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DEVELOPMENTS IN COMPILATIONS AND RELATED ASPECTS OF  
NATIONAL ACCOUNTS WORK

(Report by the Secretary-General)

I. INTRODUCTION

1. The purpose of the present paper is to inform the Commission of the progress of Secretariat work in the compilation and publication of national accounting data and to outline for its consideration a number of proposals for the further development of the Secretariat programme in this area.
2. The report covers broadly the various types of activity represented by the compilations of national accounting data appearing in the Yearbook of National Accounts Statistics. This publication has for many years been the primary vehicle for disseminating the extensive body of basic information collected by means of the annual national accounts questionnaire, and it is now intended to develop it to accommodate an increasing number and variety of aggregative and analytical tabulations derived from the reported data. It has recently been supplemented by the publication in provisional form of National Accounting Practices in Sixty Countries, a detailed guide to the sources and methods used by countries in preparing their official national accounts estimates.
3. The discussion deals first with the compilations for individual countries appearing in the country chapters of the Yearbook and secondly with the compilations of regional and world aggregates which appear in rudimentary form in the International Tables of the 1963 edition of the Yearbook and which the Secretariat proposes to develop substantially in subsequent editions.

## II. DEVELOPMENT OF COUNTRY ESTIMATES

4. While the potential scope of the country estimates in the Yearbook has remained essentially unchanged since the first edition in 1958, the actual scope of the information included has widened considerably for most countries, expanding in parallel with the steady development of national accounting work in recent years. Associated with the rise in the number of countries represented in the Yearbook, this widening has meant a fairly regular year-to-year expansion in the total volume of information published. The scope of the tables shown for individual countries in the 1963 edition is indicated in the appendix to this paper.

5. The question of whether changes should be made in the system of tables in the national accounts questionnaire, or in the closely related system published in the Yearbook, hinges on the revision of the system of national accounts (SNA) which is now in progress and which is the subject of another paper before the Commission (E/CN.3/320). At this point, it may be sufficient to note the demands which have been felt for the provision of supplementary information on the distribution of personal income by size and for the inclusion of additional detail on both general government transactions and external transactions. A special demand of this type has been met by the inclusion of a table on central government transactions in the 1964 edition of the questionnaire. This table will not be published in the 1964 edition of the Yearbook but will be used directly to meet the needs of the International Monetary Fund and a number of other institutions.

6. In the past, due to the limitations of the printed page, the country chapters of each Yearbook have provided estimates for a period of seven years only. An important innovation in the 1964 Yearbook, made possible by changes in format, will be the inclusion in all basic tables of figures for eleven years, in this case for 1950, 1953 and 1955-1963. The Secretariat proposes to include, in future editions, figures for a benchmark year and for a subsequent ten-year span. Thus, the 1965 Yearbook, to be published in 1966, will include information for the years 1953 and 1955-1964.

7. The extension in this manner of the period covered by the published data will bring it further into line with the period covered in the questionnaire and will meet the many demands expressed by econometricians and others for consistent series

of reasonable length. The questions of how far back revisions of earlier figures should extend and in what form they should be made available to users are still under consideration. The year 1950, however, appears to form a convenient starting point for all but a few selected aggregates and is the one generally favoured by other institutions compiling comparable data.

8. Work on the study of country practices in preparing the estimates shown in the Yearbook has continued and, with the appearance of National Accounting Practices in Sixty Countries, a major step has been taken towards maintaining a published record of current methods of estimation. The present provisional edition of this publication will be replaced in the next few years by an expanded and revised version, tailored more closely to the requirements of users of the Yearbook. The inclusion for each country of a reconciliation table showing the major adjustments made to the official estimates published in the national sources might be one of the objectives of this revision.

### III. DEVELOPMENT OF WORLD AND REGIONAL AGGREGATES

9. Efforts to compile world and regional estimates of product and expenditure have increased in number in recent years in response to the demand for aggregates of this type by economic analysts and policy-makers. Secretariat work in this area has been relatively limited in scope up to the present time and has concentrated largely on the development of indexes of world and regional product classified by industry of origin. The sequence of this development may be seen in the appearance of benchmark estimates of product by country and region in the 1962 Yearbook, of indexes of total product by region in the 1963 Yearbook, and of indexes of total product by region and by industry in the 1964 Yearbook.

10. This work is now being expanded as resources permit and, in subsequent editions of the Yearbook, compilations of this kind will be developed to cover most of the major tabulations of current interest. Estimates of world and regional expenditure aggregates and their principal components will be given high priority and, for both types of aggregate, secondary tabulations will be introduced to provide information on per capita development, structural change, and rate of growth, and to supply a framework within which to integrate the corresponding measures for individual

countries. At a later stage, it is proposed to examine the possibility of deriving productivity measures by matching employment data to the estimates of product by industry. In all such tabulations, it is intended to make provision for alternative groupings of countries, including groupings based on level of economic development or participation in trading blocs.

11. The compilation of these aggregates, their breakdowns and their derivatives is complicated by a frequent lack of comparability in the national estimates and by the difficulty of converting estimates to a uniform basis of valuation. The first problem is the subject of continuous investigation by the Secretariat as part of its routine work and may be expected to show a steady decline in significance as the elements of incomparability in the individual estimates are recognized. In overcoming the problem in its principal manifestation at this time, i.e., the divergence between the statistics of the market economies and the centrally planned economies, the current efforts to establish well-defined links between the practices of the two groups of countries should be of assistance.

12. The second problem is more intractable. In principle, it might be formally solved by the complete revaluation of each country's expenditure and product aggregates by the use of a common system of prices. This was the approach adopted in the early fifties by OEEC for the experimental comparison of the aggregates of member countries. The approach requires an extended array of price and quantity data and as a general solution must be considered impracticable at the present time.

13. A second possible method of bringing the aggregates in national currency units to common terms is by independently establishing the purchasing power equivalents of the national currencies. In the application of this method, this is generally done by pricing a specific basket of goods and services in each country and then comparing the costs involved. Variants of the method have been employed by both ECLA and EEC in their work in this field.

14. A third approach, and the one still most commonly employed, is the translation of the aggregates expressed in national currency units into terms of a common currency by means of official exchange rates. The direct conversion by prevailing exchange rates is frequently modified in practice by the adjustment of these rates to give results approximating more closely the desired "equilibrium" rates. This is often done by adjusting the rates in a relatively "normal" year by means of appropriate price indexes.

15. Of these three approaches, a less complete version of the second one may offer a solution which is statistically feasible and conceptually not unsatisfactory. It may, for example, be possible to identify a relatively restricted basket of goods and services containing items which are the subject of price series gathered as part of regular national or international work and which exhibit price levels representative of a much larger basket of goods and services common to a group of countries. This question is now being investigated in the United States with respect to items entering private consumption expenditure in the ECLA work mentioned above. The approach is likely to be more fruitful in the case of this aggregate than in the case of other expenditure aggregates in view of the greater availability of nationally and internationally gathered price series on the elements of private consumption and the lesser problems of comparability. With any of these approaches, once benchmark comparisons are made, they may be extrapolated by means of appropriate price indexes. This calls attention to the need for stimulating improvements in the comparability and coverage of published national price series. Extending and revising the Commission's recommendations on the subject of price statistics should be of assistance in this respect.

#### IV. ACTION BY THE COMMISSION

16. The Commission may wish to express its views on the proposals outlined above for the expansion of current work on the compilation of national accounting data. It may also wish to express its views on the question of establishing a limited programme to measure the comparative purchasing power of national currencies, which might be used, inter alia, to develop a firmer basis for the comparison and aggregation of national estimates of product and expenditure.

APPENDIX

Scope Of Tables For Individual Countries Published In 1963 Edition Of Yearbook Of National Accounts Statistics

|   |   |   |
|---|---|---|
| I. EXPENDITURE ON GROSS NATIONAL PRODUCT        | IV. FINANCE OF GROSS DOMESTIC CAPITAL FORMATION                             | VI. RECEIPTS AND EXPENDITURES OF HOUSEHOLDS AND PRIVATE NON-PROFIT INSTITUTIONS |
| II. INDUSTRIAL ORIGIN OF GROSS DOMESTIC PRODUCT | Va. COMPOSITION OF GROSS DOMESTIC CAPITAL FORMATION BY TYPE OF CAPITAL GOOD | VII. COMPOSITION OF PRIVATE CONSUMPTION EXPENDITURE                             |
| III. DISTRIBUTION OF THE NATIONAL INCOME        | Vb. COMPOSITION OF GROSS DOMESTIC CAPITAL FORMATION BY INDUSTRIAL USE       | VIII. GENERAL GOVERNMENT REVENUE AND EXPENDITURE                                |
|   | Vc. COMPOSITION OF GROSS DOMESTIC CAPITAL FORMATION BY TYPE OF PURCHASER    | IX. EXTERNAL TRANSACTIONS   |

| Table                         | AT CURRENT PRICES |    |     |    |    |    |    |    |     |      |    | AT CONSTANT PRICES |    |    |    |    |      |
|-------------------------------|-------------------|----|-----|----|----|----|----|----|-----|------|----|--------------------|----|----|----|----|------|
|                               | I                 | II | III | IV | Va | Vb | Vc | VI | VII | VIII | IX | I                  | II | Va | Vb | Vc | VIII |
| GROUP I. MARKET ECONOMIES     |                   |    |     |    |    |    |    |    |     |      |    |                    |    |    |    |    |      |
| AFRICA                        |                   |    |     |    |    |    |    |    |     |      |    |                    |    |    |    |    |      |
| Ghana                         | X                 | -  | -   | -  | X  | -  | -  | -  | X   | -    | -  | -                  | -  | -  | -  | -  | -    |
| Kenya                         | -                 | X  | -   | -  | X  | -  | X  | -  | -   | -    | -  | -                  | -  | -  | -  | -  | -    |
| Mauritius                     | X                 | X  | X   | -  | X  | X  | -  | X  | -   | X    | X  | -                  | -  | -  | -  | -  | -    |
| Morocco                       | X                 | -  | -   | X  | X  | -  | X  | -  | -   | -    | -  | -                  | X  | X  | -  | -  | -    |
| Rhodesia and Nyasaland (Fed ) | X                 | X  | X   | X  | X  | X  | X  | X  | X   | X    | X  | X                  | -  | X  | X  | X  | X    |
| South Africa                  | X                 | X  | -   | X  | X  | -  | X  | X  | X   | X    | X  | -                  | -  | -  | -  | -  | X    |
| Sudan                         | X                 | X  | -   | -  | X  | X  | X  | -  | -   | -    | -  | -                  | -  | -  | -  | -  | -    |
| Tanganyika                    | X                 | X  | -   | -  | X  | X  | X  | -  | -   | -    | -  | -                  | -  | -  | -  | -  | -    |
| Uganda                        | -                 | X  | X   | -  | X  | -  | X  | -  | -   | -    | -  | -                  | -  | -  | -  | -  | -    |
| AMERICA, NORTH                |                   |    |     |    |    |    |    |    |     |      |    |                    |    |    |    |    |      |
| Barbados                      | X                 | X  | X   | X  | -  | -  | -  | X  | -   | X    | X  | -                  | -  | -  | -  | -  | -    |
| Canada                        | X                 | X  | X   | X  | X  | X  | X  | X  | X   | X    | X  | X                  | -  | X  | -  | -  | X    |
| Costa Rica                    | X                 | X  | X   | X  | -  | -  | X  | X  | -   | X    | X  | -                  | -  | -  | -  | -  | -    |
| Dominican Republic            | X                 | -  | -   | -  | -  | -  | -  | -  | -   | -    | -  | -                  | -  | -  | -  | -  | -    |
| El Salvador                   | X                 | X  | -   | -  | -  | -  | -  | -  | -   | -    | -  | -                  | -  | -  | -  | -  | -    |
| Guatemala                     | X                 | X  | -   | -  | -  | -  | -  | -  | -   | -    | -  | X                  | -  | -  | -  | -  | -    |
| Honduras                      | X                 | X  | X   | X  | X  | -  | X  | X  | X   | X    | X  | X                  | X  | X  | -  | X  | X    |
| Jamaica                       | X                 | X  | X   | X  | -  | X  | X  | X  | X   | X    | X  | X                  | X  | -  | -  | -  | -    |
| Mexico                        | X                 | -  | -   | -  | -  | -  | -  | -  | -   | -    | -  | -                  | X  | -  | -  | -  | -    |
| Nicaragua                     | -                 | -  | -   | -  | -  | -  | -  | -  | -   | -    | -  | -                  | X  | X  | -  | -  | X    |
| Panama                        | X                 | X  | X   | X  | -  | -  | X  | X  | X   | X    | X  | -                  | -  | -  | -  | -  | -    |
| Puerto Rico                   | X                 | X  | X   | X  | X  | -  | X  | -  | X   | -    | X  | X                  | -  | X  | -  | X  | X    |
| Trinidad and Tobago           | X                 | X  | X   | X  | X  | X  | -  | X  | X   | X    | X  | -                  | -  | -  | -  | -  | -    |
| United States                 | X                 | X  | X   | X  | X  | X  | X  | X  | X   | X    | X  | X                  | -  | X  | -  | X  | -    |
| AMERICA, SOUTH                |                   |    |     |    |    |    |    |    |     |      |    |                    |    |    |    |    |      |
| Argentina                     | X                 | X  | X   | -  | X  | -  | -  | -  | -   | -    | -  | X                  | X  | X  | -  | -  | -    |
| Brazil                        | X                 | X  | X   | -  | -  | -  | -  | -  | -   | -    | -  | -                  | X  | -  | -  | -  | -    |
| British Guiana                | X                 | X  | -   | -  | X  | -  | -  | -  | -   | -    | -  | -                  | -  | -  | -  | -  | -    |
| Chile                         | X                 | X  | -   | X  | X  | -  | -  | X  | -   | X    | X  | X                  | X  | X  | -  | -  | -    |
| Colombia                      | X                 | X  | X   | X  | X  | -  | -  | X  | -   | X    | -  | X                  | X  | X  | -  | -  | -    |
| Ecuador                       | X                 | X  | X   | X  | X  | -  | X  | X  | X   | X    | X  | X                  | X  | X  | -  | X  | X    |
| Paraguay                      | X                 | X  | -   | -  | -  | -  | -  | -  | -   | -    | -  | X                  | X  | -  | -  | -  | -    |
| Venezuela                     | X                 | -  | -   | -  | -  | -  | -  | -  | -   | -    | -  | -                  | X  | X  | X  | -  | -    |

| Table  | AT CURRENT PRICES |   |    |     |    |    |    |    |    |     |      | AT CONSTANT PRICES |   |    |    |    |    |     |
|--|-------------------|---|----|-----|----|----|----|----|----|-----|------|--------------------|---|----|----|----|----|-----|
|  | Country           | I | II | III | IV | Va | Vb | Vc | VI | VII | VIII | IX                 | I | II | Va | Vb | Vc | VII |
| <b>ASIA</b>                                    |                   |   |    |     |    |    |    |    |    |     |      |                    |   |    |    |    |    |     |
| Burma  | X                 | X | -  | X   | X  | -  | X  | X  | -  | X   | X    | -                  | - | X  | -  | -  | -  | -   |
| Ceylon   | X                 | X | X  | -   | X  | -  | X  | -  | X  | -   | X    | X                  | X | -  | -  | -  | -  | -   |
| China (Taiwan)                                 | X                 | X | X  | X   | X  | X  | X  | X  | X  | X   | X    | X                  | X | -  | -  | -  | -  | -   |
| Federation of Malaya                           | X                 | - | -  | -   | X  | -  | -  | -  | X  | -   | X    | X                  | - | X  | -  | -  | -  | -   |
| India  | -                 | X | -  | -   | -  | -  | -  | -  | -  | -   | X    | X                  | - | X  | -  | -  | -  | -   |
| Israel   | X                 | X | X  | -   | X  | X  | -  | -  | X  | -   | -    | -                  | X | -  | -  | X  | -  | X   |
| Japan  | X                 | X | X  | X   | X  | -  | X  | X  | X  | X   | X    | X                  | X | -  | -  | -  | -  | -   |
| Korea (Rep.)                                   | X                 | X | X  | X   | X  | X  | X  | X  | X  | X   | X    | X                  | X | X  | X  | X  | X  | X   |
| Pakistan                                       | -                 | X | -  | -   | -  | -  | -  | -  | -  | -   | -    | -                  | - | X  | -  | -  | -  | -   |
| Philippines                                    | X                 | X | X  | X   | X  | X  | X  | X  | X  | -   | X    | X                  | X | X  | X  | -  | -  | -   |
| Syria  | -                 | - | -  | -   | -  | -  | -  | -  | -  | -   | -    | -                  | - | -  | -  | -  | -  | -   |
| Thailand                                       | X                 | X | -  | -   | X  | X  | X  | -  | X  | -   | -    | -                  | - | X  | X  | X  | X  | X   |
| <b>EUROPE</b>                                  |                   |   |    |     |    |    |    |    |    |     |      |                    |   |    |    |    |    |     |
| Austria  | X                 | X | X  | X   | X  | X  | X  | X  | X  | X   | X    | X                  | X | X  | X  | X  | X  | X   |
| Belgium  | X                 | X | X  | X   | -  | X  | X  | X  | X  | X   | X    | X                  | X | X  | X  | X  | X  | X   |
| Cyprus   | X                 | X | X  | -   | X  | X  | -  | -  | -  | -   | X    | X                  | X | X  | X  | X  | X  | X   |
| Denmark  | X                 | X | X  | X   | X  | X  | X  | X  | X  | X   | X    | X                  | X | X  | X  | X  | X  | X   |
| Finland  | X                 | X | X  | -   | X  | X  | X  | -  | X  | X   | X    | X                  | - | X  | X  | -  | -  | X   |
| France   | X                 | X | X  | X   | X  | X  | X  | X  | X  | X   | X    | X                  | X | X  | X  | -  | X  | X   |
| Germany (F.R.)                                 | X                 | X | X  | X   | X  | X  | X  | X  | X  | X   | X    | X                  | X | X  | X  | -  | -  | -   |
| Greece   | X                 | X | X  | X   | X  | X  | X  | X  | X  | X   | X    | X                  | X | X  | X  | X  | X  | X   |
| Iceland  | X                 | - | -  | -   | -  | X  | -  | -  | X  | -   | X    | -                  | X | -  | X  | X  | X  | X   |
| Ireland  | X                 | X | X  | X   | X  | X  | X  | X  | X  | X   | X    | X                  | X | -  | X  | X  | X  | X   |
| Italy  | X                 | X | -  | X   | X  | X  | X  | -  | X  | X   | X    | X                  | X | X  | X  | X  | X  | X   |
| Luxembourg                                     | X                 | X | X  | X   | X  | X  | X  | X  | X  | X   | X    | X                  | X | X  | X  | X  | X  | X   |
| Malta  | X                 | X | X  | X   | X  | -  | X  | X  | X  | X   | X    | X                  | - | -  | -  | -  | -  | X   |
| Netherlands                                    | X                 | X | X  | X   | X  | X  | X  | X  | X  | X   | X    | X                  | X | X  | X  | X  | X  | X   |
| Norway   | X                 | X | X  | X   | X  | X  | X  | X  | X  | X   | X    | X                  | X | X  | X  | X  | X  | X   |
| Portugal                                       | X                 | X | -  | X   | X  | X  | X  | -  | -  | X   | X    | X                  | X | X  | X  | X  | X  | -   |
| Spain  | X                 | X | X  | X   | X  | -  | -  | X  | X  | X   | X    | X                  | - | -  | -  | -  | -  | -   |
| Sweden   | X                 | - | X  | X   | X  | X  | X  | X  | X  | X   | X    | X                  | X | -  | X  | X  | X  | X   |
| Switzerland                                    | X                 | - | X  | X   | X  | -  | X  | X  | -  | X   | X    | X                  | X | X  | X  | -  | -  | X   |
| Turkey   | X                 | X | -  | -   | -  | -  | -  | -  | -  | -   | -    | -                  | - | X  | -  | -  | -  | -   |
| United Kingdom                                 | X                 | X | X  | X   | X  | X  | X  | X  | X  | X   | X    | X                  | X | X  | X  | X  | X  | X   |
| <b>OCEANIA</b>                                 |                   |   |    |     |    |    |    |    |    |     |      |                    |   |    |    |    |    |     |
| Australia                                      | X                 | X | X  | X   | -  | X  | X  | X  | X  | X   | X    | X                  | X | -  | -  | -  | -  | X   |
| New Zealand                                    | X                 | - | X  | X   | -  | -  | -  | X  | -  | X   | X    | X                  | - | -  | -  | -  | -  | -   |
| <b>GROUP II. CENTRALLY PLANNED ECONOMIES *</b> |                   |   |    |     |    |    |    |    |    |     |      |                    |   |    |    |    |    |     |
| Bulgaria                                       | X                 | - | -  | -   | X  | X  | X  | -  | -  | -   | -    | -                  | - | -  | -  | -  | -  | -   |
| Czechoslovakia                                 | -                 | X | -  | -   | -  | -  | -  | -  | -  | -   | -    | -                  | - | X  | X  | X  | X  | -   |
| Germany, Eastern                               | -                 | X | -  | -   | -  | X  | -  | -  | -  | -   | -    | -                  | - | -  | -  | -  | -  | -   |
| Hungary  | X                 | X | -  | -   | X  | X  | X  | -  | -  | -   | -    | -                  | X | X  | -  | -  | -  | -   |
| Poland   | X                 | - | X  | -   | -  | -  | -  | -  | -  | -   | -    | -                  | X | X  | X  | X  | X  | -   |
| Romania  | -                 | X | -  | -   | X  | X  | -  | -  | -  | -   | -    | -                  | - | X  | -  | -  | -  | -   |
| USSR   | X                 | X | -  | -   | -  | -  | -  | -  | -  | -   | -    | -                  | - | -  | X  | X  | X  | -   |
| Yugoslavia                                     | X                 | X | X  | X   | X  | X  | -  | X  | X  | -   | -    | -                  | - | X  | -  | -  | -  | -   |

\* Entries generally refer to variants of standard tables