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REPORT ON STATISTICAL ASPECTS OF THE INTERNATIONAL DEFINITION AND
MEASUREMENT OF LEVELS OF LIVING

(Memorandum prepared by the Secretary-General, in collaboration
with the Food and Agriculture Organization, International Labour
Organisation, United Nations Educational, Scientific and Cultural
Organization and World Health Organization)

I. OVER-ALL ASPECTS

1. At its ninth session the Statistical Commission considered the comments made by Member Governments and the specialized agencies, noted the ECOSCC resolution 585 B (XX) regarding the Report on International Definition and Measurement of Standards and Levels of Living^{1/} and adopted the following resolution (resolution 21 (IX)):

"The Statistical Commission,

Recognizing the increasing importance of information on levels or conditions of living for national economic and social development,

Recommends:

1. That the Secretary-General pursue and intensify, in collaboration with the specialized agencies, studies on concepts, definitions and standards for the measurement of levels or conditions of living with a view to facilitating the exchange of information and promoting comparability in this field;

2. That the Secretary-General review the list of indicators after completion of the second report on the World Social Situation and re-evaluate the list as to its suitability for regional or broader international comparisons of conditions of living; and that the Secretary-General bring

^{1/} E/CN.3/179 - E/CN.5/299.

/...

his conclusions to the attention of the Statistical Commission and to the attention of the Social Commission." 2/

2. Since the "indicators" of levels of living cannot be interpreted without reference to statistics describing the demographic, economic and social conditions in general, all the statistical work of the United Nations and the specialized agencies is directly or indirectly relevant to the measurement of levels of living. This report deals only with those activities which are considered to be more specifically related to the selection or interpretation of "indicators", or to the description of "components" of the levels of living, as they were described by the Committee of Experts. At the United Nations, studies of an over-all nature have been undertaken with a view to determining in more specific terms the significance and use of the indicators "to evaluate the character, magnitude and degree of urgency of the problems..."^{3/} and the statistics which would be desirable for regional or broader international comparisons of conditions of living. As reported below, the United Nations and the specialized agencies have carried out activities intended to develop or improve statistical tools for the description and measurement of the "components" of levels of living in their respective fields of competence.

3. At its eleventh session the Social Commission considered a Report on a Co-ordinated Policy Regarding Family Levels of Living (E/CN.5/321) prepared by a Group of Experts convened under the joint sponsorship of the United Nations and the International Labour Organisation, in co-operation with the World Health Organization, the Food and Agriculture Organization of the United Nations, and the United Nations Educational, Scientific and Cultural Organization. Although the report deals with the improvement of family levels of living rather than with their measurement it is mentioned here because it sets out basic principles regarding the formulation of social policies and discusses, in general terms, the uses and need of statistics for such purposes. The Commission "... agreed that the report represented a major step forward, and that it should be the basis of further and more intensive study and research aimed at the development of principles that would be of use to Governments in devising co-ordinated policy for improving family levels of living."^{4/}

2/ E/2876, para. 143.

3/ E/2876, para. 134.

4/ E/3008, para. 13.

4. The preparation of the Report on the World Social Situation^{5/} has given more emphasis to the need for better basic statistical information and for a more precise determination of the data needed for evaluating changes and making regional or broader comparisons of levels of living. It may be recalled that the Committee of Experts who prepared the Report on International Definition and Measurement of Standards and Levels of Living were limited in their choice of indicators to those which could be obtained for many countries within a relatively short period. The United Nations is making studies, in collaboration with the specialized agencies, to determine the statistics most suitable for internationally meaningful studies of levels and changes in levels of living. A synthesis of the preliminary results of such studies and an indication of further work needed is contained in item IV B "Compendium of Social Statistics, 1963" and Annex I of the International Programme of Social Statistics (E/CN.3/239). The attempts made to determine the contents of the Compendium have revealed some inconsistencies between international statistical standards and practices and some of the recommendations made by the Committee of Experts, as well as the urgent need for methodological studies on how to take sample surveys and the development of uniform principles for the compilation of statistics of households and families, housing, social security, under-employment, economic status and dependency, social defence, income and so forth. It must be noted that the Compendium covers statistics which may be required from an international point of view which are, therefore, more limited in scope and detail than those needed at the national level for the formulation of national policies.

5. Special attention has been paid by the United Nations to the suggestion made by the Experts that "It would be highly desirable to work out a logical frame in which distinctions would be made between measurements of actual personal conditions of living and measurements of facilities or means to such ends; between measurements of individual or family conditions and environmental conditions; between measurements of determinants of levels of living and resultants; between measurements of material and non-material aspects of living."^{6/} A preliminary scrutiny of literature on the subject, and an exchange of views within the Secretariat, have revealed that although the establishment of such logical frame,

^{5/} E/CN.5/324/Rev.1, ST/SCA 33.

^{6/} E/CN.3/179, E/CN.5/299, para. 158.

or frames, seems possible from a theoretical point of view the practical usefulness of such conceptual differentiations and relationships to Governments has not yet been satisfactorily established. It may be more feasible as a first step to establish such logical frames for each component separately and this possibility was taken into account in drawing up item IV B of the International Programme of Social Statistics (E/CN.3/239).

6. In connexion with the request made by the Commission^{7/} that the question of replacing the concept of "levels of living" for "conditions of living" be examined, the views of FAO, ILO and WHO Secretariats on this matter are expressed below.

7. The Secretariat of the Food and Agriculture Organization of the United Nations has prepared the following statement:

"FAO has examined the suggestion whether the concept of 'levels of living' should be replaced by 'conditions of living'. FAO recognizes that while considerable progress has been made in devising appropriate indicators for some of the individual conditions of living, no satisfactory methods of measuring the levels of the several components constituting the totality of living are yet available. However, the mere fact that conditions of living might be more adequately measured than levels of living does not, in the opinion of FAO, constitute adequate justification for replacing 'levels of living' by 'conditions of living'. FAO feels that the concept of the levels of living is so important a concept in social and economic analysis that it should not be discarded or lost sight of in any attempt to devise measurements of living. The term 'conditions of living' for this reason does not, in the opinion of FAO, constitute an alternative term to 'levels of living'. While, therefore, recognizing that any approach to the measurement of the levels of living must be through the measurement of the individual conditions, FAO considers it important that the term 'levels of living' should continue to be recognized, though for statistical purposes measurement may refer to individual conditions or groups thereof.

"It will be recalled that the term 'levels of living' was adopted by the Committee of Experts on the definition and measurement of levels of living to replace the term 'standards of living' which was in the past, and is, even now, erroneously used by many people to refer to actual conditions of living. To make any further change so soon after the recommendation of the Committee of Experts would involve the danger of undoing what has already been achieved and introducing further confusion. For this reason also FAO does not prefer any change in terminology.

"There is, of course, a third term, 'level of living' (in the singular), referring to standards of living. The problem of measurement of the level of living is the problem of expressing by means of a single index the resultant of all the different elements or conditions affecting a person's living.

^{7/} E/2876, para. 133.

FAO agrees with the Expert Committee that no single index of the level of living can be devised to measure as a whole differences in living between countries. Should at any future date it appear feasible to devise such a measure, FAO would prefer to replace 'levels of living' by 'level of living' for the same reasons that it now prefers the use of the term 'levels of living' in place of 'conditions of living'."

8. The International Labour Office has expressed the view that "In the ILO, we have a mild preference for 'conditions of living', or even 'pattern of living'. These latter terms appear to describe more precisely what the components and indicators do - provide quantitative descriptions of the different aspects of living conditions. 'Levels of living' seems to imply comparison, while the alternative terms, although perhaps rather colourless, seem to us to suggest greater scientific objectivity".

9. The Secretariat of the World Health Organization has stated "that the expression 'levels of living', which has replaced the older term 'standards of living', should be retained and should not be superseded by 'conditions of living', which suggest a variety of factors bearing on the levels of living but not identical with them".

10. With reference to the question raised by the Commission it may be recalled that the Committee of Experts discussed terminology as follows: "The phrase 'standards of living'... may embody several different concepts which must be differentiated for purposes of analysis and measurement. Previous studies and investigations have resulted in distinguishing at least three separate concepts. The first relates to the actual living conditions of a people and is increasingly designated as 'level of living'. The second relates to the aspirations of a people, that is, the living conditions which they seek to attain or regain or which they regard as fitting and proper for themselves to enjoy; it is increasingly known in the literature as 'standard of living'. The third relates to desirable conditions of living as defined for specific purposes, such as the fixing of minimum wages or working hours, and arrived at by national or international convention or agreement. This third concept is often known as 'norm of living'."^{8/}

11. In view of the above it would seem that "conditions of living" and "levels of living" are not equivalent expressions although "actual conditions of living" and "levels of living" would be closely related. It seems that the expression "levels

^{8/} E/CN.3/179, E/CN.5/299, para. 3.

of living" has gained acceptance, as indicated by technical literature appearing after the publication of the United Nations report (E/CN.3/179 - E/CN.5/299) and that it may not be advisable to promote the use of a new expression which apparently has a wider meaning.

II. REPORT ON THE MEASUREMENT OF THE "LEVELS OF HEALTH"^{9/}

(Prepared by the Secretary-General)*

12. The Expert Committee on Health Statistics at the session held in December 1956 considered "Health indicators fitting with the United Nations study on definition and measurement of standards and levels of living (i.e. as measures of the component 'Health, including demographic conditions')". An extract of the relevant part of the report of that session is reproduced below.^{10/}

"At its 1956 session the Expert Committee on Health Statistics briefly reviewed the contributions made by previous Committees and Study Groups in regard to developing both comprehensive and specific indicators. It reiterated the opinion that the 'expectation of life at birth, at 1 year, or at any other age' was theoretically the best of them all, but that it is available for only a small number of countries and this also at infrequent intervals. The crude death rate may be the only indicator that can be obtained in some countries or cities but the Committee recognized that it is deeply influenced by the age composition of the population and as such could not validly be used except for comparisons over a short period of time within a country. The Expert Committee concluded that for the special purposes envisaged by the United Nations Committee the best comprehensive health indicator that has been suggested up to now is the Proportional Mortality Ratio.

"Therefore the Expert Committee on Health Statistics

"RECOMMENDS that the proportional mortality ratio, i.e. the percentage of deaths at ages 50 and over to total deaths be employed as a comprehensive health indicator on an experimental basis until its usefulness can be better judged in the light of experience gathered.

^{9/} "Levels of health" is used here to refer to the component described as "health, including demographic conditions" in the United Nations Report (E/CN.3/179-E/CN.5/299) in order to conform with the terminology used in more recent WHO documents (Wld. Hlth. Org. techn. Rep. Ser., 1957, 137). ^{10/} A progress report on demographic statistics, i.e. population and vital statistics, will be found in documents E/CN.3/249, E/CN.3/236, E/CN.3/237 and E/CN.3/238⁷.

^{10/} WHO/HS/89, pages 21 and 22.

* On the basis of information supplied by the WHO Secretariat.

"Referring to specific indicators, the Committee emphasized the value of infant mortality, and in particular late infant mortality (from 1 to 11 months) because it is less influenced by pre-natal and intra-natal causes of death. The Committee recognized however that such an indicator did not have the wide availability of the ordinary infant mortality rate. It also discussed the value of the death rate from communicable diseases (as defined in Section I of the Detailed List) ^{11/} but considered that because medical certification of causes of death is not available or reliable in many areas, its usefulness is rather limited for the purposes of measuring levels of living. Alternatively, the total death rate in the 1-4 age-group might be tried as a specific indicator where accuracy of age recording justifies its use.

"The Committee also took note of the work initiated by ILO and WHO on family living studies and family health surveys as a means of providing valuable data which in the future could be used for the local measurement of levels and trends of health."

13. The report of the meeting of a Study Group on the Measurement of Levels of Health convened by the World Health Organization in October 1955 was published under the title Measurement of Levels of Health, Report of a Study Group^{12/} in 1957.

14. The paper entitled "Proportional mortality of 50 years and over: a suggested indicator of the component 'health, including demographic conditions' in the measurement of levels of living" by S. Swaroop and K. Uemura is scheduled for publication in the Bulletin of WHO.

III. REPORT ON THE MEASUREMENT OF THE COMPONENT "FOOD AND NUTRITION"

(Prepared by the Secretariat of the Food and Agriculture
Organization of the United Nations)

15. Statistical work connected with the food and nutritional component of the levels of living was broadened in the period under review. Staff engaged on food consumption statistics was strengthened to facilitate work on the assembly and analysis of food consumption data from household and diet surveys. Such data, available from a number of countries, have been analysed, especially from the point of view of the relation between changes in income and changes in the consumption

^{11/} World Health Organization. Manual of International Statistical Classification of Diseases, Injuries and Causes of Death. Geneva. 1948.

^{12/} World Health Organization: Technical Report Series No. 137, Geneva, 1957, 29 p.

of food as a whole as well as in individual food products. The results of a first study were incorporated in Chapter III of the 1957 issue of FAO's "State of Food and Agriculture". At the same time, collection, analysis and publication of food balance sheet data was continued.

16. Some progress has been made towards establishing statistical standards of protein requirements from which the adequacy of actual levels of protein intake may be gauged. The possibility of arriving at more precise indicators in this field depends, however, upon further research. In the meantime, no change is suggested in the priority indicators recommended by FAO, i.e. (a) levels of calorie intake in relation to calorie requirements, and (b) level of animal protein intake.

IV. REPORT ON THE MEASUREMENT OF THE COMPONENT "EDUCATION, INCLUDING LITERACY AND SKILLS"

(Prepared by the Statistical Division of the United Nations
Educational, Scientific and Cultural Organization)

17. The major statistical activities of UNESCO during the past two years, as related to the measurement of the educational component in levels of living, may be summarized as follows:

- (a) A world survey of education, with special reference to primary education;
- (b) A world survey of illiteracy, based on available census data or sample surveys in the period 1945-1954;
- (c) Compilation of current statistics relating to education, culture and mass communication;
- (d) Standardization of statistics relating to education, culture and mass communication.

18. More detailed information concerning these activities will be found in another report ("Statistics on education, culture and mass communication: a progress report" E/CN.3/252). The following paragraphs will concern chiefly one aspect of these activities, viz. in so far as they relate to possible indicators useful for the measurement of the educational component in levels or conditions of living.

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19. Proportion of children enrolled in schools. This is perhaps the most important single indicator of the educational component. Ideally, it should be based on school enrolment and current population data, both distributed by sex and age. In this connexion, it is encouraging to note that age-grade or age-sex-grade distributions of pupils are currently available for some sixty countries, based on statistical data collected for the latest world survey of education. In the case of a few countries, it has been possible to present data on the number and proportion of persons in each sex and age group, up to twenty-five or thirty years, by the level and type of school in which they are enrolled.

20. For the majority of countries, due to lack of either current enrolment data or population estimates by sex and age, it is only possible to calculate a ratio of total enrolment in all schools (below the level of higher education) to the population five to fourteen years of age. Current enrolment figures without age distribution, are now obtainable for practically all countries.^{13/} More or less up-to-date figures on the size of the population group five to fourteen years of age are available from recent censuses or official estimates for about 120 countries. From these data a "school enrolment ratio" may be calculated for each of these countries, based on the number of pupils enrolled in school (below the level of higher education) per 100 children in the enumerated or estimated population five to fourteen years of age.^{14/}

21. In addition to the total "school enrolment ratio" as defined above, it has been found useful to compute a "primary school enrolment ratio", based on the number of pupils enrolled in primary schools per 100 children in the population five to fourteen years old. Such ratios have been calculated for about 130 countries,^{15/} in some cases going back to the period around 1930. They are useful for assessing the development of primary education within a country, where the system of primary schools and the completeness of statistical reporting have not changed substantially. Inter-country comparisons, however, are not easy, due to differences in the length of primary schooling and its integration with secondary education.

^{13/} UNESCO. Current school enrolment statistics, Nos. 1-4, Paris, Dec 1955 - July 1957.

^{14/} UNESCO. World survey of education, Paris 1955, p. 16, 17.

^{15/} To be published in the second World Survey of Education, with special reference to primary education (now in press).

22. Literacy and educational level of the population. In order to assess the educational level of the population, as a result of past accomplishments in school education, the most readily available indicator is the percentage of population literate, fifteen years old and over, total and by sex. A statistical study recently published by UNESCO ^{16/} presents data on literacy and illiteracy for some sixty-five countries, based on available census data since about 1945. An attempt was made in this study to introduce some uniformity in methods of calculating the rates of literacy and illiteracy, and to present provisional estimates of illiteracy rates for those countries for which up-to-date comparable figures were not available.

23. Meanwhile, a number of countries where adult literacy is almost universal have discontinued census investigations on this subject, but retained another aspect of the question, namely the highest educational level achieved by the adult population. Recent census data on this question have been presented for about fifty countries in the United Nations Demographic Yearbook, 1956. UNESCO is undertaking a methodological study of this question, particularly with reference to European countries.

24. Pupil/teacher ratio in primary schools. This conventional index is widely used but has serious limitations. First, it covers up possible significant differences between urban and rural schools, public and private schools, etc. Secondly, the size of the average ratio is not directly related to the stage of development of primary education. While a relatively high pupil/teacher ratio generally accompanies a rapidly expanding primary school system, a relatively low ratio may mean either an early stage of development (where the schoolrooms are not filled to capacity), or a stable condition of full development (where there are enough teachers for the pupils enrolled). Where summary data on teachers and pupils are available, pupil/teacher ratios have been computed for most countries covered in the latest world survey of education.

25. Enrolment in secondary and higher education. In order to measure the relative development of primary and secondary education in a given country, it is possible to express the secondary school enrolment as a percentage of the total school

^{16/} UNESCO. World illiteracy at Mid-Century. Monographs on fundamental education, XI, Paris. 1957. 200 pages.

enrolment (below the level of higher education). Here again, inter-country comparisons are hazardous because of wide differences in national systems of primary and secondary education and how these two levels of schooling are related to each other. Enrolment in institutions of higher education, compared with the total population of a country, can give a rough measure of the development of higher education, with due care as to the definition of higher education and the method of counting its enrolment. Both of these measures - relating to secondary and higher education respectively - were introduced in the first world survey of education,^{17/} and it is hoped to develop their use further in later editions of the survey.

26. Public expenditure on education. The amount of public expenditure on education in a country, related when possible to its estimated national income, can be a useful indicator of the current effort which a country's public authorities - central and local - expends for the maintenance and extension of its educational services. Educational expenditure expressed as a percentage of national income has the advantage of being free from the limitations due to the fluctuating purchasing power of the currency and to the difficulty of finding a suitable international unit. Figures on educational expenditure have been collected from some 150 countries and territories.^{18/} In the case of fifty countries and twelve territories, for which official estimates of national income were available, it was possible to give the public expenditure on education as a percentage of national income. Where national income estimates are not available it is only possible to present figures on educational expenditure per inhabitant. Such figures are useful for inter-temporal comparisons only after adjustment by suitable price indices, and for inter-country comparisons only where proper conversion between national currencies is possible.

27. Other indicators relating to education and culture. Concerning the broader aspects of education and culture, a number of possible indicators have been tried with varying degrees of satisfaction. Statistics on book production 1937-1954 were

^{17/} UNESCO. World Survey of Education, Paris 1955, p. 23-26.

^{18/} UNESCO. Public Expenditure on Education. (UNESCO/ST/R/14 (I), (IIa), (IIb).)

compiled and analysed for fifty-nine countries.^{19/} It appears that the number of books (titles) published per 100,000 inhabitants does not provide a comparable indicator of the book publishing activities of different countries, much less of the extent of book reading among the populations. When statistics on the book trade are better developed, it should be possible to relate the total number of books distributed within a country (by sales or free distribution, whether produced in the country or imported) to the total population (or the total literate population), and thus provide a useful indicator in this field. Another possible approach would be to measure the per capita circulation of books through public libraries, provided national statistics on library services are more complete and better standardized.

28. Statistics on the number and circulation of daily newspapers have been published by UNESCO^{20/} and the United Nations.^{21/} As a rough measure, the circulation of daily newspapers per 1,000 inhabitants has some virtue, but the validity of this measure is limited by several elements of non-comparability of data. One such element concerns the inclusion or exclusion of newspapers other than dailies, particularly the Sunday editions. When more comparable statistics are available on newspapers and their circulation, it should be possible to provide a useful indicator of what might be called "cultural diffusion" among the inhabitants of a country.

29. Other measures may eventually be developed in this area, giving for example the annual attendance at cinemas, the number of visitors to museums, the number of radio receiving sets in use, etc., all in relation to the size of population.

30. In conclusion, the experience of the UNESCO Secretariat in the last few years points to the feasibility of a limited number of indicators useful for measuring the educational component of levels or conditions of living. These possible indicators may be classed in two categories, priority and supplementary, as follows:

19/ UNESCO. Book Production 1937-1954 and Translations 1950-1954. (Statistical Reports and Studies, ST/S/2).

20/ UNESCO. Basic Facts and Figures (English editions 1952, 1954, 1956).
/French editions 1952, 1955, 1957./

21/ Statistical Yearbook, annually since 1948.

I. Priority indicators

- (a) Ratio of total enrolment in all schools below the level of higher education to the population 5-14 years of age ("school enrolment ratio");
- (b) Percentage of population literate, 15 years old and over, total and by sex ("adult literacy rate");
- (c) Median number of years of formal schooling completed by population 25 years old and over, total and by sex ("educational level of population");

II. Supplementary indicators

- (d) Pupils per teacher in primary schools, total and by urban-rural classification ("pupil/teacher ratio");
- (e) Ratio of total enrolment in all primary schools to the population 5-14 years of age ("primary school enrolment ratio");
- (f) Enrolment in all secondary schools as proportion of total enrolment below the level of higher education;
- (g) Total enrolment in institutions of higher education per 100,000 inhabitants;
- (h) Public expenditure on education as percentage of national income;
- (i) Circulation of daily and other newspapers per 1,000 inhabitants;
- (j) Circulation of books through public libraries per 1,000 inhabitants;
- (k) Copies of books distributed per year per 1,000 inhabitants;
- (l) Annual attendance at cinemas per head of population;
- (m) Annual number of visitors to museums per 1,000 inhabitants;
- (n) Number of radio receiving sets in use per 1,000 inhabitants.

V. REPORT ON THE MEASUREMENT OF THE COMPONENT "HOUSING, INCLUDING
HOUSEHOLD FACILITIES"

(Prepared by the Secretary-General)

31. In reference to the component "housing, including household facilities", it may be recalled that the Committee of Experts considered that for the evaluation of housing conditions "one great difficulty is the definition of a house". They also stated that "It is not only statistics that are wanted; what is even more important is a discussion of concepts and definitions, and analysis of the universal and local elements in housing".^{22/} In view of this, the recent development of General Principles for a Housing Census (ST/STAT/P/L.22/Rev.1)^{23/} may be considered a direct contribution to the statistical description of the housing component. The Principles contain proposals for a uniform definition of "housing units", and for the classification and tabulation of such units. "Dwellings", "rustic housing units", "mobile housing units", "improvised housing units", "collective housing units", etc. are recognized as separate categories and general guides to the tabulation of occupants thereof, according to demographic and economic characteristics and family relationships, have been formulated. The Principles deal only with housing censuses and not with housing statistics which may be collected by some other methods. Therefore, no specific indicators have yet been developed.

VI. REPORT ON THE MEASUREMENT OF THE COMPONENTS "CONDITIONS OF WORK",
"EMPLOYMENT SITUATION" AND "SOCIAL SECURITY"

(Prepared by the Secretariat of the International Labour Office)

General Observations

32. Much of the ILO's work programme in the field of statistics during the past several years has had a direct or indirect bearing on statistics of levels of living. The account given below is organized around the components and, where appropriate, the indicators of levels of living recognized by the Committee of Experts.

^{22/} E/CN.3/179 - E/CN.5/299, paras. 112 and 114.

^{23/} E/CN.3/240 and E/CN.3/240, Add.1.

33. By way of a preliminary generalization, however, it may be stated that labour statistics series relevant to the levels of living statistics shared in the continuing improvement of social and economic statistics in the different parts of the world. This trend is reflected in a recent tabulation presented as an annex to this note which shows the number of countries for which data in the various labour statistics topics were reported in the Yearbook of Labour Statistics 1956 and the comparable increase over the number reported in the 1953 issue of the Yearbook. Reports received for the 1957 issue of the Yearbook indicate that this trend is continuing. The prevalence of reporting is still far from satisfactory, however, particularly in the major fields of employment, unemployment and hours of work.

34. During the reporting period the ILO has furnished aid in the development of labour statistics to a number of countries under the Technical Assistance Programme. As these activities are reported at some length in other papers, they are only briefly mentioned here. Most projects are geared to the setting up of continuing systems of labour statistics systems in the receiving countries. In a few cases the primary interest is focussed on obtaining current statistical data urgently needed for social and economic development planning. This was true in case of the employment and unemployment survey conducted in British Guiana in 1956-57 with the help of an ILO consultant. A large number of projects have related to consumer price statistics, under which family expenditure studies (mainly covering urban industrial workers) have been carried out or are contemplated.

Conditions of Work

35. The indicators listed under this component seem tailored to the requirements of industrialized countries as they primarily relate to factors which reflect working conditions of employees in industrial societies. In the less developed countries, with the exception of a somewhat narrow, organized sector of the economy, the institutional framework under which the great majority of workers participate in economic activities does not readily lend itself to the concepts underlying these indicators. The preparation of statistics relating to some of the indicators raises problems of statistical methodology and organization on which

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little progress has yet been achieved, e.g. wages and hours in agriculture. Available statistical information in the less developed countries therefore continues to be scanty.

Hours Worked per Week

36. There has been little all-round improvement in the availability of statistics of hours worked. Some twenty-five to thirty countries now obtain and report certain information on hours worked (as distinguished from the normal hours of work fixed by law or collective agreement). Few countries obtain information which is sufficiently comprehensive to use in productivity measurement, for example.

37. Progress in under-developed countries may depend on convincing national leaders that this is a useful measure, for in countries afflicted with serious unemployment or underemployment it may appear unnecessarily precise. Some prefer "number of days worked".

38. Certain additional work in the field of standards is also called for, since there is at present no international agreement as to whether statistics obtained should refer to "hours paid for" or "hours actually worked". The former is most useful in computing hourly earnings, the latter in measuring productivity and labour cost.

39. A number of South American countries obtain highly artificial statistics of hours which regularly include Sunday hours and certain other periods in which work is not performed.

Nominal Wages

40. Some progress in the production of national wage statistics has been recorded - introduction of new series in the less developed countries and qualitative improvement elsewhere. Progress has been most marked in a number of non-metropolitan territories or newly independent countries, in Africa and in Latin America. The ratification of the ILO Convention (No. 63) on the Statistics of Wages and Hours of Work in recent years by a number of countries has contributed to this improvement.

41. In a number of countries of eastern Europe, notably Poland, Hungary and Czechoslovakia, statistics of wages were re-introduced in statistical publications in 1956 after a lapse of several years. The figures generally relate to average monthly earnings in industry as a whole and in major industrial groups.

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42. Statistics on wages, while reflecting a certain measure of agreement as to what is to be included (usually at least straight time pay, overtime and other premiums, incentive pay and bonuses) show lack of uniformity as regards the unit of time for which average wages are computed. In Europe and North America it is common to compute statistics of wages per hour and per week but a number of new series introduced in recent years have related to wages per day or per month.

43. A recent ILO study,^{24/} undertaken in co-operation with ten European countries, has called attention to the importance of various supplements to wages. Although this study was designed to throw light on the composition of labour cost rather than wage income, it throws significant light on certain aspects of the wage structure. This study has helped to stimulate interest in the reappraisal of national data on wages and hours of work. Several countries have expressed a determination to repeat the study periodically.

Real Wages

44. Not many countries regularly compile real wage statistics although many countries provide the major elements for computation of real wage trends - earnings and wage supplements, hours of work, and consumer prices - from routine statistical reporting systems. Where such statistics are not available it is usually a lack of information on earnings or hours of work which is the stumbling block, for most countries now maintain some measure of consumer price trends.

45. International comparisons of real wages present even greater problems. Publication by the ILO (in 1956) of the study International Comparisons of Real Wages; A Study of Methods should help to fill a gap in this field. This report is a revised version of an earlier document with the same title presented to the Eighth International Conference of Labour Statisticians in 1954; the revisions were made with a view to reflecting the conclusions reached by the Conference.

46. Two articles in the wage field, largely factual and statistical in nature, were published in the International Labour Review during the reporting period - "Changing Wage Structures" in the March 1956 number and "Recent Trends in Industrial Wages" in August 1957.

^{24/} "Preliminary Report on Wages and Related Elements of Labour Cost in European Industry, 1955".

Normal Hours of Work

47. Few countries maintain regular statistical series of normal hours of work but such information is readily obtainable from legal provisions or collective agreements covering significant groups of workers in nearly all countries. The ILO continues to publish in the Yearbook of Labour Statistics the data on normal hours of work for over forty occupations obtained by means of an annual inquiry addressed to the countries.

Paid Holidays

48. Information on holidays with pay is usually obtainable from various sources such as labour or social security legislation, collective agreements, etc. For purposes of assessing levels of living in a given country collection of such information presents no great problem. The ILO labour cost study referred to earlier has yielded detailed information for selected industries in ten countries regarding the relative importance of time paid for but not worked.

Minimum Age for Employment

49. There is no special development to report. This information is not reported regularly but is generally available in a particular country when needed.

Employment Situation

50. With the single exception of unemployment the indicators listed to represent this component are most readily available from national censuses. A handful of countries - most of them industrial countries - obtain data more frequently from labour force sample surveys or from other sources.

Composition of Economically Active Population

51. During the reporting period (1956-1958) few new population censuses have been taken. In several countries, however, detailed tabulations of the economically active population from early censuses (held around 1950) have become available; at the 1960 round of population censuses the statistical data on the labour force can be expected to have a slightly wider geographical coverage and to be of substantially improved quality, with greater inter-country comparability due to better advance preparations, maturer experience in census operations, and more effective aid from the international organizations concerned.

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52. The list of countries (numbering less than ten) which obtain data on the composition of the entire labour force on a regular basis has not been extended. A number of European countries which periodically obtain comprehensive employment and unemployment statistics have under contemplation, however, early initiation of labour force sample surveys which would make the coverage of these statistics all-embracing. In a few countries, e.g. India, Israel, sample surveys on an ad hoc basis have yielded valuable basic data on the labour force. One-time surveys throwing much new light on the composition of the labour force have recently been completed, or are now under way, in a number of countries, including British Guiana, Greece, the Philippines, Ceylon, etc.

53. Basic data on the composition of the labour force by sex, age group, status and branch of economic activity, but not by occupational group, continue to be published annually in the Yearbook of Labour Statistics.

54. Articles, largely factual, showing current trends in the labour force and employment and unemployment are published in the International Labour Review from time to time. For the reporting period special mention may be made of a series of three articles on the demographic, economic and social composition of the labour force. These articles, originally published in the February, May and August 1956 numbers of the International Labour Review have been reprinted in the form of a booklet entitled The World's Working Population.

55. Certain work accomplished in the domain of methodology and standards has a significance for the indicators under this component. The International Standard Classification of Occupations (ISCO) was endorsed by the Ninth International Conference of Labour Statisticians in May 1957. The ILO is developing working materials to facilitate the application of ISCO. It is hoped that the existence of this classification and of related materials will stimulate the growth of national statistics of the economically active population classified by occupation along lines that are internationally comparable. The Ninth Conference also considered the adoption of the International Classification of the Economically Active Population by Status and has set forth its views on the possible revision of existing recommendations in its report on the subject. Further work in this field is under way in the Conference of European Statisticians.

Proportion Unemployed

56. The proportion of unemployed, expressed as a percentage of the economically active population, has been recognized as an indicator of key importance. Availability of meaningful data for this indicator is still limited largely to the more developed countries with highly organized labour markets. In other areas the unemployment statistics most generally available are the figures on registration at employment exchanges. These data, however, do not permit comparisons with the number of economically active population, due largely to the limited coverage and ineffectiveness of the employment services. Although the employment service organization has been strengthened in a number of countries in recent years, the information from this source continues to be, by and large, only broadly indicative of trends of unemployment in the urban organized sector of the economy at best. On the other hand, statistical studies of unemployment by means of special inquiries have been made in several under-developed countries with valuable results.

57. The prospects of obtaining data on the incidence of unemployment in the under-developed countries in the population censuses planned around 1960 do not seem very favourable. The phenomenon of unemployment, when overlaid with under-employment, is notoriously elusive if the information is sought through an inquiry within the framework of a census. In this context, it is worth recalling that attempts made by a few under-developed countries to obtain unemployment data at the last census were not too successful.

Under-employment

58. The Expert Committee on the Measurement of Levels of Living was unable to suggest any specific indicators of under-employment. However, it heavily underscored the need for action to improve the data available in this field. During the reporting period certain progress has been realized both at national and international levels.

59. In recent years a number of countries have begun to devote particular attention to the measurement of under-employment among persons in the labour force. Both the advanced and the less developed countries have shared in this progress. In some advanced countries, e.g. Canada and the United States, special studies have been focussed on economically stagnant areas. In other countries, e.g. India, Puerto Rico, Japan, where under-employment is more widespread, the

studies have been wider in scope. The method frequently employed in the studies is that of sample surveys. While data on underemployment have so far been produced in only a few countries, valuable experience is accumulating and the prospects for further expansion in the near future are good.

60. During the period the Ninth International Conference of Labour Statisticians, on the basis of a study by the ILO, took important steps in the development of methodology in the measurement of under-employment. This topic is commented upon more fully in another paper (E/CN.3/249). The ILO's study entitled Measurement of Under-employment, contains a brief description of relevant national studies and a discussion of the conceptual and methodological problems involved. In accordance with a recommendation of the Ninth Conference, it is planned to bring out a revised edition of the report, taking into consideration the suggestions made by the Conference and the techniques and results of more recent surveys. The Conference also adopted a resolution relating to the methods to be used in the measurement of under-employment. As a first step in this field it distinguishes the major categories of under-employment, sets forth a definition and methods of measurement of visible under-employment and recommends further investigations of methods of measuring disguised and potential under-employment.

61. The Government of India has proposed to initiate, as a first step, experimental field studies for the development of meaningful concepts and usable techniques for the measurement of under-employment. Such studies are in consonance with the spirit of the resolution of the Ninth Conference. In this undertaking the ILO's co-operation has been sought, to make available the services of a consultant to be assigned to this project before the end of 1957.

Social Security

62. The Committee of Experts on the Levels of Living has identified social security as a component in the levels of living without, however, suggesting specific indicators.

63. A substantial number of new social security schemes introduced in recent years, as well as the extension of existing schemes occurring in the same period, have led to an expansion in the statistical data relating to the operation of the schemes. This growth is reflected in part in the 1956 Yearbook of Labour Statistics in which social security statistics are published for fifty-seven

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countries, compared with forty-seven countries in the 1953 Yearbook. It should be stressed, however, that the data for many of the countries are incomplete, and in a number of cases fragmentary.

64. The ILO inquiry on the costs of social security has been continued for the years 1952-54 and the results will be published shortly. It will be recalled that the results of a similar study for the 1949-51 period have already been published in the Costs of Social Security, 1949-51 (International Social Security Association, Geneva, 1955). The scope of social security for this study is more comprehensive than that underlying the data published in the Yearbook of Labour Statistics; the results of the study in this series provide financial data on the social security protection afforded to such special groups as war victims, veterans, public servants, etc.

65. In the field of methods at the international level, notable progress was achieved during the reference period. As the activities of the ILO in this field are reported more fully in another paper (E/CN.3/249), only a brief recapitulation is made here for convenience of reference.

66. A meeting of Experts on Labour and Social Security Statistics drawn from eleven countries in different parts of the world and with different systems of social security and statistical organizations was held in Geneva in October 1956 under ILO auspices. The Experts reviewed the problems of development in this field and presented their conclusions in the Report of the Meeting on Labour and Social Security Statistics (SSS.18, ILO, Geneva, 1956). This report was widely circulated - to Governments, to statisticians and to social security administrators.

67. The topic of social security statistics was also an item on the agenda of the Ninth International Conference of Labour Statisticians and the ILO presented to the conference a report entitled "Social Security Statistics: Development and Uses". The conference adopted a resolution on the subject which makes broad recommendations for the development of social security statistics. The resolution stresses that a major function of the social security statistics system should be to provide indicators of the degree of social protection afforded to various population groups. Another major recommendation was the need for close integration of social security statistics with the national statistical system. These

recommendations, designed to foster a balanced growth of social security statistics within the broader framework of social, economic and other general statistics, should facilitate the development of many indicators of the social security component of the levels of living. Of special significance in this context was the stress laid on the inclusion of "relative measures" in the domain of social security statistics to bring out underlying relationship with relevant social, demographic and economic data. Countries were invited to give due consideration to the compilation of "relative measures" on the extent, level and economic significance of social security protection.

ANNEX

Countries Represented by Statistics Published in the Yearbook of Labour
 Statistics

(a) Number of countries represented in 1956 Yearbook

Continent	Africa	America	Asia	Europe	Oceania	World Total
Employment statistics	6	10	6	19	4	45
Unemployment statistics	3	7	7	18	3	38
Statistics of hours of work	8 (1)	17(6)	17(10)	19(15)	4 (0)	65(32)
Wage statistics	14 (10)	23(15)	17(12)	23(20)	4 (3)	81(60)
Consumer price indices	23	32	21	24	5	105

(b) Net increase in countries represented as compared with 1953 Yearbook

Employment statistics	4	1	0	2	1	8
Unemployment statistics	1	3	1	2	0	7
Statistics of hours of work	1 (- 1)	5 (0)	8 (4)	1 (1)	1 (-2)	16 (2)
Wage statistics	6 (6)	6 (3)	2 (0)	2 (1)	1 (0)	17 (10)
Consumer price indices	5	5	2	0	0	12

Note: The figures in parenthesis under "Statistics of hours of work" and "Wage statistics" exclude countries reporting information only in connexion with the Annual ILO inquiry on Wages and Normal Hours of Work for over 40 selected occupations.
