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Focus on Statistics

Heads of national and international statistical organizations came together in Geneva last week (11-13 June) for the annual Conference of European Statisticians (CES). Due to its leadership role in international official statistics, the CES attracts participation from countries outside the UNECE region, including Australia, Brazil, Chile, Japan, Mexico, New Zealand and the Republic of Korea.

Traditionally, two one-day seminars are held each year. In 2007 the topics considered were:

- improving the efficiency and productivity of statistical offices, and
- measuring capital – beyond the traditional measures.

Improving the efficiency and productivity of statistical offices

Statisticians pay close attention to measuring the efficiency and productivity of the economy, but it is not so clear how to measure efficiency of the statistical offices. The first seminar explored measuring effectiveness of statistical programmes. This involves questioning whether user needs for high-quality statistics are met, and what is achieved through use of statistical information.

Concrete examples were shared on improving the efficiency of statistical production, including linking administrative sources, standardizing corporate IT, and redesigning business processes. Efficiency should take into account the costs borne by respondents. Use of existing administrative data is a promising way to reduce respondent burden. However some approaches, such as register-based censuses, are only possible in countries where high-quality registers exist and there is a positive public perception of their use for statistics. Different definitions, problems with data availability and quality, and lack of control over the changes in registers pose considerable challenges for statisticians. Linking different administrative data sources can provide efficiency gains, but introduces a high level of risk due to related privacy issues.

UNECE helps member countries in preparing the next round of population and housing censuses

After the adoption by the Conference of European Statisticians (CES) of the new recommendations for the 2010 round of censuses, the UNECE is now promoting – jointly with Eurostat – various activities to help member countries in implementing the recommendations and preparing for the next census. Three meetings were organized in the week 4-8 June in Astana, hosted by the Agency on Statistics of Kazakhstan.

census technology, and outsourcing of census operations.

A *UNECE Training Workshop on Census Technology for SPECA and CIS member countries* was the third in a series on censuses organized by UNECE in Central Asia. The topics included management of census technology (including cost-benefit analysis and risk management), the use of mapping and Geographic Information Systems for censuses, technologies for processing and disseminating census data.

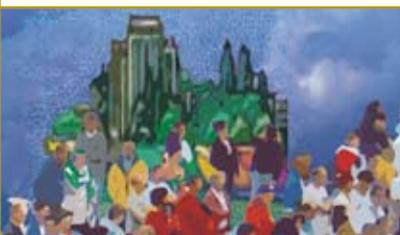
The *UNECE-Eurostat Expert Group Meeting on the Implementation of the CES Census Recommendations for Register-Based Censuses* allowed experts from countries that plan to use registers to produce census data to discuss implementation of the CES Census Recommendations, with regard in particular to topics that could be challenging for countries using this methodological approach.

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How to measure intangible capital?

Conventional notions of capital have become too narrow as economies become increasingly driven by intangible capital, such as innovation, scientific research and information technology. The terms “human” and “social” capital are used more and more frequently when analysing drivers for economic growth. However, for statisticians it is a big challenge to identify and measure the intangible forms of capital in a meaningful way. The second seminar during the CES meeting discussed how these supplementary forms of capital can be captured by official statistics.

Professor Bart van Ark (University of Groningen) gave a keynote speech focusing on innovation, intangibles and economic growth – how to account for the knowledge economy. While the impact of innovation is evident and widely supported in academic literature, it has proved surprisingly hard to develop an overall measure of its macroeconomic impact. The CES also considered the measurement of intangibles in the context of the capital boundaries in the revision of the system of National Accounts (SNA 93). The difficulties relate to how to measure the input and investment of knowledge, the improvement in product quality, depreciation of intangible



The *UNECE-Eurostat Meeting on Population and Housing Censuses* provided experts from all UNECE countries with an opportunity to exchange experiences in areas such as census planning and management,



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continued

assets, etc. Official statistics consider precision of the utmost importance, but it can be better to give an imprecise answer to the right question, than a precise answer to an obsolete one. Making rough estimates may mislead the users, but making no estimates at all may damage the macroeconomic quality of the accounts. If these forms of capital are not measured, a large share of economic growth will remain unexplained.

Professor Nordhaus (Yale University) gave a second keynote speech considering the issues in non-market accounting, based on an example of pollution accounting. He analysed how environmental effects of economic production can be quantified in terms of statistics, and suggested possible treatments of pollution effects, global warming and future externalities.

The seminar also discussed how official statistics could measure human and social capital. These forms of capital are relevant not only from the viewpoint of their economic impact, but also in the context of sustainable development, population ageing, and social cohesion.

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Human and social capital

Human capital is defined as the productive capacity of individuals related to knowledge, skills, and health. Its measurement is often based on the costs and expected value of investment in education. However, it is questionable whether future earnings can be equated with formal education. Some statistical offices are making experimental calculations and establishing simulation databases to create models that allow analysis of the impact of possible policy interventions on human capital. Statisticians are in the early stages of work in this area and are trying to reach a commonality of views on why and how to measure human capital.

The development of the concept of social capital is still in its initial phase. However, while social capital is a difficult concept, it has a great potential for policymakers and society as a whole. There are several definitions of social capital,

usually including dimensions such as networks, shared norms and values, cohesion and trust among groups. Social capital is also considered relevant in the sustainable development framework, where it is often regarded in a wider perspective, including the dimensions of governance and institutional effectiveness. Its definition is strongly linked with cultural context and can differ between countries. Regardless of the absence of an agreed definition, social capital can be an important concept to analyse the societal well-being, quality of life, and social policies, (e.g. housing and community policies, social cohesion, etc.). It is currently used mostly at local level to understand strengths and weaknesses of communities.

The CES agreed that both the human and social capital concepts are promising and more work needs to be done to reach a common definition, understanding and approaches to measurement.

For more information refer to <http://www.unece.org/stats/documents/2007.06.ces.htm>, or contact Lidia Bratanova (lidia.bratanova@unece.org).

Facts and figures

The death toll from transport accidents is high in the Eastern UNECE region

Traffic accidents constitute a significant cause of death. According to the statistics, over 50,000 people were killed in transport accidents in 2005 in the EU area alone. It is worth noting that the death rates were often markedly higher in the new EU member countries (with Lithuania as an extreme case). In fact, the chart attests that the death toll from traffic accidents is in general higher in the eastern countries of the UNECE region. For instance, in Kazakhstan and the Russian Federation about 26 people per 100,000 inhabitants died in traffic accidents in 2005, and the number was close to 20 in Ukraine.

The incidence of death in traffic accidents varies also according to gender with higher rates across the board for men than for women. In our sample of countries, this proportion varies from nearly 6 : 1 in Cyprus to 2.5 : 1 in Ireland.

Source: World Health Organization, European health for all database. (HFA-DB).

Note: Data refer to standardized death rate from transport accidents (on the basis of the actual crude death rates and standard European population structure).

* Data refer to 2004

Death in transport accidents, 2005 (per 100,000 inhabitants)

