1970s compared with the requirements of the 1950s and 1960s when current systems of economic accounting were introduced, the emphasis on statistical measures to better reflect social concerns was fully justified.

(c) Substantial research was required to clarify some of the complex issues related to the new conceptual requirements.

(d) The development of the concept of "net beneficial product" should not be based purely on considerations of economic theory and, therefore, suggestions from experts in other social sciences should be obtained.

(e) The matters of "negative outputs" in particular deserved inter-disciplinary scrutiny from the point of view of the most desirable accounting treatment.

(f) The expected results of work suggested at the international level were considered of considerable importance for use at the national level.

(g) The work on the System of Social and Demographic Statistics (SSDS) was considered one of the efforts to arrive at supplementing the conventional economic accounting measures.

(h) The project regarding the "net beneficial product" was concerned not with the issues to be tackled in the SSDS, but with adjustments required in the presently estimated aggregate output data in terms of the SNA (and perhaps of the MPS as well).

7/ *Ibid.*, para. 17.

(i) It was understood that while the project on basic consumption would produce numerical estimates of the magnitudes involved, the project on the "net beneficial product" at the present stage was only methodological.

(j) The use of physical indicators for the assessment of welfare factors was suggested.

(k) The question of the appropriate treatment of defense expenditures in the context of welfare-oriented accounting measures was raised.

(l) The timing of the proposed efforts was considered with particular reference to the difficulties to be resolved before producing data for the purposes discussed and with a view to the paucity of resources available for statistical purposes.

(m) Problems in countries with the differing treatment accorded to the costs of pollution prevention and of pollution clean-up were emphasized.

(n) The separate projects concerning income distribution were considered of paramount importance. These projects were in some respects of even greater complexity than those related to the measurement of welfare-oriented output.

42. In a preliminary discussion, the Working Group agreed that the projects proposed by the Secretary-General deserved very high priority, and the Group expressed its full support for the envisaged work. The proposed wider discussion of these matters by the Statistical Commission at its eighteenth session was considered a very important further step in fostering the objectives discussed.

43. The Working Group agreed that a more detailed report on this subject should be submitted to the Statistical Commission at its next session on the basis of Professor Stone's paper now in preparation and the report of the working group of the Committee for Development Planning.

B. International statistical classifications

44. The Working Group was informed that the Conference of European Statisticians at its twenty-first plenary session (June 1973) (ECE/CES/2) had suggested that the Statistical Commission's Working Group should consider the matter of the relationships between the Standard International Trade Classification (SITC), Rev. 2, and the International Standard Classification of All Goods and Services (ICGS) at the four-digit level and, to the extent possible, at the six-digit level.

45. The Conference of European Statisticians had also raised the question of the desirability of the Statistical Commission's postponing the adoption of the ICGS until its 1976 session (when the Customs Co-operation Council expects to complete its work on a harmonized system) with a view to achieving closer correspondence between the harmonized system and the ICGS. The Conference had suggested that this question be considered by the Commission's Working Group.

46. The Director of the Statistical Office proposed that if funds could be secured it would be desirable to set up a small group of experts to study these issues and the whole range of complex problems related to the harmonization of international classifications of statistics.

47. The Working Group agreed that the appropriate handling of these important issues required a special effort and accorded full support to the proposal for the establishment of a small expert group in this field.

48. The Working Group emphasized the importance of the active participation of national statisticians in general and also of the representatives of the Statistical Office in the meetings of the Brussels Tariff Nomenclature/SITC Working Party.

49. The Working Group agreed that the work on the SITC, Rev.2, and on the ICGS should continue with a view to submitting the final versions of these classifications to the Statistical Commission at its eighteenth session, in 1974. At its sixth session, the Working Group will review the arrangements envisaged for the submission of these documents to the Commission in the light of developments in these areas.

VII. PLANS FOR REVIEW OF PUBLICATIONS AND RELIABILITY OF DATA

A. Study of reliability of international statistics

50. This item was introduced by the Director of the Statistical Office. His oral progress report recalled that the Statistical Commission, at its seventeenth session, stressed that the United Nations Statistical Office should assess the character of the data it publishes and agreed that more information was needed about the statistics submitted by Member States to the Office.

51. Following these directives, a quick and general examination of practices in the Statistical Office relating to quality assessment was made. It was found that regular scrutiny of the data received from Member States is carried out in various fields, such as, demography, trade, industry and national accounts. However, the Statistical Office does not at present carry out cross-checks between fields. Moreover, even within fields, a deeper scrutiny seems necessary. It was also evident that in many instances the Statistical Office does not have adequate information about the data it secures, especially in the case of aggregates such as the gross domestic product. It was concluded that to be useful, a comprehensive rather than an ad hoc approach to assessment of the data was required. It became evident that this is a major task, with great potential benefit, and that it would have to be approached with tact and understanding as well as perseverance.

52. Accordingly, it was decided that a series of steps designed to initiate a regular facility in the Statistical Office would be taken to systematically examine the statistics it publishes. A request for a permanent post for this work was included in the recent budget submission. A consultant has been engaged

to carry out preparatory studies and to specify in detail the facilities needed to carry out the regular assessment work. In line with the priorities set by the Statistical Commission, this work will begin with the national accounts estimates of the developing countries. Population and other statistical fields will also receive early attention.

53. In addition, a request has been made to UNDP for funds for an interregional seminar on the SNA. The purpose of the seminar will be to review the problems the developing countries have experienced over the last five years in the implementation of the SNA, its suitability to their circumstances and the kinds of action needed to improve matters.

54. The Working Group was informed of the good experience gained in the Council for Mutual Economic Assistance with the checking, from time to time, of the implementation of the recommendations agreed upon.

55. The Working Group emphasized the importance of the programme initiated by the Statistical Office in the context of the needs for data by the Committee for Development Planning, the Committee on Contributions, and other bodies. An important by-product of this programme is that it could provide a standard for judging the effectiveness of technical assistance in statistics and guidelines for rendering such assistance more useful.

56. The Working Group agreed that the Director's report on the project was in conformity with the request of the Statistical Commission at its last session and expressed its support of it.

B. Reconciliation study of international trade data

57. For the discussion of this item, the Secretary-General circulated a summary report (ST/STAT/62) concerning the reconciliation of international trade data. The summary report was prepared by the United States - Canada Trade Statistics Committee and the recommendations made in it were based largely on the experience of the Committee in connexion with the reconciliation of trade data between the United States of America and Canada for 1970.

58. The detailed report of the Committee and a set of charts were made available to the participants at the Working Group session at Geneva. These were designed to illustrate the magnitude of the discrepancies found between counterpart reports of the same trade flow. The charts were based on the trade data reported by the Statistical Office in Statistical Papers, Series D.

59. The Working Group noted that the statistical agencies in both Canada and the United States of America were anxious to explore the possibilities of extending the scope of the reconciliation study to other major trading partners. At the same time they recognized that a strictly bilateral approach might not be adequate in more than a few special situations. Experience indicated that errors in the identification of countries of origin and destination were widespread, that they can be caused by the use of one country's port facilities by

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an adjacent country, by the lack of direct shipment facilities between two countries or by the use of an entrepôt by a group of countries. These kinds of problems can be resolved only by examining the trade data of a group of countries simultaneously. This would involve the analysis of a matrix containing the two reports on each of the trade flows among the group of countries. The availability of the extensive data bank created by the United Nations Statistical Office in computer-readable form would make it possible to conduct this analysis. In addition to its usefulness for assessing the reliability of data, such an analysis would identify inconsistencies in the application of the SITC. This would be of value not only for the reconciliation of trade statistics, but also for future revisions of the ICGS.

60. Several members of the Working Group expressed the interest of their countries in the proposed international study.

61. It was pointed out that some national statistical offices may wish to participate in the study directly and others perhaps through the statistical offices of the regional organizations to which they belong.

62. In conclusion, the Working Group:

(a) Expressed its thanks to the authors of the study for their highly interesting work and for their participation in the discussion;

(b) Took note of the proposals contained in the report;

(c) Agreed to the inclusion of this subject on the agenda of the Statistical Commission at its eighteenth session;

(d) Considered that the document to be submitted to the Commission should follow the lines of the document submitted to the Working Group;

(e) Suggested that the document should also describe the ways the work will be implemented if the Commission approves its outline, the assessment of country needs for the suggested corrected estimate, and the probable costs of the proposed undertaking on the basis of the experience of the Canada - United States of America reconciliation study.

C. Review of publications

63. Publications were discussed by the Working Group on the basis of an oral progress report of the Director of the Statistical Office regarding the comprehensive review of those published by the Office.

64. The Working Group recalled that the Director of the Statistical Office, following a suggestion made by the Working Group at its fourth session (E/CN.3/420), indicated to the Statistical Commission at its seventeenth session that he would initiate a comprehensive review of the output of the Statistical Office in the form of publications, special compilations and computer tables.

The Working Group noted that there were two aspects of the review - input and output. Input deals with such questions as cost, computerization and the format of questionnaires. Input eventually will be deeply affected by the redesign of the data files and computer programmes expected to be undertaken during the next few years. However, it is expected that progress on many elements can be made pending the completion of the redesign. Output will deal with subject-matter coverage, geographic coverage, frequency of the data, timeliness, distribution, etc.

65. Pending the acquisition of the needed resources to carry forward a full study, a pilot study has been initiated covering the recurrent publications of the Office. The study is concentrated on a number of the elements of output, including the timeliness, distribution, appearance and organization of the publications. No over-all conclusions have been reached, but it was hoped that it will be possible to report progress to the Commission at its eighteenth session.

66. The Working Group took note of the report on this subject and expressed its support of the programme outlined.

D. Publications of demographic statistics

67. For the discussion of this item, a note by the Secretary-General entitled "Publications of demographic statistics" (ST/STAT/55) was before the Working Group. It contained proposals in connexion with the World Population Year, 1974, and publications of demographic statistics.

68. The Working Group noted that the Population Commission, at its second special session 8/ had requested that a progress report concerning the improvement of publications of demographic statistics and the financial implications of such improvements should be prepared for submission to the Population Commission at its seventeenth session (October-November 1973).

69. The Working Group considered the views and proposals of the Population Commission (ST/STAT/55) at the Commission's request and agreed that if funding was approved, the steps suggested in connexion with furnishing increased demographic statistics for the World Population Year, 1974 should be carried out by the Statistical Office.

70. Regarding the various rearrangements suggested in the recurrent publications, members of the Working Group expressed several reservations. They decided that on the whole, present arrangements were satisfactory to most users and the maintenance of the status quo appeared to be preferable, with the exception of the special efforts envisaged in connexion with the World Population Year.

71. It was agreed that the detailed suggestions made at the session would be taken into account in the review of demographic and other publications by the Statistical Office.

8/ Official Records of the Economic and Social Council, Fifty-fourth Session, Supplement No. 8, para. 161.

VIII. PRIORITIES FOR DEVELOPMENT STATISTICS

72. The Working Group noted that the Statistical Commission, at its seventeenth session, 9/ assigned high priority to work on the development of statistics for purposes of revising and appraising the International Development Strategy for the Second United Nations Development Decade. A document before the Commission (E/CN.3/423) focused major attention on guidelines for the development of indicators for reviewing progress towards the goals of the International Development Strategy. It also dealt with the basic statistics required to compile the indicators and the major gaps in the series.

73. After close study of the Commission's discussion on this report, and in light of subsequent events, it became clear that in order to be most useful to the developing countries, the guidelines should focus major attention on the needed basic economic and social statistics and the priorities for their development.

74. Present plans in effect call for updating and extending the scope of the publication Statistical Series for the Use of Less Developed Countries in Programmes of Economic and Social Development. 10/ That publication deals with general-purpose, basic economic and social statistics, the sources of those statistics and the order of priority in which they might be gathered and compiled.

75. During a general discussion of the report of the Secretary-General entitled "Priorities for development statistics" (ST/STAT/60), the following points were raised:

(a) There is a need first for concentrating on meeting the need for basic data, rather than the development of more complex statistics;

(b) Multipurpose household surveys are important;

(c) The report should be circulated to conferences of regional statistics for comments. Priority should be accorded to the project on the basis of the comments received;

(d) The list of series should be updated on a regular basis, possibly every five years.

76. It also was felt that, while useful, the proposed publication would be a catalogue of conventional statistics. The situation of manpower statistics was such that the present labour force concept was considered as of little application in developing countries, and new concepts, definitions and tabulations were being envisaged and would be considered by the Twelfth International Conference of Labour Statisticians. It might, therefore, be of interest to stimulate in the envisaged publication the adoption of a more forward-looking approach.

9/ Official Records of the Economic and Social Council, Fifty-fourth Session, Supplement No. 2, para. 194(c).

10/ United Nations publication, Sales No. 59.XVII.10.

77. It was agreed that the detailed, written comments of the members of the Working Group, as well as of the international organizations concerned, should be sent to the Statistical Office by 15 September 1973. The views of the conferences of regional statisticians and similar bodies in the developing regions of the world should also be sought. Based on these comments, a revised and complete outline should be prepared of the text of the publication on statistical programmes for the use of developing countries, for the Commission's consideration at its eighteenth session.

78. The Working Group agreed that this project was an important one and should be of substantial assistance to the developing nations in deciding their priorities in statistical development.

IX. TIME AND PLACE OF THE SIXTH SESSION

79. In connexion with this question, the Working Group considered Economic and Social Council resolution 1768 (LIV) on the rationalization of the Council's work, in particular, paragraph 16(b) which calls for biennial meetings of most of the Council's subsidiary bodies.

80. The Working Group considered that in view of its terms of reference, the holding of annual sessions was essential to the discharge of its functions. The report on the seventeenth session of the Statistical Commission stated the following:

> "The Commission agreed that the terms of reference of its Working Group should be as follows:
>
> (i) To deal with questions of policy, co-ordination and priorities of the statistical programmes of the United Nations system;
>
> (ii) To constitute a means by which the Statistical Commission could maintain contact, between biennial meetings, with the work of the Statistical Office of the United Nations and of the statistical services of the specialized agencies;
>
> (iii) To consider current questions, relating to the United Nations family, of organization, policies, arrangements and priorities for the electronic data processing of economic and social statistics, including data banks;
>
> (iv) To consider questions regarding the statistics required for purposes of the reviews and appraisals during the Second United Nations Development Decade.
>
> "The Commission agreed that the Working Group should meet annually to examine the issues within its terms of reference." 11/

11/ Official Records of the Economic and Social Council, Fifty-fourth Session, Supplement No. 2, paras. 207 and 208.

81. Annual sessions of the Working Group were considered essential because the Commission itself meets only biennially. Therefore, the Council's permission for annual sessions of the Working Group was deemed very desirable. It was also desirable and necessary that the Commission's attention should be called to this question.

82. The Working Group recommended that its sixth session should be held in Geneva during the first three days of the week following the twenty-second plenary session of the Conference of European Statisticians, in 1974.

Annex

AGENDA

1. Election of officers
2. Adoption of the agenda
3. The framework for the integrated five-year scheme of technical assistance
4. Priorities for development statistics
5. Classification of statistical projects
6. The interagency arrangements for the International Statistical Reporter
7. Electronic data processing for the Statistical Office of the United Nations
8. Second Interregional Seminar on Statistical Organization
9. Plans for review of publications and reliability of data (including reconciliation study of international trade data of Canada and the United States)
10. Time and place of the sixth session
11. Other related matters
12. Adoption of the report

E/CN. 3/442

ANNEX II

LIST OF PARTICIPANTS

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Mr. Jean L. Ripert (Chairman)	Directeur Général de l'INSEE
MALAYSIA	
Mr. Ramesh Chander	Chief Statistician~~, Government of Malaysia~~
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