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PROPOSALS FOR THE 1963 WORLD PROGRAMME OF BASIC
INDUSTRIAL INQUIRIES

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PROPOSALS FOR THE 1963 WORLD PROGRAMME OF BASIC
INDUSTRIAL INQUIRIES

I. INTRODUCTION

1. At the suggestion of the Statistical Commission, made at its tenth session, the Economic and Social Council, at its twenty-sixth session, recommended that the Governments of Member States compile basic data on industry for 1963 or a year close to 1963. This recommendation was made in recognition of the need for internationally comparable data on industrial activity to deal with basic questions of economic development and stability. In order to obtain the highest possible degree of international comparability in these industrial data, the Economic and Social Council also recommended that, in collecting and compiling the data, Governments should, as far as possible, take account of the international recommendations in industrial statistics.^{1/} The Statistical Commission, also at its tenth session, invited the Secretary-General to prepare these recommendations in draft form for consideration at the eleventh session of the Commission.^{2/} It was intended that these proposals include recommendations relating to the coverage and the items of data to be sought and their classification according to characteristics of the statistical unit. Accordingly, a document was prepared^{3/} setting out an inquiry programme based on the Draft Revisions in the International Standards in Basic Industrial Statistics,^{4/} which was felt to be within the capabilities and resources of virtually all nations. These draft proposals were circulated to the statistical offices of all Member

^{1/} See Report of the Economic and Social Council, A/3848, para. 387 and resolution 676 B (XXVI).

^{2/} See Report of the Tenth Session of the Statistical Commission to the Economic and Social Council, E/3126, para. 26.

^{3/} Draft Proposals for the 1963 World Programme of Basic Industrial Inquiries, E/CN.3/L.49.

^{4/} E/CN.3/L.40/Rev.1.

States and to all interested international organizations for comment.^{5/} In addition, the proposals were the subject of discussion and comment at the sixth session of the Census Sub-Committee of the Committee on the Improvement of National Statistics (COINS) of the Inter-American Statistical Institute (IASI); and a meeting of the Working Group on Industrial Statistics of the Conference of European Statisticians. The proposals will also be considered at a meeting of the Conference of Asian Statisticians.^{6/} Revision of the International Standards in Basic Industrial Statistics has also been the subject of consultation and comment, and the views expressed concerning these more basic proposals have, of course, been taken into account in revising the proposals for the 1963 World Programme.

2. While the views expressed by the great majority of the national statistical authorities have indicated general agreement with the proposals set out in E/CN.3/L.49, a number of valuable suggestions were made which have led to certain revisions in detail. Further, some of the comments received have pointed out the necessity of clarifying the objectives envisaged for this minimum programme and of indicating the variety of ways that might be chosen by individual countries to accomplish these ends. The text of this paper, therefore, is devoted to a discussion of these latter points as well as to the changes that have been made in the details of the programme. The detailed proposals themselves (i.e., the field to be covered, the statistical unit to be used, and the items of data recommended for publication on an internationally comparable basis together with the items of data that should be collected to produce these) are set out in Annex I. Annex II presents, for the information of the Commission, a list of the countries which either plan a full-scale benchmark inquiry for 1963 that would fully meet or exceed the requirements of the minimum programme and those countries which have an established system of benchmark and annual inquiries that

^{5/} The proposals were circulated to the countries of the Americas through the Inter-American Statistical Institute which also collected and collated the comments of those countries.

^{6/} Because this meeting will take place shortly before the eleventh session of the Statistical Commission, the results of the meeting will be reported orally to the Commission.

with minor modification would meet the objectives of the World Programme. It is noteworthy that at this early date over sixty countries may be expected to participate in the 1963 World Programme and that some countries are planning to shift the usual year of their benchmark inquiry with a view to participating in the programme.

II. OBJECTIVES OF THE 1963 WORLD PROGRAMME

3. The International Standards in Basic Industrial Statistics^{7/} have been designed to serve two general purposes - (i) to standardize definitions of items of data to the end that national statistics could be usefully compared at an international level and (ii) to provide a realizable goal for countries still at an early or medium stage in the development of their basic industrial statistics programme. The standards, therefore, do not in any sense represent a minimum programme. Equally they are not intended as a maximum programme, and in fact the systems of basic inquiries in force in a number of countries exceed in many respects the specifications of the international standards by a considerable margin.

4. In formulating the programme here presented for a world-wide series of industrial inquiries, the aim has been to include items of data for collection and tabulation that are within the capabilities and resources of those countries newly embarking on an industrial statistics programme. Further, emphasis is put on those items of data and tabulations which represent a minimum body of information for useful economic analysis at an international level. If, then, all countries participating in the 1963 Programme find it possible to collect and compile at least those items of data suggested here and to use the proposed definitions of these items, the World Programme can provide an invaluable means for the comparative study of the structure and activities of industry throughout the world. It is, of course, not intended that established national surveys of a more comprehensive nature should be curtailed to the minimum level. It should be emphasized, however, that in those countries wherein statistical experience and resources are limited, the demands even of this minimum programme will be heavy.

^{7/} E/CN.3/257.

5. A regular system of benchmark and annual industrial inquiries is established in many countries. In a number of these countries, the annual surveys are sufficiently comprehensive that they would normally provide the data and the tabulations specified in the minimum programme for 1963. Where this is the case, no special arrangements in the country's programme would be necessary to meet the requirements of the international programme even though a benchmark inquiry did not fall in the year 1963. Other countries of this group, however, may have annual inquiries that fall short of the goal of the minimum programme in respect of coverage, items of data requested or scope. In most of these cases (if a benchmark inquiry were not to be taken for 1963) a relatively minor adjustment of the regular annual survey would suffice to fill any gaps. If, for example, the regular annual survey covered only large establishments or omitted certain industries, a sample of these uncovered areas could provide the information necessary to bring up to date the data from the latest benchmark inquiry. For the remaining countries, those who depend on intermittent or infrequent inquiries for their industrial data, it is hoped that a comprehensive inquiry covering the topics and areas recommended in the minimum programme will be undertaken.

6. In addition to specifying the items of data to be collected and the coverage of the 1963 inquiries, the minimum programme indicates the form in which certain of these items should be tabulated for maximum usefulness at the international level. It is important to note this since some countries, even though they collect and compile all of the recommended items of data, do not tabulate and publish these data in the recommended form. It is also to be hoped, therefore, that these countries will either alter the usual form of tabulation for the specified items or will undertake additional tabulations that meet the requirements of the international Programme. Here, it should be noted, is an additional reason for maintaining the 1963 programme at the minimum level necessary to produce essential data on industry for international analysis.

III. SUGGESTIONS FOR CHANGES IN THE DRAFT PROPOSALS FOR THE 1963 WORLD PROGRAMME

7. No change was suggested in the proposed reference period of the World Programme surveys and it remains the calendar year 1963 or a calendar year as
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close to 1963 as possible. Deviations may be accepted, however, in individual cases where the records of the statistical unit make it difficult or impossible to provide the required data on other than a fiscal year basis.

8. The suggestion that the coverage of the inquiry be that proposed for an infrequent inquiry in the International Standards,^{8/} also remains unchanged - i.e., the data compiled should relate to all establishments primarily engaged in mining, manufacturing, construction and the production of electricity, gas and steam. It is recognized, however, that the problems of including the construction industry, particularly in a first or early inquiry, will undoubtedly cause a number of countries to omit this industry from their 1963 plans.^{9/} It is also anticipated that those countries planning to rely on an annual or somewhat expanded annual survey to provide the data for the 1963 Programme may well cover the suggested field much less intensively than for their usual benchmark inquiries. It may be, too, that some countries may find it most convenient to rely on regular administrative reports to provide some of the data needed for certain industries. This may, for example, be particularly true for the electricity and gas producing industries.

9. As stated in the proposed International Standards,^{10/} the aim of the infrequent inquiry is to provide, with reasonable accuracy, an analysis of the structure of industry and benchmark data regarding its activities. The coverage of the field envisaged to accomplish these aims may, of course, be attained either through a complete census, a probability sample or derivation of the data for compilation from administrative records, or any combination of these methods which can provide data of the required accuracy at a reasonable cost. This aim, of course, must be examined in the light of the resources available, in terms both of the availability of technically qualified personnel and money. Certain countries, for example, where the level of industrial development is very high, find that the overwhelming proportion of their industrial activity takes place in larger units and that the additional cost of including very small units is not warranted in terms of any possible increase in the accuracy or completeness of

^{8/} E/CN.3/257, Annex I.

^{9/} See also E/CN.3/L.40/Rev.1, para. 15.

^{10/} E/CN.3/257, Annex I, para. 3.

their statistics. On the other hand, some countries may find that due to limitation of resources, both financial and personal, the scope of the inquiry must be curtailed. In this latter case, area sampling techniques may be particularly useful in attaining coverage of the smaller units within reasonable cost and time-limits.

10. The statistical unit recommended is in general the establishment, or a unit similar to it, as defined in the International Standards.^{11/} While the use of the establishment concept poses certain problems in a few cases, its adoption as the basic statistical unit is recommended for the 1963 Programme on four counts^{12/} (a) it is, at the present time, the unit most generally in use for industrial inquiries; (b) being restricted to a relatively narrow range of activities (industry), data related to the establishment are more readily classifiable to homogeneous industry groups; (c) international comparisons of the distribution of industrial data by size of the producing units can be made; (d) because of the single location requirement, establishment based data are readily aggregated at virtually any level of an area classification for the purpose of regional analyses. It is apparent that with respect to the tabulation plan suggested for the 1963 Programme, the second and third points are of especial interest. In this connexion, it should be noted that, in practice, the local unit and the establishment are often identical. The use of the local unit in an inquiry that is part of the 1963 World Programme will therefore not interfere seriously with the international comparability of this inquiry provided efforts are made to subdivide, into separate statistical units, local units that encompass a range of activities which are often carried on under separate managements and which are usually the subject of separate records on the aspects of production covered in the 1963 Programme.

11. The great majority of comments received on the draft proposals expressed agreement with the inclusion of the specified items of data and tabulations

^{11/} With appropriate modifications for certain industries and situations, see Annex I for detailed definition of the establishment.

^{12/} See also The Statistical Unit in Economic Inquiries, E/CN.3/259, for a fuller discussion of the establishment and other possible statistical units.

already in the minimum list, but many indicated that the collection and tabulation programme envisaged for their own national surveys would be more extensive and suggested that certain items of data and tabulations be added to the international programme. While some additions have, as a result of these suggestions, been made to the minimum list, it is felt that the overriding importance of keeping the programme within the statistical capabilities of the least endowed nations and of minimizing the extra tabulation steps entailed for those whose normal programme would be somewhat different or less extensive have made it advisable not to add a number of suggested items. In the following sections the changes made in the minimum programme are discussed.

A. Number of Persons Engaged and Size Criteria

12. A number of countries suggested that home-workers be excluded from the count of number engaged due to the difficulty of identifying these persons and distinguishing them from the proprietors of independent establishments doing contract work. It is known, however, that certain nations, because of legal provisions or the systematic organization of home-workers, do not experience this difficulty and prefer to collect data regarding such workers. It is proposed, therefore, that "homeworkers" be made an optional category within the count of numbers engaged. It should be noted, however, that the choice of treatment of home-workers in the count of number engaged will entail certain consequential changes in the categories "wages and salaries" and "cost of contract and commission work done by others". That is, if home-workers are not included as persons engaged, the payments to such home-workers should be excluded from "wages and salaries" and included in the "contract and commission work" category. If the home-workers are included among persons engaged, payments to them should be separately noted under "wages and salaries" and excluded from "cost of contract and commission work". In view of the present optional nature of this category, it is suggested that each country specify the treatment of home-workers when publishing data for their industrial surveys.

13. Also added to the list of items of data is the item "number of employees during four periods of the inquiry year". As noted by many countries, this

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information is needed to assess the seasonality pattern of industry and to compute an estimate of average employment unaffected by the varying seasonality patterns of different industries. Similarly, it was suggested that a figure of average number engaged would be a better measure of the size of an establishment than would number engaged during a single period during the inquiry year. It is now proposed, therefore, that the size of an establishment be determined by adding the "average number of employees engaged during the year" to the number of "working proprietors", "unpaid family workers" and (optionally) "homeworkers" measured during a single period. It is not suggested that these three latter groups be measured during more than a single period both because of the difficulty of collecting this information and the fact that their numbers are generally far less affected by seasonality factors.

B. Installed Power Equipment

14. As pointed out in a number of the comments, inclusion of capacity of electric generators in the list of items for collection is unnecessary, since it is not a part of total installed capacity and is not recommended for publication in the minimum programme. This item has, therefore, been deleted. Also, as a result of some comments, provision has been made for computing the installed capacity of power equipment either by summing the capacity of prime movers not connected to electric generators and the capacity of all electric motors or by summing the capacity of all prime movers and the capacity of electric motors driven by purchased electricity. It should be noted, however, that the first method of computing installed capacity of power equipment is often more practicable than the second approach.

C. Inventories

15. So many comments have been received stressing the value of inventory data for large establishments that these items have been added to the minimum programme. It has been pointed out that such data are not only of interest in their own right, but can be important in computing value added figures for the large establishments - particularly when inputs and outputs are collected on a "received" and "shipped" basis.

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D. Value of Raw Materials

16. It is commonly suggested that, in addition to "total value of raw materials, etc.", data should be collected on the quantity and value of individually important raw materials received or consumed. While it is unquestionably true that these data are of considerable value, the addition of this item would increase markedly the total work load of the inquiry. Particularly would this be true for countries without considerable experience in this field - where an established commodity list and classification does not exist and where respondents are unlikely to report such information in a consistent fashion. The same arguments could, of course, apply to the requesting of product information, but of the two, product data are the more important and it is felt that the effort should be made to collect these data.

E. Value of Goods to be Sold in the Same Condition as Purchased

17. While most countries have agreed with the inclusion of this item in the minimum programme and it is not intended to change that proposal, a few countries indicated that these figures would not be collected in their own surveys since they relate to commercial rather than industrial activities. It may be well, therefore, to re-emphasize that it is an institutional approach to an industrial survey that is envisaged in the International Standards. That is, once a unit falls within the scope of the survey by virtue of the fact that its main activity is industrial, all of the activities of the unit are taken into account in measuring its activities and characteristics. This is done because in most cases it would be impossible to separate, for example, employment, wages and salaries and other activities or characteristics of the unit associated with its secondary commercial activities. Further, if the separation were possible, the unit in question should originally have been defined as two establishments - one industrial which would fall within the scope of the survey; the other commercial and outside the scope of an industrial inquiry.

F. Value and Quantity of Electricity Sold to Others

18. In accordance with the suggestion of a number of countries, it is now proposed that this item be collected and tabulated only for large establishments.

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G. Gross Value of Output

19. It should be noted that the item "value of goods shipped or produced and receipts for services rendered" does not include receipts from sales of electricity nor an adjustment for changes in the value of stocks of work in process. Further, if output is measured on a "shipped" basis, a further adjustment for changes in the value of stocks of finished products must be made in order to arrive at a figure for gross value of output. This tabulation aggregate has, therefore, been added to the recommended list of items of data both to make clear the derivation of the aggregate and to emphasize that it is the aggregate measure of output that is most interesting from an analytical point of view.

H. Value Added

20. With the addition of the items of data relating to the value of stocks at the beginning and end of the inquiry year to be collected from large units, the only item of data not recommended for the minimum programme which would affect the "census value added" would be "value of fixed assets produced for own use".^{13/} The actual computation of the value added for the large units will, of course, depend on whether input is measured on a received or consumed basis. Where input is measured on a received basis, the change in value of stocks of raw materials, etc. must be added algebraically to the value of input to obtain the value of consumption, which when subtracted from gross value of output yields value added.

21. For the small establishments, of course, it is not possible to compute the census value added directly, but within each industry group the data are available for making a reasonable estimate of this figure. The value added can be estimated, for example, by taking into account the relation between total value of production or shipments and the value added in the smallest size class for which the full range of data is available within each industry group.

IV. PUBLICATION OF SURVEY DESCRIPTIONS AND FACTORS AFFECTING
COMPARABILITY

22. Attention has been called to the importance of including, together with the published industrial data, technical descriptions adequate for assessing the

^{13/} See also E/CN.3/257, Annex II.

nature of these data. Such descriptions are of value too in measuring the continuity of the data from one survey to the next as well as for judging their conformance to international recommendations. In the following paragraphs the kinds of information that might be included in the survey publications are discussed.

23. A description of the coverage and scope of each survey and a definition of the statistical unit in terms of which the field of inquiry has been defined should invariably accompany the publication of survey results. This description should include a statement regarding the source of the data - whether collected directly, garnered from regular administrative records, etc. - and the method of covering the field of inquiry - whether by a full census or a sample. And where sampling has been used, a brief description of the sample design should be given together with the methods of estimation employed and, where possible, with an indication of the probable sampling errors involved. In addition to a description of the intended coverage of the survey, an evaluation of the probable completeness of coverage is useful. In most cases a true measure of the completeness of coverage can be obtained only by means of a field check - usually on the basis of an area sample. But an informed, subjective evaluation of the completeness of any lists or other sources used to identify and locate the desired respondents can be of considerable value.

24. Another important piece of information which should be supplied to the data consumer is a set of the operational definitions used for the items of data collected. Often this information is provided by reproducing in the survey publication a specimen copy of the questionnaires and basic instructions given to respondents. Detailed descriptions of the schemes utilized for classification by kind of economic activity, area and size are also needed in utilizing the results of an inquiry.

25. Non-response is almost invariably a problem in any statistical survey and the treatment of that non-response can have a significant effect on the usefulness of the final results. Non-response in an industrial survey is of two kinds - (a) certain establishments fail to submit questionnaires and (b) certain questions are not answered by all respondents.^{14/} In the first case it is customary to

^{14/} This, of course, does not include answers of "zero" or "none", which in this context would be considered acceptable response.

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expend considerable effort to make sure that no large or individually important establishment fails to submit the required data, but below a certain size level it may not be worth-while to devote the resources necessary to obtaining questionnaires from all who failed to respond. It is important, however, to make use of the knowledge that these non-respondents exist and to find some means of estimating their significance. It is also important to describe in the final survey publication the magnitude of the non-response of this sort and to indicate whether estimations were included in the data to take care of that non-response. For many surveys, of course, a list of the required respondents is available and this list usually contains, in addition to names and addresses, the kind of activity and employment of the establishment at some past date. When available, such information can be used to estimate the more important missing items of data - by using the ratio of employment to the item of data needed in similar establishments for which all the data are available, for example.

26. The other kind of non-response, i.e., non-response to particular questions, poses a different kind of problem. Again, of course, it would be customary to try to ensure that all individually important establishments respond to all questions, but for small establishments this would generally not be practicable. Often, unanswered questions can and should be estimated on the basis of other data in the same questionnaire or by reference to the questionnaires of other, similar establishments. In some cases, however, this is not readily possible - for example, questions on power equipment and stocks may vary markedly among otherwise similar establishments and may bear little relation to other items of data given. Where this is the case it may be possible to do no more than indicate the extent of non-response for a particular question and give the number of establishments from which acceptable answers to the question were received.

V. CONCLUSION

27. It is apparent from the foregoing discussion that, through consultation with the national statistical offices and regional statistical organizations, general agreement has been reached on the objectives and content of the 1963 World Programme of Basic Industrial Inquiries. Further, wide participation in the 1963 Programme is assured. In view of these factors and the recognized need for a minimum set of

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internationally comparable industrial data, the Statistical Commission may wish to recommend that, in compiling comprehensive data on industrial activity for 1963 or a year close to 1963, the Governments of Member States:

- (i) Cover, by any of the methods indicated in Annex I, paragraph 2, the field of establishments or similar units engaged in mining, manufacturing, construction and the production of electricity, gas and steam to the extent that this coverage is possible. That is, cover, as recommended in Annex I, the units classified to major groups 11 to 51 inclusive of the International Standard Industrial Classification of All Economic Activities;
 - (ii) Compile for these establishments at least those items of data listed in Annex I classified by the characteristics of the unit indicated, taking account of the definitions of the items of data, establishment characteristics and classifications contained in Annex II of Proposed Revisions to the International Standards in Basic Industrial Statistics, E/CN.3/257;
 - (iii) Publish, to the extent practicable, together with the items of data, the technical survey descriptions, outlined in Annex I regarding coverage, methods of collection and estimation, classifications and the limitations of the published data.
28. The Commission may also wish to invite the Secretary-General to:
- (i) Call to the attention of the Governments of Member States the recommendations of the Economic and Social Council concerning participation in the 1963 World Programme of Basic Industrial Inquiries and to the recommendations of the Commission on the objectives and content of that Programme;
 - (ii) Participate in the development by the regional statistical organizations of programmes, designed within the framework of the 1963 World Programme, that are adapted to the needs and resources of the different areas of the world;
 - (iii) Provide technical guidance and assistance, in the planning and carrying out of inquiries that are part of the 1963 World Programme - such guidance or assistance to be provided through the publication of technical studies, the convening of seminars or working groups, the provision of expert assistance, when requested, or other means.

ANNEX I

I. COVERAGE OF THE 1963 INQUIRY

1. The industrial data compiled should relate to all establishments or similar units located within the geographic boundaries of the country, primarily engaged in mining, manufacturing, construction and the production of electricity, gas and steam - i.e., units that would be classified in major groups 11 to 51 inclusive of the International Standard Industrial Classification of All Economic Activities.^{1/} These data should in principle cover all those units which were engaged in the production of goods or services for sale or exchange at any time during the inquiry year.

Explanatory Note

2. The aim is to provide, with reasonable accuracy, an analysis of the structure of industry and benchmark data regarding its activities. The coverage of the field envisaged to accomplish these aims may, of course, be attained either through a complete census, a probability sample or derivation of the data for compilation from administrative records, or any combination of these methods which can provide data of the required accuracy at a reasonable cost.

3. While in principle the field of inquiry should include all establishments or similar units regardless of size, legal or economic organization, the very small units that are not in operation at the end of the inquiry year or at the time of enumeration would normally be excluded. Also, some of the highly industrial countries may find that inclusion of single-person establishments within the field of inquiry not warranted because of the insignificant contribution of such units to the total industrial activity of the country. It should be noted too, that small or household units engaged in industrial activities entirely for own consumption are to be excluded from the field of inquiry. If, however, the unit produced any goods for sale or exchange, then all industrial activities of the unit should be reported - including that part of their production intended for own consumption.

^{1/} International Standard Industrial Classification of All Economic Activities, Statistical Papers, Series 17, No. 4, Rev. 1.

II. REFERENCE PERIOD

4. The inquiry year should, in general, be the calendar year 1963 or a calendar year close to 1963. Where establishment records are kept on a fiscal year basis, however, it may be necessary to accept reporting on this basis.

III. THE STATISTICAL UNIT

5. Two kinds of statistical units - the establishment and the local unit - are of particular interest in connexion with the items of data that are proposed for collection and compilation in the 1963 World Programme. The industrial establishment is, ideally, an economic unit which engaged, under a single ownership or control, in one or predominantly one kind of industrial activity at a single location - e.g., the individual mine, well, workshop, factory, generating station or household. The establishment is distinguished from the enterprise, which is the owning or controlling unit and may consist of one or a number of establishments, although in a great majority of cases the two units will be coextensive. Where the enterprise engages in more than one kind of activity and/or carries on its activities at more than one location, the establishment is defined, in operational terms as: the combination of activities and resources directed by a single owning or controlling entity toward the production of the most homogeneous group of goods or services, usually at one location but sometimes over a wider area, for which separate records are maintained that can provide the data concerning the production of these goods or services and the materials, labour and physical resources (both direct and indirect) going into this combination of activities. The local unit differs from the establishment in that the restriction on the range of activities is removed - i.e., the local unit is the combination of resources and activities directed by one ownership or management, usually at one location but sometimes over a somewhat wider area.

6. For purposes of the infrequent inquiries a statistical unit is needed which permits classification of the unit to as homogeneous categories of kind of economic activity, geographic area and size as practicable. This unit may be the establishment, or, if its combination of activities is not one that is usually separable, the local unit. Defining the establishment as a unit for which records are maintained that can provide all or most of the items of data required, will

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result in delineating a unit embracing a range of activities that, in most cases, is coextensive with the local unit. A survey can determine the usual combination of activities carried on by establishments in each field of activity. Often this usual grouping or combination of activities provides the basis for defining the scope of the most narrow headings of an industrial classification system. Such a classification might then be employed as a practical tool to define the admissible range of activities that may be combined within a local unit if it is to be considered as a single establishment.

7. An ancillary unit provides services primarily to its parent statistical unit or produces goods and supplies, exclusively or largely for it. These goods or services are not part of the commodities made or services rendered by the statistical unit. It is intended that, in general, these ancillary units be included as an integral part of the statistical unit served (except as noted in paragraphs 15 and 16 below) and that the statistical unit be classified according to its principal activity.

8. To the extent that the statistical unit utilized comprises activities that are non-industrial, these activities should be included. That is, the aim should be to cover the totality of activities carried on by the unit.

Explanatory Note (paragraphs 9-16)

9. The fact that the establishment is defined in terms of the record keeping practices of business should not be interpreted to mean that the establishment is simply the unit for which the respondent wishes to report. Once the record keeping practices of most respondents in an industry group have been used to set realistic boundaries for defining the establishment with respect to range of activities, it is important that all respondents conform in all major respects to that definition to the extent practicable.

10. While the recommended statistical unit for the collection of the proposed items of data is the establishment or similar unit, it may, in the case of the multi-unit enterprise, prove advantageous to collect the data concerning each constituent unit through the parent enterprise.

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11. In recognition of the practical difficulties of applying the above definition in certain cases, it is suggested that the appropriate statistical unit be defined in the following manner for the particular situations cited.

A. Separately Located Units Operating Under a Single Control and All Engaging in the Same Activity

12. Mining industry. It is suggested that the most practical statistical unit is the collection of wells, shafts or pits that tap a single field and that are owned and controlled by a single enterprise. Ore processing or beneficiating plants located at the mine site should be reported as an integral part of the unit.

13. Construction industry. In view of the customary movement of labour, capital equipment, etc., from one construction site to another, it is suggested that the enterprise be taken as the statistical unit for this industry. It may, however, be feasible to obtain certain items of data, such as work put in place, related to specific areas.

14. Producers of electricity, gas and steam. Usually it is most convenient to treat the producing plant together with its associated distribution system - including transformer stations - as a single statistical unit.

B. The Definition of Statistical Units Within the Multi-Unit Enterprise

15. It is suggested that within a multi-unit enterprise three types of statistical units be identified and separately enumerated - (i) the individual industrial units that accord with the basic definition of an establishment (including the ancillaries associated with these units, except those described under (ii) and (iii)); (ii) large ancillary units that serve more than one unit of the enterprise that are separately located or not operated as an integral part of the establishment at the same location (e.g., a central administrative office, central warehouse, central power station, etc.); and (iii) large ancillary units serving only a single establishment where such an ancillary is located apart from the establishment served. Such separately treated ancillary units should be classified to the main activity of the statistical unit(s) served. It would also be desirable to classify these separately enumerated ancillary units by their own activity and to prepare supplementary tabulations showing these ancillaries classified to their own activity.

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16. Special types of ancillary units. Where a particular kind of ancillary function is generally performed by units that fulfil the conditions set down in the definition for an industrial establishment, these units should be treated as separate statistical units and classified accordingly. For example, railway repair shops may universally be separately located and satisfy all the conditions for being designated industrial establishments. Such repair shops should then be treated as repair shops and classified accordingly rather than as ancillaries to the transportation industry. Similarly, a separate sales branch of an enterprise, selling the products of industrial establishments of the enterprise, should be considered as an establishment engaged in distribution activities and outside the scope of an industrial inquiry. This would not, of course, preclude the possibility of identifying this sales branch and its relationship to the industrial segments of the enterprise.

IV. SURVEY DESCRIPTIONS AND FACTORS AFFECTING COMPARABILITY THAT MIGHT BE PUBLISHED

17. Countries should consider publishing together with the results of the 1963 industrial inquiries the following information:

- (a) Description of the scope of the inquiry (i.e., which industrial and other activities were included in the field of inquiry) and a definition of the statistical unit in terms of which the field of inquiry was defined.
- (b) Description of the coverage of the survey (i.e., whether establishments of all sizes were included, etc.).
- (c) Description of the methods of covering the field of inquiry - whether by direct collection, administrative reports or sampling (including a description of the sample design used and estimates of probable sampling errors). This description might also include an evaluation of the completeness of coverage attained.
- (d) Operational definitions of the items of data collected - perhaps in the form of copies of the questionnaires and basic instructions used.

- (e) Extent and treatment of non-response including:
- (i) Number and importance of known establishments failing to respond to the questionnaire together with, if possible, some of the key characteristics of these non-respondents - i.e., kind of activity and size particularly. Also, whether estimates for these non-respondents have been included in the published data.
 - (ii) Extent of non-response to particular questions for which no estimates have been or could be made.
- (f) Description of the industrial classification used.

V. ITEMS OF DATA RECOMMENDED FOR COLLECTION AND PUBLICATION IN
THE 1963 INDUSTRIAL CENSUS PROGRAMME

18. In the attached Table are set out the items of data to be tabulated and published, the kinds of tabulations to be made and the items of data it is necessary to collect in order to provide the proposed tabulations. Also indicated are those items of data recommended for collection and publication only for the larger establishments.

19. Definitions of the proposed items of data are to be found in Annex II of Revisions to the International Standards in Basic Industrial Statistics, E/CN.3/257. The notation used in the Table is as follows:

R - An entry of R in columns (1) or (2) indicates which items of data are recommended for collection and the kinds of establishments from which these items should be sought.

I - An entry of I in columns (3) or (4) indicates that the item should be classified by the specified characteristics of the statistical unit, and that, for international comparability, the industrial classification utilized should be convertible to the International Standard Industrial Classification of All Economic Activities^{2/} at the

^{2/} Statistical Papers, Series M, No. 4, Rev.1.

three digit (group) level. An entry of I* indicates the items of data that would generally be compiled only for the larger establishments - i.e. without the inclusion of estimates for the smaller establishments for which it is not suggested that the item in question be collected.

X - An entry of X in columns (1), (2), (3) or (4) indicates that the collection or publication of the item is optional.

ITEMS OF DATA TO BE COLLECTED AND PUBLISHED

Items of Data	To Be Gathered		To Be Published for All Establishments Except Where Asterisked	
	For larger establishments	For smaller establishments	By industry	By industry group and size class <u>1/</u>
	(1)	(2)	(3)	(4)
A. Establishment Characteristics				
1. Kind of activity (industry)	R	R		
B. Number of Establishments			I	I
C. Total Number of Persons Engaged during a Single Period of the Inquiry Year distinguishing <u>3/</u>	R	R	I	I
1. Number of working proprietors	R	R		
2. Number of unpaid family workers	R	R		
3. Number of home workers (optional) <u>4/</u>	X	X		
4. Number of employees	R	R	I	I
D. Number of Employees Engaged during Several Specified Periods of the Inquiry Year	R	R		
E. Average Number of Employees Engaged during the Inquiry Year <u>5/</u>			I	I
F. Average Number of Persons Engaged during the Inquiry Year <u>6/</u>			I	I
G. Wages and Salaries Paid during the Inquiry Year				
1. To employees	R	R	I	I
2. To home workers (optional) <u>4/</u>	X	X	X	X
H. Capacity of Power Equipment in use and in Reserve installed as of a Given Date during the Inquiry Year <u>7/</u>			I	I
1. Prime movers sub-divided as to whether or not driving electric generators <u>7/</u>	R	R	I	
2. Electric motors sub-divided into whether or not driven by purchased or self-generated energy <u>7/</u>	R	R	I	
I. Value of Stocks at the Beginning and End of the Inquiry Year <u>8/</u>				
1. Raw materials, fuels, supplies, etc. (incl. goods ordinarily to be sold in the same condition as purchased)	R		I*	
2. Work in process	R		I*	
3. Finished goods produced	R		I*	
J. Quantity of Electricity Consumed during the Inquiry Year <u>9/</u>			I	I
1. Quantity and cost of electricity purchased	R	R	I	
2. Quantity of electricity generated	R	R	I	
3. Quantity and value of electricity sold to others <u>10/</u>	R		I*	

For footnotes see end of table.

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ITEMS OF DATA TO BE COLLECTED AND PUBLISHED

Items of data	To Be Gathered		To Be Published for All Establishments Except Where Asterisked	
	For larger Establishments	For smaller Establishments	By industry	by industry group and size class ^{1/}
	(1)	(2)	(3)	(4)
K. Cost of Goods Received or Consumed and Payments for Services Rendered during the Inquiry Year				
1. Total cost of raw materials, supplies, components, etc ^{11/ 12/}	R		I*	
2. Total cost of fuels ^{12/}	R		I*	
3. Cost and quantity of individually important fuels ^{12/}	R		I*	
4. Total cost of goods to be sold in the same condition as purchased (optional)	X			
5. Total cost of contract and commission work done by others during the inquiry year ^{14/}	R			
L. Total Value of Goods Shipped or Produced ^{13/} and Receipts for Services rendered to Others during the Inquiry Year ^{14/}		R		
1. Value of all products of the establishments ^{13/}	R	^{15/}	I*	
2. Value and quantity of individually important products	R	^{15/}	I*	
3. Value of goods shipped in the same condition as purchased	R	^{15/}		
4. Receipts for work done or services rendered to others	R	^{15/}		
M. Gross Output during the Inquiry Year ^{16/}			I	I
N. Value Added ^{15/}			I	I

For footnotes see next page.

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Footnotes to Table

- 1/ Size is defined in terms of "average number engaged". See footnote 6/ and item F.
- 2/ "Number of establishments" is generally tabulated together with the other items of data. Where, because of non-response, the item being tabulated relates only to a part of the whole field, the "number of establishments to which the item of data relates" should also be indicated.
- 3/ Sum of items 1, 2, 4 and, optionally, 3 listed below.
- 4/ If "homeworkers" are not included in number engaged, then payments to homeworkers should be included in item K.5. ("Cost of contract and commission work") rather than item B. ("Wages and salaries")
- 5/ Computed from item D. above.
- 6/ Defined as the sum of "average number of employees" (item E.) plus number of "working proprietors", "unpaid family workers" and, optionally, "homeworkers". In classifying establishments according to average number engaged, at least 5, 10, 20, 50 and 100 should be used as lower class limits.
- 7/ The capacity of installed power equipment is equivalent to either the sum of the capacity of prime movers not driving electric generators and the capacity of all electric motors or the sum of the capacity of all prime movers and the capacity of electric motors driven by purchased electricity. Because of the difficulties of classifying electric motors according to whether or not driven by purchased electricity, it is often advantageous to utilize the first method of computing the capacity of installed power equipment. If this approach is utilized, it will not be necessary to distinguish electric motors by source of energy used.
- 8/ See E/CN.3/257, Annex II, Part II for suggested alterations in the categories of stocks for particular industries.
- 9/ For large establishments: item 1 plus 2 minus 3.
For small establishments: item 1 plus 2.
- 10/ In the case of establishments principally engaged in the production of electricity, item J.3 should be requested regardless of size of establishment.
- 11/ This total should not include the cost of materials received or consumed for the production of fixed assets for own use unless separate data are requested on the production of these fixed assets and their value included as part of gross output (See E/CN.3/257, Annex II, Part II). If a separate item of data is not gathered on total cost of goods to be sold in the same condition as purchased, this cost should be included in the cost of raw materials, supplies, etc.
- 12/ If requested on a "consumed" basis, data should relate to value of goods acquired from outside the establishment. (See E/CN.3/257, Annex II, Part II.)
- 13/ If requested on a "production" basis, data should relate to value of goods produced for sale or shipment to other establishments.
- 14/ If the total only is requested for the smaller establishments, it should be defined to include items 1, 3 and 4 listed below.
- 15/ If these items are to be requested for the smaller establishments, they should be requested only on a sample basis. If requested from a sample of the smaller establishments, it would be advantageous to request details as a means of building up the total value figures required even though the detailed data are not to be compiled.
- 16/ A. For the larger establishments
1. If data are requested on a "shipped" basis:
Sum of items L.1 (corrected for changes in stocks of work in process and finished goods - items I.2 and 3), L.3, L.4 and J.3.
2. If data are requested on a "produced" basis:
Sum of items L.1 (corrected for changes in stocks of work in process - item I.2), L.3, L.4 and J.3.
B. For the smaller establishments: Same as item L.
- 17/ A. For the larger establishments
1. If input data are requested on a "received" basis: Item M. less items K.1, K.2 and K.4 (corrected for changes in stocks of raw materials, etc. - Item I.1), K.5 and J.1.
2. If input data are requested on a "consumed" basis: Item M. less items K.1, K.2, K.4., K.5 and J.1.
B. For the smaller establishments
Value added would be estimated on the basis of item M. (Gross output), taking into account the relation between gross output and value added in the smallest size class within the same industry group for which the full range of data is available.

ANNEX II

ANTICIPATED COMPREHENSIVE INDUSTRIAL INQUIRIES FOR 1963
 OR A YEAR CLOSE TO 1963

Country and Type of Basic Inquiry	Year for Which Inquiry Will be Taken	Country and Type of Basic Inquiry	Year for Which Inquiry Will be Taken
AFRICA			
Algeria Industrial Census, Annual	1963	Tunisia Census of Enterprises ^{1/}	
Ethiopia Industrial Census, Annual	1963	Union of South Africa Industrial Census, Annual	1963/64
Kenya; Tanganyika Census of Industry	1963	United Arab Republic: Egypt Establishment Enumeration, Triennial	1963
Mozambique Industrial Statistics, Annual	1963	Census of Industrial Production, Biennial	1962
Rhodesia and Nyasaland, Fed. Census of Industrial Production, Annual	1963		
AMERICA - NORTH			
Canada Mining Statistics, Annual	1963	Dominican Republic National Industrial and Commercial Census	1964/65
Manufacturing Industries Survey of Production, Annual ^{2/}	1963	El Salvador Industrial and Commercial Census, Quinquennial	1961
Central Electric Stations, Annual Survey	1963	Guatemala Industrial Census, Quinquennial	1963
Construction Survey, Supplementary to Capital Expenditure Survey, Annual	1963	Honduras Industrial Census, Annual	1963
Costa Rica Commercial and Industrial Census, Quinquennial	1961/62	Mexico Industrial and Commercial Census, Quinquennial	1965

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Country and Type of Basic Inquiry	Year for Which Inquiry Will be Taken	Country and Type of Basic Inquiry	Year for Which Inquiry Will be Taken
AMERICA - NORTH (continued)			
Panama Industrial Census	1961	United States Census of Mineral Industries, Quinquennial	1963
Trinidad and Tobago Industrial Census ^{1/}		Census of Manufacturing, Quinquennial	1963
AMERICA - SOUTH			
Argentina Industrial Census, Biennial	1962	Ecuador Industrial Census	1963
Brazil Industrial Census, Decennial ^{3/}	1959	Paraguay Industrial Census	1962
Chile Industrial Census, Quinquennial	1962	Peru Industrial Census	1962
Colombia Industrial Census, Quinquennial	1962	Venezuela Industrial and Commercial Census, Decennial	1963
Sample Survey of Manufactures, First, 1955			
ASIA			
Burma Industrial Census	1961	Israel Sample Survey of Industries Annual	1963
Survey of Manufactures, Annual	1963	Japan Establishment Census Triennial	1963
Ceylon Census of Industry, Quinquennial	1962 or 1963	Census of Mining, Annual	1963
India Census of Manufactures, Annual	1963	Census of Manufactures, Annual	1963
Indonesia Industrial Census, Annual	1963	Construction Survey, Annual	1963
		Korea, Republic of Census of Manufacturing Establishments, Infrequent	1963

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Country and Type of Basic Inquiry	Year for Which Inquiry Will be Taken	Country and Type of Basic Inquiry	Year for Which Inquiry Will be Taken
ASIA (continued)			
Pakistan		Philippines	
Census of Manufacturing Industries, Annual	1963	Economic Census, Decennial	1958
		Survey of Manufactures, Annual	1963
EUROPE			
Austria		Finland	
Non-Agricultural Establishment Census, Decennial	1963	General Economic Census	1963 or 1967
Electricity Production Report, Annual	1963	Industrial Census, Annual	1963
Belgium		France	
Census of Industry and Commerce, Decennial	1960	Card Index of Establishments, ^{5/} Permanent	1963
Census of Production, Annual ^{4/}	1963	Germany, Federal Republic of	
Bulgaria		Non-Agricultural Establishment Census, Decennial	1960
Statistical Returns, Industry, Annual	1963	Handicraft Census, Infrequent	1961
Cyprus		Industry Reports, Annual	1963
Census of Industrial Production, Quadrennial	1962	Building Report, Annual	1963
Czechoslovakia		Net Product of Industry Report, Infrequent ^{6/}	1963
Industrial Undertakings, Statistical Reports, Annual	1963	Statistical Report of Public Utilities, Annual	1963
Denmark		Greece	
Establishment Census, Decennial	1958	Industrial and Commercial Census, Decennial	1961
Production Census, Annual	1963	Hungary	
Inventory Inquiry, Annual	1963	Statistical Returns, Industry, Annual	1963
		Iceland	
		Industrial Census, Triennial	1962

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Country and Type of Basic Inquiry	Year for Which Inquiry Will be Taken	Country and Type of Basic Inquiry	Year for Which Inquiry Will be Taken
EUROPE (continued)			
Ireland		Spain	
Industrial Census, Annual	1963	Census of Industries, Infrequent	1958
Italy		Industrial Inquiry, Annual	1963
Industrial and Commercial Census, Decennial	1961	Sweden	
Value Added, Inquiry, Annual	1963	Census of Establishments, Decennial	1961 or 1963
Luxembourg		Industrial Census, Annual	1963
Industrial Census, Annual	1963	Switzerland	
Malta		Census of Establishments, Decennial	1965
Industrial Census, Annual	1963	Turkey	
Netherlands		Census of Establishments, Decennial	1960
General Economic Census, Decennial	1960	Industrial Census, Annual	1963
Industrial Census, Annual	1963	United Kingdom	
Norway		Full Census of Production	1963
Census of Industrial Establishments, Decennial	1963	U.S.S.R.	
Industrial Census, Annual	1962	Statistical Returns, Annual and more frequent	1963
Poland		Yugoslavia	
Statistical Returns, Industry, Annual	1963	Collieries Report, Annual	1963
Statistical Returns, Handicraft	1963	Inquiry on Structure and Value of Industrial Production, Annual	1963
Portugal		Inquiry on Power Installed in Industry, Annual	1963
Industrial Census, Infrequent	1958/60	Inquiry on Electric Power Stations, Annual	1963
Industrial Statistics, Annual	1963	Construction Report, Annual and Monthly	1963
Romania			
Statistical Returns, Industry, Annual	1963		

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Country and Type of Basic Inquiry	Year for Which Inquiry Will be Taken	Country and Type of Basic Inquiry	Year for Which Inquiry Will be Taken
OCEANIA			
Australia Primary Non-rural Industries Census, Annual	1963	New Zealand Industrial Production Statistics, Annual	1963
Secondary Industries Census, Annual	1963		

- 1/ Census was first taken during the 1950's, and it is not known if and when the census will be repeated.
- 2/ Small establishments, generally those with annual sales below \$100,000 which in the annual census report only on quantity and value of sales or shipments, will be requested to give detailed information for the 1963 census.
- 3/ The taking of the industrial census for 1964 is being considered.
- 4/ Coverage of the annual industrial census will be expanded to all fields of industries by 1963, and small establishments which are excluded from the annual will be covered by a sample survey.
- 5/ A large-scale production census is scheduled around 1960 or 1961.
- 6/ The inquiry was first taken for 1954 and may become an annual inquiry.
