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STATISTICAL COMMISSION

PROGRESS REPORT ON THE PROGRAMME OF WORK ON STATISTICS  
OF NATIONAL INCOME AND EXPENDITURE

(Memorandum Prepared by the Secretariat for Consideration  
Under Item 6 of the Provisional Agenda of the  
Statistical Commission.)

1. The Statistical Commission, in its Report to the Economic and Social Council (E/577, 23 September 1947), noted with approval the detailed plans developed by the Statistical Office for an annual publication dealing with national income statistics. The Commission requested the Statistical Office to round out the original programme by including estimates of real national income, statistics on the shares of national income accruing to major population groups, and statistics on the distribution of incomes by size for families and individuals. The Commission also drew the attention of the Statistical Office to the needs of the Food and Agriculture Organization for data on income received by persons engaged in agriculture and on the contribution of agriculture to national income.

I. SURVEY OF WORK IN PROGRESS

2. The first in the annual series of national income reports is now at the point of completion. This report will deal comprehensively with the definition and statistics of national income for every country for which such material is available, as well as with national income at constant prices and with the adjustments required to achieve conceptual comparability of the published statistics. Some of the material to be included in this report has already been circulated in preliminary form. A paper entitled The Comparability of National Income Statistics (E/CN.3/WSC/5, 28 August 1947) dealing with the statistics of national income and problems of comparability was presented at the International Statistical Conferences held in Washington, D.C. in order to acquaint the participants with the national income work of the Statistical Office and to obtain the views and comments of experts from various countries. In addition, a paper summarizing the national income work in progress and presenting national and per capita income estimates was prepared and circulated among the Specialized Agencies

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for internal use. The United Nations Monthly Bulletin of Statistics has also carried at quarterly intervals the official statistics of total national income estimates in order to give wide circulation to recent statistics in this field.

3. The Statistical Office is completing a preliminary survey of the statistics of family and individual incomes classified by range of income. Particular attention is being given to the inadequacies of the data from the point of view of their comparability. It is apparent that income size distributions for the past decade are available for fewer than fifteen countries, and that most of these distributions relate to individual rather than to family incomes. The Statistical Office plans to publish its findings in the second annual national income report or in a special report.

4. The Statistical Office is continuing its analysis of the systems of social accounts now in use in a number of countries, and plans to prepare a report for circulation among interested government agencies and experts. It is expected that this would facilitate adoption by more countries of a social accounting approach to national income and would promote greater standardization of existing systems. Social accounting systems based on uniform concepts and classifications would also be valuable for the study of international economic relationships.

5. The Statistical Office has begun work on the collection and analysis of statistics of national wealth and capital formation with the intention of making its findings available either in future issues of the annual national income report or in special reports. A start has also been made in the field of international comparisons of real per capita incomes, and preliminary estimates have been prepared for pre-war and post-war years for about ten countries. It is expected that further research will enable the Statistical Office to improve these estimates and to prepare others. The Statistical Office hopes to be able to report substantial progress in this field by the next session of the Commission.

## II. PLANS FOR FUTURE WORK

6. Certain proposals for achieving greater conceptual comparability of national income statistics are included in the annual report in preparation. These proposals aim at the eventual acceptance by as many countries as possible of a standard definition of national income, substantially the same as that implicit in the League of Nations Committee of Statistical Experts report, Measurement of National Income and the Construction of Social Accounts. The Statistical Office feels that the formulation of recommendations will give impetus to the estimation of national income along uniform lines, and is consequently planning to elaborate these and other proposals in a future report.

7. Before meaningful international comparisons of the separate items of the various breakdowns of national income can be attempted, uniform and strictly defined classifications will have to be adopted. For example, at the present time it is usually not possible to make international comparisons of consumers' expenditures, capital formation, income accruing to labour or capital, income produced in particular industries, etc. Because comparisons of this nature are required for a wide variety of purposes and would be particularly useful in connection with the surveys of economic conditions being prepared by the Economic Affairs Department and by the Regional Commissions, the Statistical Office intends to explore the possibility of achieving greater comparability along these lines.

8. The Statistical Office in collaborating with the General Assembly Committee on Contributions by supplying statistics of national income and related data has found it necessary to prepare special national income estimates for those countries lacking current income statistics. The Office also prepared similar estimates for use by the Committees of the United Nations Conference on Trade and Employment (Havana). These estimates have been classified as confidential or restricted because of their preliminary and unofficial character. The Statistical Office intends to improve these estimates and to submit them to the countries concerned for approval with a view to general publication. It is felt that the preparation of such estimates by the Statistical Office and the subsequent consultation with statistical and economic experts of national governments, will have the effect of stimulating further work in this field by the countries in question and will provide valuable data required by organs of the United Nations and by Specialized Agencies for the preparation of analytical reports dealing with economic problems of underdeveloped countries.

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