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DRAFT RECOMMENDATIONS FOR THE 1973 WORLD PROGRAMME OF INDUSTRIAL STATISTICS

PART II. LIST OF PRODUCTS AND MATERIALS

Report of the Secretary-General

Addendum

Summary of comments on document E/CN.3/405

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INTRODUCTION

1. This paper consists of a summary of the more important comments received by the United Nations Statistical Office in response to the document entitled "Draft recommendations for the 1973 World Programme of Industrial Statistics. Part II. List of products and materials" (E/CN.3/405).
2. The document was distributed for comments to selected national statistical offices and international organizations. By the end of June 1970, comments had been received from the Economic Commission for Europe (ECE), the Food and Agriculture Organization of the United Nations (FAO), the General Agreement on Tariffs and Trade (GATT) and the International Atomic Energy Agency (IAEA). Comments were also received from the following countries: Australia, Austria, Barbados, Botswana, Bulgaria, Canada, China (Taiwan), Cyprus, Czechoslovakia, Denmark, El Salvador, Ethiopia, the Federal Republic of Germany, Finland, Greece, Hungary, Iran, Israel, Italy, Jordan, Lesotho, Malaysia, Malta, New Zealand, Norway, Panama, Poland, the Republic of Korea, the United Arab Republic, the United Republic of Tanzania and the United States of America.
3. The summary which follows is intended to provide a broad perspective of the views expressed on the draft recommendations. It is largely confined to the representation of views which the Statistical Office feels will be of interest to the Commission, relating in general to basic features of the proposed list of products and materials. References to specific suggestions for the revision of commodity codes or descriptions and inclusions of new items are not included. The summary is arranged according to the sequence in document ST/STAT/45 (attached to E/CN.3/405).

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I. SUMMARY OF COMMENTS

General remarks

4. It was suggested that the title of the paper should be revised to read "List of selected products and materials", since it does not represent a comprehensive classification of products and materials.
5. There was general agreement that the list of products and materials included in this paper would serve as a useful guide in reporting information on the production and consumption of individual commodities. However, some countries expressed reservations about reporting information on some products and materials because of the confidential nature of such information. Others indicated that a detailed analysis of inputs and outputs as prescribed for the 1973 Programme would be very difficult to obtain, particularly for the developing countries, and suggested that as an initial target the recommended breakdown should be more condensed and should call for a broad analysis by major commodity groups.
6. The FAO, on the other hand, noted that "a particularly unsatisfactory feature of the list of manufactured items appears to be the high degree of aggregation".
7. The Working Party on the Chemical Industry of ECE commented that proposals for the chemical sector of the 1973 Programme were, on the whole, satisfactory and suggested that the products to be dealt with in the study entitled "Market trends and prospects for chemical products"^{1/} should all be recommended for inclusion in the Programme.

Criteria for selection, ordering and coding

8. It was suggested that for comparability of data on production, consumption, and foreign trade, the list of products and materials should not contain items corresponding to two or more SITC items from different SITC groups. Correspondence of data on production, consumption and foreign trade is, of course, desirable. It is, therefore, proposed to look into such differences upon the issuance of the revised SITC now under review.

^{1/} Working Party on the Chemical Industry, Economic Commission for Europe, CHEM. IND./9, 26 March 1970.

9. Some of the minerals in the list of products and materials contain the capital letter M against the ISIC- and SITC-based codes. The explanation was inadvertently omitted from paragraph 7 of ST/STAT/45. Where the codes for a commodity are identified by the letter M, the data should be reported in terms of metal content of metal-bearing ores and concentrates.

Scope and coverage of reported data

10. A qualifying note was suggested for inclusion in paragraph 9 of ST/STAT/45 specifying that the products of agriculture, forestry and fisheries in the list should not be compiled for purposes of the 1973 Programme. Compilation of such data, however, would be required in connexion with materials going into consumption.

11. It was felt that some clarification would be needed concerning the coverage of the reported data. Coverage limited to establishments with five or more persons engaged, as recommended in E/CN.3/404, would generally be satisfactory as a basis for estimating production, consumption and capital formation and for industrial commodity flows in general.

Concepts of production and consumption

12. Some countries expressed reservations about reporting data on production, as defined in paragraph 10. They indicated that "shipments" data were collected for production and that "captive production" was not taken into consideration in such data.

13. It was proposed that reference to the enumeration of secondary production should be amended to include, in inquiries, reporting of these data in cases where such production is important.

Units of measurement

14. Although there were not any major objections to the list of products and materials in uniform quantitative terms, some countries indicated that the list should not be limited to commodities expressed in such terms only. It was suggested that the list would be improved if items that could be specified in terms of "value only" were also included, even though there were problems of international comparisons of values.

15. Attention was also drawn to the problem of converting some of the quantity data to the prescribed units for lack of uniform conversion factors for such data.

Problems of double counting

16. The stage at which the production or consumption should be measured to avoid double counting was recognized as a very important problem. Some countries suggested that more detailed recommendations would be needed to clarify this problem.

II. LIST OF PRODUCTS AND MATERIALS

17. It was suggested that the heading should read "List of selected products and materials" for the reason given in paragraph 4 above.

18. The heading entitled "II. Minerals" should be revised to read "II. Minerals and crude fertilizers" since it includes guano, an organic fertilizer of animal origin, which cannot be described as a mineral.

19. A number of suggestions were made for inclusion of additional products and materials in the list. In addition, it was felt that some of the items should be more clearly defined. It was also noted that some of the ISIC- and SITC-based code numbers required revision. These improvements and revisions resulting from suggestions received will be incorporated in the final version of the list.

III. PROPOSALS FOR FUTURE WORK

20. On the basis of this review of comments received on the draft recommendations in ST/STAT/45 and in the light of the plans of the Statistical Office to further work on this subject, the Commission may wish to request the Secretary-General (a) to revise document ST/STAT/45 according to the suggestions indicated in the present paper, taking into account the views expressed by the Commission at its sixteenth session, and (b) to issue the revision of the document as the international recommendations for the 1973 World Programme of Industrial Statistics.
