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SUMMARY OF COUNTRIES' COMMENTS ON THE "REVIEW OF THE ISSUES AND PROBLEMS RELATED TO THE STATISTICAL AREAS IN THE INTEGRATED PRESENTATION OF INTERNATIONAL STATISTICAL WORK PROGRAMMES" (document CES/2005/3)

Note prepared by the ECE secretariat

INTRODUCTION

The paper summarises comments by countries on the document "Review of the issues and problems related to the statistical areas in the Integrated Presentation of international statistical work programmes" (CES/2005/3). 14 countries replied to the written consultation (Armenia, Australia, Canada, Czech Republic, Georgia, Germany, Latvia, Norway, Poland, Republic of Korea, Slovenia, Sweden, Switzerland, United States); 10 among them submitted substantial comments that are reproduced below.

The first part includes comments on the Integrated Presentation (IP) and the proposed new procedure for considering the issues and problems. The second part includes comments on selected statistical areas that were reviewed by the CES Bureau in February 2005 based on Rapporteur Reports¹, namely technical cooperation and capacity building, statistics on household income and expenditures, labour statistics and transport statistics. The issues and problems in migration statistics are discussed separately in-depth at the CES 2005 plenary session under agenda item 5 (CES/2005/4).

¹ The CES/2005/3 includes an excerpt of the Rapporteur Reports, the full text of the Reports on statistics on household income and expenditures, labour statistics and transport statistics is available at http://www.unece.org/stats/documents/2005.00.bureau.htm.

<u>COMMENTS ON THE INTEGRATED PRESENTATION AND THE PROCEDURE</u> OF IDENTIFYING THE ISSUES AND PROBLEMS.

Summary

Countries consider the IP to be a useful reference material. The improved usability and clarity of the IP were pointed out. It is proposed that the information on expert meetings is updated on a regular basis. Countries also express support to the new procedure of identifying and considering the issues and problems related to the statistical areas in the IP.

Countries' comments:

Germany:

Since the IP covers the statistical work programme for about thirty international organizations (including the work programme from OECD, Eurostat, ECB and UNECE), we consider it a helpful work of reference. Thus, the work programme is very voluminous and we therefore support the approach of UNECE to address only issues and problems in selected statistical areas.

Poland

The CSO of Poland supports the procedure for change regarding the review of issues and problems, so that the information will be prepared as a separate document. We think that, thanks to such an approach, problematic statistical areas and areas for improvement can be identified.

Sweden:

We have received several positive comments regarding the usability and clarity of the Integrated Presentation from staff both in Statistics Sweden and other authorities working with Swedish official statistics.

One minor comment, however, is that there seem to be differences in practice between the international organizations regarding where to place certain information. The example given is that UNECE has placed "statistical data editing" under 2.2, while Eurostat has placed "editing and imputation" under 2.5.

Maybe the most important issue for the future regarding the Integrated Presentation itself is that the time for meetings should be updated on a regular bases by the international organizations. This would most certainly increase the usability for our staff. The remote update facility planned for 2005 will certainly help.

<u>Note by the UNECE secretariat</u>: a new classification of the activities in the IP is being tested. It is intended to clarify the allocation of activities to statistical areas and to avoid classifying similar activities under different headings.

<u>COMMENTS ON ISSUES AND PROBLEMS IN INTERNATIONAL STATISTICAL</u> <u>WORK</u>

TECHNICAL COOPERATION AND CAPACITY BUILDING

Summary

Countries consider coordination of technical cooperation and capacity building to be an important issue that requires improvement in order to be more efficient. It is considered essential to involve in the coordination the other international organizations dealing with technical cooperation and capacity building, like the UN Statistical Commission, World Bank and Paris21. Coordination is especially important for the small donor countries. Significant support of international organizations is needed for strengthening the technical cooperation in the field of statistical infrastructure as a base for official statistics.

There is support for Eurostat to be the main coordinating agency for assistance activities in South-Eastern Europe and the CIS countries covered by the European Neighbourhood Policy Programme. However, before deciding about the coordination responsibility for the other CIS countries, it is recommended to consult with other international donors and to involve countries in the discussion.

Note by the UNECE secretariat:

• The Bureau will consider technical cooperation and capacity building at its October 2005 meeting based on a paper that will be prepared by UNECE, Eurostat and the Interstate Statistical Committee of the CIS.

• Technical cooperation is included in the list of topics for possible future CIS seminars.

Countries' comments:

Georgia:

Compiling the official statistics with common frames in countries of the UNECE region requires legal grounds harmonized with internationally recognized analogues in the field of official statistics and also implementation of common principles and global standards. The integration and technical assistance as a main tool for further development of National Statistical Systems (NSSs) under common approaches requires growing coordination on national and international levels.

The priority purpose for capacity building in official statistics is the establishment of stable and adequate legal grounds and the creation of statistical infrastructure (registers system, classifications system, ICT). Therefore, more resources have to be invested and the technical cooperation needs to focus first in these areas.

Coordination at the national level can be implemented by a special unit in the NSOs (for example, statistical infrastructure and coordination division), while Eurostat can play the role of key coordinator at the international level.

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NSOs are directly involved in implementation of International Statistical Programs in order to set up new indicators such as MDG indicators, etc. At the same time, some indicators in Georgia are not set according to the International Statistical Standards, e.g. environmental indicators and other areas where the NSO does not have any experience. In any case, the NSO as a beneficiary is not directly involved in the decision-making process, and so we can not decide where and how much should be spent. Such decisions depend on negotiations between different national governmental agencies.

Leading International Statistical Institutions should explain to national government agencies that, in order to follow international statistical standards, the activities of NSO are defined by the requirements of standard methodology, definitions and approaches. Priority in identification of needs of official statistics and allocation of appropriate resources should be given directly to the NSO and not to other (even superior) governmental agencies as is often the case. This would be the best way to ensure the independence and impartiality of the statistical system.

The technical assistance on establishing a suitable statistical infrastructure in Georgia is not sufficiently and successfully supported and coordinated within the NSO. The actions towards improvement of the statistical infrastructure as a part of the TACIS project cover mainly the components of ICT. Not enough resources are allocated for the development of classification systems and a register system, which require great effort and periodic updating. Moreover, direct assistance should be given to the newly established special structural units for statistical coordination under the NSO. **Coordination must cover all fields of official statistics** (national accounts, balance of payments, classifications system, registers system, ICT, business statistics, etc.) in order to set up new statistical indicators and to make steps towards integration with European standards.

Therefore, the **significant support of international organizations is needed to strengthen technical cooperation in the field of statistical infrastructure as a base for official statistics.** It will be the first and most urgent step for capacity building of official statistics.

Germany:

Efficient coordination in technical cooperation and capacity building is a very important matter and we share the concern that improvement is needed. However, **it should be noted that other institutions such as UN Statistical Commission, World Bank (Trust Fund for Statistical Capacity Building) and Paris21 are engaged in this field as well. Better coordination between all involved parties would be helpful.**

Norway:

Statistics Norway is happy to learn that Eurostat is ready to coordinate technical cooperation and capacity building in the ENP area, given that Eurostat is both the most active provider of support in this area and has the professional expertise required. We are not equally ready to address the coordination responsibility for the other former Soviet Union countries. **Before endorsing any responsibility, we would have expected a discussion both with large donors such as UNDP and World Bank, smaller international donors as OSSE, and main bilateral donors. We would also have expected a discussion with the countries themselves.**

In order to take coordination responsibility, an institution either needs to be a large and active participant or be recognized as a natural coordination agency by the main actors. While Statistics Norway would be happy to inform and coordinate within ECE, most of our technical cooperation in this area is likely to be funded by the Norwegian Ministry of Foreign Affairs (NMFA) and, as laid out in the executive summary, this is our main constraint. NMFA has shown to be ready to coordinate within the framework of the two large multilateral donor agencies UNDP and World Bank, but whether they are ready to coordinate within ECE is another question. Hence we suggest that either the coordination role of ECE focuses on information of mutual interest and technical issues or the issue is taken for discussion at the political level of ECE.

Sweden:

More cooperation is needed, but it is difficult in practice.

Switzerland²:

Coordination is necessary for efficient statistical cooperation both from the viewpoint of the donor countries, as well as beneficiaries. The necessity to coordinate is even greater for the small donor countries because it is not possible to carry out efficient cooperation without collaborating with other partners.

Switzerland therefore supports more coordination in technical cooperation and the three proposals formulated in para. 48 of the document CES/2005/3.

STATISTICS OF HOUSEHOLD INCOME AND EXPENDITURES, OF THE WELFARE OF THE POPULATION, AND OF POVERTY, AND INCOME INEQUALITY

Summary

Countries support the proposal to aim for a multidimensional set of indicators to measure poverty (including indicators on social exclusion) rather than for a single definition of poverty. It would be difficult to construct a common poverty definition for comparing countries with different levels of income, therefore it is proposed that the international organizations develop differentiated approaches in order to meet the country-specific requirements.

An interest in further work in this area is highlighted. A proposal is made for a workshop to develop an agenda for future action. It has to be clarified who will take a lead in this. The coordination among international organizations is considered very important.

It is also proposed that the mandate and objective of a possible City Group on household expenditure statistics should be clearly defined, if such a group is set up.

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Countries' comments

Australia:

We agree with the "Proposed Action" but it is not clear who will take lead responsibility.

The proposed action emphasises the multi-dimensional nature of poverty. This is the approach we are taking in Australia. There has been too much emphasis on income poverty measures and the debate on income distribution measures has become futile. Measures based on medium income measures, such as appears to be a new standard in Europe, only really measure relative poverty and changes in this measure can be misleading in assessing progress on poverty. Changes in the income distribution do not mean that poverty has got worse.

In Australia, we have recently commenced a major research study into multidimensional measures of poverty. The first step is to develop a framework. It will be based on Amartya Sen's work on social inclusion. There are four organizations involved - the ABS, Department of Treasury, our social policy agency and one of Australia's top economic and social research institutions.

Perhaps a useful starting point for the Proposed Action might be a workshop of interested countries to develop an agenda for future action.

Germany:

International concepts and common standards are important to obtain internationally comparable data. In Germany, EU guidelines for income poverty - as the official poverty cutoff at 60% of the median - and so called Laeken indicators were used for EU and national reports on poverty and social exclusion (para. 13).

Regarding the "more wide-reaching concept of social exclusion" (para. 17), we would like to refer to the new EU survey on income and living conditions (EU-SILC). One purpose of EU-SILC is to receive information on the health state and personal contentedness.

The EU guidelines on surveys on household incomes, the launch of EU-SILC and the adoption of EU-Laeken indicators contribute to a great extent to a better harmonization of methodology and data comparability. However, from our point of view, the facts that the concepts for measuring poverty are not applicable one-to-one for developing countries needs to be considered. One task for international organizations could be to develop differentiated approaches (according to country-specific requirements).

Norway:

Statistics Norway supports the ongoing work to construct a standardized definition of poverty. However, one should also acknowledge the fact that **it will be difficult to construct a common poverty definition that is useful for comparing countries with different levels of income** (e.g. can the same poverty definition be applied to countries as different as Norway, Denmark, Romania and Moldova?). It will also be a challenge to select the appropriate indicators in order to show the 'multidimensionality' of poverty and social exclusion.

Poland

There are still many questions requiring further discussion, e.g. the estimation of income from natural production in agriculture and the use of adequate methods of income imputation. For the analysis of poverty, Poland adopts a general measure of the material condition based on both income and expenditure. We agree with the opinion that it would be worthwhile to work out, in relation to the Laeken indicators, a wider set of indicators for the monitoring of poverty and social exclusion. This should be done using the appropriate methodology, but also taking into account significant socioeconomic and cultural differences between countries.

Slovenia

In Slovenia, Eurostat recommendations are used for the calculation at risk of poverty rate (60 % of median equivalent income). Measuring of income in kind, especially income of owner-occupied dwellings, is problematic.

Switzerland:

The different dimensions of poverty should be taken into account for the analysis and understanding of this phenomenon: living conditions (financial situation, housing, employment, social security, education, social origin, subjective feeling of well-being, health), social exclusion, cumulating problems, deprivation. There is no universally accepted standard measure of poverty. Several definitions and approaches coexist. In these conditions, **it is reasonable to use a multidimensional set of indicators instead of relying only on monetary indicators.**

LABOUR STATISTICS

Summary

Countries support the proposal that, among the many issues in labour statistics, priority should be placed on measurement of working hours. Australia and Canada are ready to work on the supplementary questions that could be added to the Labour Force Survey to measure the actual hours worked. It is considered important to take into account the work done by ILO and the Paris Group on revising the international standards on statistics of working time, and that some countries use business surveys to obtain data on working hours.

The measurement of labour migration (legal and illegal, as well as international and domestic) is also considered to be a priority.

Countries' comments

Australia:

Consumer Prices. The report from ILO notes that the work on the Consumer Price Index Manual is an example of good coordination among international and regional agencies. This is largely true and the final outcome was good but this work was not without problems. Early drafts of the revised Manual were too theoretical and there was some reluctance to change this until the UN Statistical Commission expressed their concern. Developing countries also felt somewhat disenfranchised from the process in the early stages even though they were the

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main target audience.

Labour Statistics. We support the proposed actions by the Bureau, particularly the priority given to measurement of working hours. We would be prepared to work with international collaboration and pilot the addition of supplementary questions to the labour force survey.

Canada:

Comment on paragraph 32: "Activities in the field of collection, processing and estimation of data on legal and illegal foreign workers should be developed".

The addition of LFS immigrant questions (January 2005) will represent a significant improvement in this direction, and will provide a better understanding of the role that legal foreign workers play in the Canadian economy. Estimating illegal foreign work is not an issue or priority at the moment.

Interprovincial labour migration would be an interesting topic to have a better grasp of.

Right now, we hear anecdotal reports of migration from Newfoundland to Alberta, and we are able to confirm the motives of migratory patterns with the Census every five years. I suppose SLID could provide some insight on this as well.

Also related to this, the need for immigration labour statistics is, in part, motivated by the need to understand how to help disadvantaged groups integrate into the labour market. This is also the rationale for statistics on Aboriginal people.

Comments on paragraph 33: "Canada would be ready to participate in work coordinated between Eurostat, the US and the OECD. A practical way forward would be to identify a minimal number of supplementary questions in the Labour Force Survey that could provide a reasonable approximation of a common definition of "hours actually worked".

As you are aware, we already have a suite of questions that identifies actual hours worked, and so I suppose that this statement is referring to alternative measures of working time? If so, we would definitely be willing to participate in discussions to develop a new set of questions that could be used to measure some other concept of working time, or a common international definition of work time.

Czech Republic:

As to "Action proposed/decided by the Bureau": we recommend that, besides the proposed "hours actually worked", attention should be paid especially to work on an integrated system of migration statistics (at least European) and, in general, capture of free movement of persons (see point 32), because a timely information exchange on migration has a substantial influence also on the quality of other statistics resulting from population (LFS, SILC, and others).

Germany:

All mentioned aspects regarding definition of working time, unpaid family workers, social dialogue, job vacancy statistics and labour migration (legal and illegal foreign workers) are of great interest in Germany. Priority should be given - from our point of view - to the measurement of working time (Paris Group could play a major role) and the improvement of measuring labour migration (particular illegal work).

Norway:

Statistics Norway strongly supports the view of the Bureau that statistics on working hours should be given the highest priority for the next years. This should cover both definition of concepts and exchange of experiences on how to measure these concepts. We would also, in this field of statistics, like to stress the point from ISTAT on integration of data from different sources. Integration of data sources is a way to reach full coverage, good quality, consistency between figures on volumes and values but also to keep the response burden as low as possible.

Poland:

Since 2003 in the LFS, unpaid family workers, which did not work in the reference week due to illness, bad weather etc., have been included in employed persons who had a job but did not perform work – according to Eurostat's requirements, which differ from the ILO definition. The ILO approach was applied in the Polish LFS to 2002 inclusive, but we had to conform to EU recommendations. ("Unpaid family workers not at work are not considered as being temporarily absent from work and should not be classified as employed" - the quotation from the manual ILO: Surveys of economically active population, employment, unemployment and underemployment. An ILO manual concepts and methods, ILO, Geneva, 1992, page. 78).

The problem of the discrepancy is not a matter of maladjustment of the national statistics due to differences between international organizations in the approach to the definition. Our problem was the choice of which approach to adapt - Eurostat or ILO.

Within the framework of the integration of statistical sources on the labour market, the great emphasis is placed on improving information on:

hours worked - the proposal concerns collection of data on hours worked by enterprise surveys and hours worked by self-employed within the framework of household surveys (LFS). At present, in Poland the information is available on hours worked on the basis of enterprises survey (Report on employment, wages and salaries and hours worked).
Furthermore, on the basis of LFS, we have data on hours usually worked and hours actually worked in the reference week for all employed persons by professional status. But we are against the expansion of LFS, because the large range of questions (long form) as well as their detailed rank, can increase the number of refusals. Furthermore, the Polish LFS is a voluntary survey and we do not have a sufficiently large budget for the enlargement of the

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sample. Simultaneously, we propose considering the possibility of conducting an ad-hoc module (to the LFS) on hours worked, which should cover only the employed persons. The collection of detailed information about employed persons from companies is different from the information received from individual respondents.

• *job vacancies*- since January 2005 the CSO has implemented the quarterly survey of the demand on labour in entities employing more than 9 persons.

Slovenia:

We agree with the proposed issues in labour statistics, mentioned in the Rapporteur's reports in annex. Among many issues in labour statistics, Slovenia agrees that **priority should be placed on measurement of working hours** and updating the ILO resolution on working time (1962). As well as their importance in labour statistics, the data on hours worked are also important in national accounts for measuring productivity. Other issues mentioned, such as regular collection on job vacancy, the development on international guidelines on measuring on union membership and social dialogue statistics and collection on reliable data on legal and illegal foreign workers, are important for Slovenia.

Sweden:

A growing interest concerning the ageing workforce in the developed countries is emerging. This could be an area for international statistical development work.

Switzerland:

In general, we support the proposed actions to focus on measurement of working hours. However, the discussion at the CES plenary session should take into account the work that is currently done by the Paris Group and ILO on the new resolution on working hours. The work will have to be finalised soon so that the new resolution can be conisdered at the International Conference on Labor Statistics in 2008. On the other hand, we should not forget that several countries use business surveys and not the LFS for calculating working hours. The new resolution will leave open the choice of data sources (household of business surveys).

TRANSPORT STATISTICS

Note: The comments on the revision of the classification systems used in transport statistics are provided in document CES/2005/WP. 6.

Summary

The countries support the proposed actions to improve the timeliness and actuality of the Annual Bulletin of Transport Statistics (ABTS), to review its contents and consider new ways for its dissemination (Internet and CD). There is also support for identifying best practices in compiling statistics on the volume of road traffic performance and in mobility surveys on traffic habits of persons, and to include statistics on air and maritime transport in the work programme of the UNECE Working Partv 6.

Countries' comments

Canada:

Below is highlighted one area of transport statistics and an "action proposed" from the CES document where Canada has a good example of a new and valuable survey that may be of

interest to the CES.

Since 2000, Canada has had a new measure of "personal mobility and individual passenger transport" with the Canadian Vehicle Survey. The Canadian Vehicle Survey (CVS) provides quarterly and annual estimates of the amount of road vehicle activity by vehicle-kilometres and passenger-kilometres. Road vehicles dominate passenger travel and freight traffic (about 90% of all travel in Canada is by road). The in-scope vehicles for the CVS include all motor vehicles except motorcycles, off-road vehicles (e.g., snowmobiles, dune buggies, amphibious vehicles) and special equipment (e.g. cranes, street cleaners, snowplows and backhoes) registered in Canada anytime during the survey reference period that have not been scrapped or salvaged. In 2003, this amounted to 18.2 million vehicles.

The population of interest consists of vehicle-days composed from the in-scope vehicles and the days within the survey reference period. The vehicles sampled for the survey are randomly selected from all registered on-road vehicles in Canada and includes cars, vans, trucks, buses, etc. Respondents are telephoned using the Computer Assisted Telephone Interview (CATI) and asked questions related to the selected vehicle and their usage of that vehicle. If the respondent agrees to complete a trip log, personal information such as name and address are verified in order to mail out a seven-day trip log for the vehicle. If the respondent cannot be contacted by phone, a trip log with a short supplement (to collect some of the information normally collected during the interview) is mailed out.

There are three types of logs depending on the type of vehicle: a light log (for passenger vehicles), a bus log, and a truck log for vehicles weighing more than 4,500 kg. In all cases, the respondents are requested to record all the trips made in the selected vehicle over a specified seven-day period.

Both vehicle-kilometre and passenger-kilometre estimates are available by type of vehicle and:

type of fuel; day of week; time of day; driver age group; sex of driver; road type ("roads with posted maximum speeds of 80 km/h or more" and "other roads"); trip purpose;

The annual publication is available free of charge on the Statistics Canada website at http://www.statcan.ca/english/freepub/53-223-XIE/free.htm An example of the kind of analytical work that is possible with these data can be found in the study "Driving characteristics of the young and aging population", which also is available free of charge on the Statistics Canada website at http://www.statcan.ca/cgi-bin/downpub/listpub.cgi?catno=53F0007XIE http://www.statcan.ca/cgi-bin/downpub/listpub_g.cgi?catno=53F0007XIE http://www.statcan.ca/cgi-bin/downpub/listpub_g.cgi?catno=53F0007XIE http://www.statcan.ca/cgi-bin/downpub/listpub_g.cgi?catno=53F0007XIF http://www.statcan.ca/cgi-bin/downpub/listpub_g.cgi?catno=53F0007XIF http://www.statcan.ca/cgi-bin/downpub/listpub_g.cgi?catno=53F0007XIF http://www.statcan.ca/cgi-bin/downpub/listpub_g.cgi?catno=53F0007XIF http://www.statcan.ca/cgi-bin/downpub/listpub_g.cgi?catno=53F0007XIF http://www.statcan.ca/cgi-bin/downpub/listpub_g.cgi?catno=53F0007XIF http://www.statcan.ca/cgi-bin/downpub/listpub_g.cgi?catno=53F0007XIF CES/2005/WP.5 page 12

this area) regularly participate in the meetings of the UNECE WP.6 working group as well as ad hoc groups (surveys on road and rail transport, harmonization of definitions of public urban transport) and thus we are kept informed about the development in all the areas mentioned and we submit our comments continuously.

Germany:

Regarding the issues that should be brought to the attention of the conference, we support the proposed action to improve timeliness and actuality of the Annual Bulletin of Transport Statistics (ABTS) as well as considering new ways of dissemination.

Norway:

Statistics Norway shares the views in the document concerning future data needs. However, information about development in transport markets, especially O/D-data and data on intermodal transport, will require a huge amount of data that, to some extent, have to be collected by questionnaires. The response burden will be large and the data processing expensive. These aspects have to be taken into account when new statistics and improvements are discussed.

If the Annual Bulletin of Transport Statistics (ABTS) proves to be an important source of transport information in the future, it is necessary to review the content and to make use of new dissemination means. As pointed out in the document, timeliness has to be improved in order to increase the usefulness of the ABTS for the users.

Methodological studies concerning the estimation of vehicle kilometers in different countries could be very useful, since this is an important transport measure and the national practices are very different.

We support that the scope of the WP.6 is extended to include statistics on air and maritime transport.

Poland:

We are in favour of the opinions presented in the document. In our opinion, the basic actual and future data needs can be summarized as follows:

- development of the methodology and starting daily mobility surveys on traffic habits of persons;
- development and improvement of transport statistics surveys in order to limit respondent burden by using both administrative sources of information and sample surveys in a wider scope.

Switzerland:

We agree with the assessment made by the Rapporteur about the current state of transport statistics and the proposals to improve the situation.

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