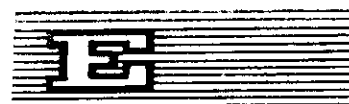




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TENTATIVE PROPOSALS FOR THE 1983 WORLD PROGRAMME OF INDUSTRIAL STATISTICS

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Tentative proposals for the 1983 World Programme of Industrial Statistics

Introduction

1. The Statistical Commission has proposed that the subject of the 1983 World Programme of Industrial Statistics be included in the Agenda for its twentieth session.
2. It is anticipated that a document will be prepared by the United Nations Statistical Office for submission to the Statistical Commission's review with a set of tentative proposals for the programme. The proposals would also summarize the suggestions so far received from the regions and individual countries regarding the scope, coverage and content of the 1983 Programme on the basis of the needs for data on industry and the national experience of similar programmes in the past.
3. The 1983 World Programme of Industrial Statistics will be the third programme of its kind sponsored by the United Nations Statistical Commission. It will follow similar programmes sponsored by the Commission for the years 1963 and 1973, in which a number of African countries participated.
4. As an essential part of an integrated system of national industrial statistics, bench-mark inquiries at ten-year intervals have been recommended by the Statistical Commission as an appropriate minimum. In order to encourage the development and functioning of such an integrated system, the Commission sponsored the 1963 and 1973 programmes and is expected to do the same with the 1983 programme. A second function of the 1983 programme will be as in the past, to guide and co-ordinate national activity in industrial census-taking with a view to improving the international comparability of the available statistical data on industry.

Purpose of this document

5. The purpose of this paper is two-fold. First, to seek the support for the 1983 World Programme of Industrial Statistics of the participants at the tenth session of the Conference of African Statisticians. Second, to ascertain in advance the views of the Conference on such topics as the scope, coverage, statistical unit, classification, and items of data to be gathered, both on the basis of what is desirable and feasible as well as on the basis of the experience with the 1963 and 1973 Programmes.
6. It would be premature, at this time, to delineate in detail the proposals for the 1983 programme. As mentioned earlier, a first draft version of the recommendations will be prepared for presentation to the twentieth session of the Statistical Commission. It is hoped that between the 20th and 21st sessions, a revised draft will be prepared incorporating the views of the Commission at its twentieth session and distributed to countries, Regional Commissions and interested international organizations. Regional working groups will be convened to discuss the proposals and the results of the 1973 Programme would also be available to provide additional material for preparation of the draft proposals which will be submitted for approval to the 21st session of the Commission.
7. In the meantime, the tenth session of the Conference of African Statisticians may like to examine the directions in which the various topics will be treated in the paper and the most salient features which are expected to be included. The Conference may wish not only to comment but to suggest shifts in priorities or emphasis on these aspects as well as to indicate new avenues that should be explored in order to ensure the successful implementation of the 1983 Programme.

Character of the 1983 Programme

8. A. Scope. The programme proposed for 1973 comprised the "industrial" sector (mining, manufacturing and the production and distribution of electricity, gas and water). The restriction to the industrial sector was not intended to imply that the scope might not be extended to other sectors of the economy, and some countries did in fact include construction and/or distributive trades. However, it was considered that "the additional effort is so great and the strain on available resources likely to be so pronounced that a more comprehensive programme of this kind cannot be recommended for general implementation in the same year" 1/.

9. To some extent the situation described in connexion with the 1973 Programme is likely to remain unchanged for the 1983 Programme. However, for a number of developing countries which are just at the beginning of their industrialization process, the border line that separates industry from distributive trades is sometimes very difficult to distinguish in practice. For these countries, it is not a problem of the additional effort and resources required to enlarge the scope of the inquiry, it is the practical difficulty of isolating one sector from the other when overlapping is extensive.

10. Other countries, both developed and developing, have found more advantageous the combined approach, that is, the "economic" census approach in defining the scope of their inquiries, particularly including industry and distributive trades.

11. It may be possible to argue in favour of either of the two approaches, that is, to keep the scope of the programme restricted to the industrial sector or to expand the scope of the programme at least by including distributive trades.

12. Perhaps the solution may be similar to the one adopted in the 1963 programme regarding construction, i.e., the optional inclusion. It may be possible, therefore, that a number of countries would support the recommendation that the scope of the 1983 Programme include mining, manufacturing and the production and distribution of electricity, gas and water. In addition, the recommendations would provide for the optional inclusion of wholesale trade, retail trade and services.

13. B. Statistical unit. It is not expected that the recommended statistical unit for the 1963 and 1973 programmes, that is, the establishment-type unit, should be modified for the 1983 programme.

14. What is anticipated, however, is that the importance of the enterprise will be stressed, not to replace but to supplement the establishment, in particular as a reporting unit for the gathering of data regarding financial or other transactions which are not usually found in establishment records.

15. The links between establishments and their parent enterprises for purposes of the Industrial Register and the need to better understand the economic organization of the industrial sector may also receive additional attention.

1/ Recommendations for the 1973 World Programme of Industrial Statistics, Part I, General Statistical Objectives, para. 19. United Nations publication, Sales No. E.71.XVII.13.

16. C. Coverage. As with the 1973 Programme, no restrictions should be placed, in principle, on the coverage of the inquiries for the 1983 Programme, either in terms of the size of the establishment or in terms of other characteristics.

17. Although complete coverage will continue to be the goal of the inquiries, a cut-off size limit for international comparability will be established for those countries not extending their estimates to full coverage. For the 1973 Programme the proposed cut-off was defined in terms of a coverage limited to establishments with five or more persons engaged. It is expected that a similar cut-off size limit will also be recommended for the 1983 World Programme.

18. It is particularly important, however, that before establishing the coverage of the inquiries for the 1983 World Programme, enough information be available in order to ascertain the actual coverage attained by countries in the 1973 Programme. A number of countries attempting the "full" coverage recommended, included establishments below the cut-off size limit and attempted to cover artisan industries and handicrafts or attempted to devise means to cover industrial activities in households. This experience will be valuable in defining the cut-off size limit for international comparability and in understanding the weight of the industrial activity which is usually excluded from the coverage of the inquiries. Equally important, the experience will help to improve methods and procedures to deal with these problems in those countries that for the first time will be considering the expansion of the coverage of their inquiries.

19. D. Classification by industry. Uniformity in the industrial classification used will continue to be essential for international comparability. The 1968 version of ISIC (or, if available by then, the 1978 version of ISIC) will be recommended to countries for the 1983 World Programme of Industrial Statistics.

20. In addition, the indexes to the International Standard Industrial Classification will also be available, as well as commodity classifications developed along the lines of ICGS 2/. Should countries confirm their interest, an updated version of the list of selected products and materials for which production and consumption data should be compiled, similar to the one developed in connexion with the 1973 Programme 3/, will also be prepared.

21. E. Reference period. For purposes of the World Programme, 1983 will be recommended as the reference period. So, in principle, the comprehensive information to be compiled on industrial activity should relate to the calendar year 1983 or a year as close to 1983 as possible. Where information in a country is normally compiled on a fiscal-year basis, other than calendar years, some method of estimation may be required for international comparisons.

22. F. Items of data and definitions. The definitions of the items of data for the 1973 Programme were extracted from the International Recommendations 4/. These recommendations are now under review and an updated version is expected to be issued

2/ "International Standard Classification of All Goods and Services" (ICGS), Doc. E/CN.3/493, United Nations.

3/ Recommendations for the 1973 World Programme of Industrial Statistics, Part II. List of Selected Products and Materials, United Nations publication

4/ International Recommendations for Industrial Statistics, United Nations publication, Sales No. E.68.XVII.10.

before the 1983 Programme. The new version will attempt to develop more fully the relationship between the industrial statistics programme and the national accounts system.

23. In the following paragraphs, the most salient changes that are expected to take place in the standards which, in turn, will be reflected in the 1983 Programme are summarized.

24. The valuation in respect of indirect taxes and subsidies is receiving particular attention as the introduction of the value added tax system in many countries requires a special approach. The concepts of output and intermediate consumption will be fully defined to draw a clear distinction between industrial and non-industrial services. The treatment of goods to be shipped in the same condition as received is being re-examined.

25. Gross fixed capital formation requires special consideration at the establishment level as the question of distinguishing used assets appears to create problems. It might be useful to attempt to collect information on the amount of investment expenditure for environment protection, as well as the amount for social amenities.

26. The employment concepts are being reviewed in respect of the treatment of homeworkers and the definition of operatives. Compensation of employees poses a particular problem in establishing a practicable definition to delineate the boundary between labour cost as compensation of employees and labour cost as intermediate consumption. Also, the distinction between wages and salaries and supplements to wages and salaries may require redefining.

27. The updated recommendations will be presented in one version only, rather than as separate recommendations for developed and for developing countries. As most countries have now had some experience in building up a system, it appears preferable to describe a set of objectives which should remain the goal of all countries, regardless of the extent to which each one individually is able to achieve it. However, priorities will be set out to designate minimum requirements, which will probably constitute the entire programme for most developing countries.

The experience with the 1973 Programme

28. In 1976 the Statistical Office prepared and sent a questionnaire to all countries requesting the provision of the results from the 1973 World Programme of Industrial Statistics, in order to comply with the directive from the Statistical Commission that the full results of the programme should be published before the end of 1978.

29. An equally important objective in mind was to study the degree to which countries followed the internationally recommended standards and to use this experience as an element for the preparation of the new programme for 1983.

30. At the time of preparing this document, only three African countries (Egypt, Madagascar and Zambia) have returned the questionnaire. However, the returns submitted in the questionnaire tables are limited to the establishments covered in the annual surveys only, which are already collected by the Statistical Office and published in the Yearbook of Industrial Statistics. No census results therefore, have been provided. It may be possible that for some countries which participated in the 1973 Programme and conducted a bench-mark comprehensive-type survey, the results are still not available.

31. The Conference of African Statisticians may like to examine the reasons for the lack of participation of countries in the 1973 Programme and for those countries which did participate but the results have not been published, the reasons for the delay.

Reflexions on the 1983 Programme

32. It is obvious that the available results from the inquiries conducted as part of the 1973 Programme are far from encouraging in respect of the African countries. It seems that a large number of countries limited their participation to the current surveys with little or no difference in scope and coverage. In others, lack of resources prevented National Statistical Offices from organizing and conducting a comprehensive survey along the lines recommended by the United Nations Statistical Commission. It may also be possible that for some countries census activity has to be concentrated in areas with higher priority, such as population and agriculture.

33. Whatever the reasons, country participation in the 1973 Programme was rather poor and two basic questions seem to be proper: do we really need another World Programme of Industrial Statistics? And if so, what are the steps that should be taken to ensure a wider and more successful participation?

34. In the final analysis, the answers to the first question are up to the countries themselves. However, it may be possible to say that precisely because of the poor participation in the 1973 Programme, national participation in the forthcoming 1983 Programme is even more necessary and that the Programme must be carried out. It is a fact that more and more countries are currently conducting annual industrial surveys and that the amount and quality of the data compiled are being expanded and improved. Be that as it may, a bench-mark-type of comprehensive inquiry, at least every ten years, is essential to update and improve the system of current surveys.

35. The answer to the second question depends to a large extent on the national experience with the 1973 Programme and the resources, both national and international, that it will be possible to mobilize to help countries to overcome the problems encountered in the previous Programme.

36. Without being exhaustive, the foundations for a successful industrial census operation could be summarized in five main areas: (1) available methodology; (2) staff training; (3) field operations capability; (4) data processing capability and (5) others.

37. A. Available methodology. It is anticipated that a set of documents, similar to the one recommended for the 1973 Programme, will be available for the 1983 Programme. The purposes of these documents will be to describe the "what" (the character and content of the programme developed from the international recommendations) as well as the "how" (the practical aspects of undertaking the inquiry, from the planning phase to the publication and evaluation of results). In addition, the national experience in the organization and conduct of current industrial surveys will also be available. It is hoped that regional seminars will be organized to discuss the final proposals for the world programme and their adaptation to the regional conditions.

38. B. Staff training. Two types of training will usually be required for the staff in a typical Statistical Office of a developing country in connexion with the census operation. First, an extensive training to prepare field enumerators, supervisors and processing personnel at the low and medium level, which is usually done in the country. Second, training of the staff at the higher level who will be responsible for the actual organization and conduct of the inquiry. Depending on the national circumstances, facilities for this second type of training could be available within the country or at the regional or international level. In this connexion, countries should anticipate their needs for outside experts, training seminars, workshops and fellowships, so the interested regional and international organizations will hopefully be in a position to organize programmes and earmark some resources to help those countries which have indicated their requirements.

39. C. Field operations capability. Much of the success of the industrial census depends on the organization and efficient performance of the field operation. It is obvious that field operations for the industrial inquiry will depend on the field operation capability of the National Statistical Office, if organized and functioning on a permanent basis. For the industrial inquiry, as for any other major censal operation, the organization in the field has to be reinforced but the basic structure should preferably be functioning on a permanent basis. Therefore, this is an aspect that individual countries should be prepared to cope with.

40. D. Data processing capability. More and more, countries are relying for their data processing operations on electronic computers. It is expected that for a large number of countries, the hardware will be available for the processing of the 1983 Programme. However, limited technical assistance may be required to help in the developing of the systems and programmes that will be required. Availability of inter-regional or regional advisers on data processing should be secured if countries consider that such assistance would be necessary. In addition, through the regular UN channels or bilateral assistance, fellowships may also be available for selected candidates who can benefit from specialized training in data processing abroad. A promising feature in this connexion is the possibility of developing a "package" of computer programmes for processing the industrial census results that can be installed in the countries' computer facilities.

41. E. Others. There are a number of other aspects that countries should consider before committing themselves to the programme. As any other census, the industrial inquiry proposed for 1983 is a large scale operation that requires a substantial effort. Technical and material facilities should be available during planning and execution of the inquiry. Technical expertise to solve problems of sampling design, classification, analysis etc., managerial and administrative capacity to deal with personnel and budget as well as material facilities such as office and transport equipment, data processing and printing and publishing are among the facilities that must be available. Countries are requested to carefully evaluate their requirements and explore well in advance the possibilities of outside assistance to supplement what is available within. A concerted petition from a number of countries would undoubtedly force interested international organizations to find adequate solutions at the regional or international levels to satisfy country needs in order to implement the 1983 Programme.

Action by the Conference of African Statisticians

42. The Conference may wish:

- (1) to discuss the directions in which the proposals for the 1983 World Programme of Industrial Statistics are being prepared;
- (2) to indicate its views regarding possible technical assistance needs of African countries in connexion with the 1983 Programme and the forms and ways this assistance should take;
- (3) to request the fullest co-operation of statistical offices of African countries in the provision of information regarding national experiences with industrial inquiries to the United Nations Statistical Office and the Economic Commission for Africa;
- (4) to endorse the proposals for a 1983 World Programme of Industrial Statistics.