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# Foreword

### Dr. Hasan Abu-Libdeh Palestinian Central Bureau of Statistics

#### Success against all odds?

Yes, I think so but I hasten to add, only so far. We have come so far along the road to building a Palestinian Central Bureau of Statistics that we can rather clearly see the road ahead. The road ahead is arduous. We may stumble here and there but we think we know the general direction and we are no longer that surprised when we encounter a problem. We have started and all of us at PCBS feel good about that start.

In this publication the reader will find a record of the discussions held in Jerusalem, Nablus and Bir Zeit on April 24-26 by international statistics experts on our Masterplan for Palestinian official statistics.

The record from the conference discussion does not show unanimous praise for every decision we have taken on directions, of course. In that case, the conference would have been neither very meaningful, nor useful to us for the future. In our invitation we hoped for a general endorsement but also for warnings of the risks and dangers that lie ahead, and specifically with the directions we have chosen.

The reader will find that we were amply rewarded on both counts which makes this document into a goldmine of advice for PCBS in the future, and hopefully, also for some readers among colleagues in other developing countries on the same road as we are.

We have not formulated any definitive answers to the many issues and ideas raised in the discussion, many of them new to us. Even ideas and advice which we will not take up for implementation in the future we need to consider very seriously to find out whether our arguments for rejection are good enough. Also in that endeavour we will be assisted by the record from the discussion since most new ideas or proposals were met by counterarguments!

Let me first take you back to how it started. I think you will then better understand why we dare call ourselves "a success against all odds" (with a question mark for the benefit of the readers!)

#### How it all started

Our journey toward a Palestinian Central Bureau of Statistics really started on March 13, 1993 when I received a PLO decree signed by Mr. Abu Ala, then Head of the Economic Affairs Department of the PLO, ordering me to start that journey. Although

the journey already seems long to me since so much has happened, it is just two years ago!

When the very few of us started there were only questions on our minds on how to go about the business of starting a Bureau of Statistics from scratch. This would be a daunting task under any circumstances. In our specific Palestinian circumstances, it would be against all odds. It would be the first institution of a Palestinian state apparatus on Palestinian territory.

Some of these odds against us were that we would start operations on territory occupied by an enemy to our cause, an enemy with superior resources and with a strong will to dominate. As the first institution of a state apparatus that did not yet exist we would not have the support of an existing infrastructure of administrative and other traditions that are crucial by providing routine procedures to follow. We would not even have one penny in a budget to start with!

Our spirits were high, however, probably partly because we did not know at the time all the big questions we were to face and even less of the many, many detailed problems that must be solved on the way.

However, we knew one thing. Our Bureau of Statistics would not be the first of its kind in the world. Ours would be something like the twohundredth of its kind in the world, some of them having been in existence for more than 200 years. We knew of the existence of an international statistical community within which there has been cooperation across borders for more than 100 years.

#### The first international conference on developing Palestinian official statistics

At the center of this global international community is the United Nations statistical office in New York. We turned to it for help and advice with all our questions and the idea that the answers to those questions should be summarised in a Masterplan for the institution we were supposed to build. We even had a draft outline when we came to our first meeting with this community of would-be colleagues.

We were met in the most friendly way by Mr. William Seltzer, the then Director-General of the UN statistical office. He called a meeting at UN headquarters in New York with representatives of some of the more experienced statistical offices in the world. His plan in selecting the experts to be invited was to expose us, I am sure, not only to good advice, the best available, but also to conflicting advice, to expose us to the different traditions and solutions of countries.

From my notes I see that we came to the meeting with a list of no less than ten major activities, which was presumptuous for an organisation that at the time had nine staff, of which four clerical. This list<sup>1</sup> is, of course, still with us but it has also been

<sup>1</sup> 

<sup>&</sup>lt;sup>1</sup> (1). A large scale demographic survey, (2) A mother and child health survey, (3). Plann-ing for a census for August 1996, (4) A labour force survey, (5). Economic statistics and national accounts, (6). Drafting a statistics law, (7) A community survey, (8) Current status reports on labour, population,

extended in many directions by pressure from impatient Palestinian users. Our current portfolio of projects includes no less than 40 items! We have accomplished enough of those tasks or have them well under way to implementation to feel pride in our achievements.

#### The Masterplan

However, my special baby during these two years has been this idea of a Masterplan. I think scientists say a little paradoxically "there is nothing as practical as a good theory." Trying to build an institution from scratch needs the practical guidance of, yes! a theory, a frame of reference, a philosophy. In the slightly prosaic and bureaucratic world of a statistics bureau these words are not quite appropriate. So I thought I would call what I needed a Masterplan for the development of Palestinian official statistics.

I think I got what I wanted, what I increasingly felt the need for in those first few months after Mr. Abu Ala's decree reached me. A Masterplan for an institution to be built should not just be an empty, abstract vision. Neither should it be just a concrete list of activities to be undertaken, one after the other according to a time plan, with budgets allocated to each activity and staffing requirements estimated. This would, of course, be required later on.

To me, the Masterplan should address the major issues of principle, in our case, the functions of official statistics, whether to go for a centralised or sector-based statistical system, basic principles for system-building in the statistical area, the basis for the legislative framework, an outline of the organisation needed but also not shying away from delineating the concrete content of the many areas official statistics must cover as a basis for democratic collective action.

I was very eager to see how this baby of mine would swim in the strong currents of international expert opinion. A Masterplan for the building of an institution is not a holy scripture that can live by exegesis only. There must be discussion and controversy so that its principles and ideas can be tested by honestly held contrary opinions. Directions will have to change, or at least to be modified.

#### The second international conference on developing Palestinian official statistics

We turned again to the international statistical community and within that community to the colleagues we met in New York. We were very gratified by the positive response to our invitation from so many noted experts and institutions in the field.

However, organising an international conference with some 75 participants, including the 35 foreign experts proved to be a Herculean task for our small PCBS. I think you

national accounts etc. with existing data critically assessed, (9). A National statistical library, 10. A statistical periodical.

can imagine the sweat and even the tears it cost us to meet and try to solve all the detailed problems we had to face without any prior experience whatsoever. Most of our agonies are now forgotten since most things finally worked out well.

The conference met and even surpassed all our expectations as to content of discussions. It was interesting to follow the discussions during those intensive three days but it is only after reading in the proceedings that we have been able to fully appreciate the richness in the discussions, the many ideas and suggestions, the carefully phrased arguments *pro* by one speaker and *contra* by the next.

Dear participants! It was really nice meeting each of you and all of you together. I very much look forward to seeing you again!

As to concrete actions, we want to think carefully before we act and to have discussions within ourselves at the PCBS and with our users. Therefore, I will not announce any decisions in this foreword, although it would be tempting to do so..

#### To our donors

I do want again to thank our donors. It was a grant from the European Union that made the conference possible with European participants and some additional funds from the UNDP, originally from the Norwegian government, that financed the participants from the rest of the world. The technical assistance for the conference itself was provided by the German government via GTZ.

I do hope that this document, although somewhat voluminous, will function as a sort of project eveluation for all donors. I am deeply grateful to GTZ for, in effect, financing the production of this document by providing the technical assistance needed.

## The Second International Conference on Developing Palestinian Official Statistics April 24, 1995

# Opening Ceremony in the Ambassador Hotel in Jerusalem

Introduction by

Dr. Hasan Abu-Libdeh

Director-General Palestinian Central Bureau of Statistics

Welcoming Address by

H. E. Ahmed Qurie (Abu-Ala)

Minister of Economy, Trade and Industry Palestinian National Authority

#### Dr. Hasan Abu-Libdeh

# Director-General Palestinian Central Bureau of Statistics

#### Ladies and gentlemen!

I am sorry to have to announce first of all that some of our Palestinian colleagues might not be able to show up for some time this morning because of some problems at the road blocks. I hope they will be able to join us later this morning. But we have to get started.

This morning I am very honored to have the opportunity of introducing a veteran member of the Central Committee of the Al Fatah organization, the head of the Economic Department of the PLO and the godfather and head of the Palestinian negotiating team of the Oslo accords with the Israelis, a person who can claim an essential and key role in institution creation in the past fifteen years.

He was instrumental in putting together key institutions, such as the Housing Council, the Technical Development Committee etc. He was crucial in putting together the whole idea of a Palestinian Central Bureau of Statistics. I will always remember that day of March 13, 1993 when I received direct instructions from Tunis in a decree, signed by him, which asked me to start working on establishing a Palestinian bureau of statistics.

This morning I am very honored to present to you Mr. Abu-Ala.

#### Mr. Abu-Ala

Minister of Economy, Trade and Industry Palestinian National Authority

#### Ladies and gentlemen!

First of all I don't need to respond to what my friend Hasan Abu- Libdeh said when he introduced me, but I would like to say that he is one of the most important figures here in the Occupied Territories.

He played an active role in establishing Palestinian institutions that were here months before the establishment of the PNA. He was the Deputy Director General of the Technical Committees, and the most active member. He played a very vital role and gave the technical committees the role they played in the multilateral negotiations, in the economic development etc.

I would like to thank you very much and to welcome you here to the Second International Conference on Developing Palestinian Official Statistics.

With your participation in this conference, you contribute to the peace process in the Middle East, and to the Palestinian cause in this difficult period.

#### On the negotiations

The occupation of the Palestinian lands and the continuous oppression of the Palestinian people are among the tragedies of this century. The Palestinian - Israeli conflict has especially agonized the Middle East and the Arab countries, because it is the root of the conflict in the region, and the core of the conflict in the Middle East.

After the Gulf war, as you know, the international community recognized the fact that the Palestinian issue is the core of the problem and began to give attention to this conflict. The process of negotiations between the conflicting parties was initiated through the Madrid conference in April 1992.

The first achievement of this process was the Declaration of Principles (DoP), which was signed on the 13th of September 1993. I would say (and I hope that is not a selfish attitude) that that night was the beginning of change in the region. The change in the Palestinian conflict is a change in the region because it is the root of the problem. On the 19th of August 1993, the PLO representative and the Israeli representative signed the first agreement in the history of the struggle. I can say that on that same night, the peace process started. I hope that it will succeed because it is still under examination.

With the signing of this Declaration of Principles (DoP) between the PLO and Israel officially in Washington in September 1993 and the Gaza/ Jericho Agreement in May 1994, the peace process entered a decisive phase.

For the first time in the transitional period toward the Palestinian independent state, Palestinians in the Occupied Territories are being granted certain elements of autonomy.

One of the major challenges facing the Palestinian leadership (and I believe part of it faces the Israelis) is to continue the negotiations successfully and to maintain security and stability, thereby starting a successful development process and establishing the institutions of a Palestinian Administration in Palestine that will eventually become the administration of the future independent Palestinian state.

#### **Establishing a PCBS**

Institutions can only perform their roles properly if they are integrated into a well functioning system of public information. Under occupation, access to information was and still is partly controlled by Israel. The Palestinians had to start building institutions with almost empty hands as far as information is concerned.

By decree of the PLO, the Palestinian Bureau of Statistics was established as the first central Palestinian institution in Palestine. It is considered to be a key element in the institution building process in Palestine.

PCBS has to set up the information infrastructure and foundations for all other public institutions. In the meantime, the Palestinian Bureau of Statistics has become the Palestinian *Central* Bureau of Statistics (PCBS) thus being the only institution authorised to publish official Palestinian statistics.

Establishing an institution requires a plan built on a vision. The implementation of the plan requires professional expertise. PCBS has been aware from the very beginning that building such a specialized institution like a statistical office can only be successful if sufficient international expertise can be mobilized.

In January 1994, the Statistical Office of the United Nations (UNSTAT) organized the first international conference in New York in support of PCBS.

In this conference, PCBS had the opportunity to present itself to the international statistical community as a statistical office in being, and to receive advice from the participants. It was agreed that a Masterplan should be prepared as the basis for the institutional development of PCBS.

Since then, the Masterplan has been completed with financial and technical assistance from the Government of Germany and technical expertise from Sweden. It has already been adopted by the Palestinian National Authority and will be presented to you in the coming three days of this conference.

Since its establishment, PCBS has made considerable progress. It is now an institution with 72 permanent employees. Periodically it has more than 100 temporary field workers. Several surveys have already been carried out. These surveys constitute the first elements for building a Palestinian statistical data bank.

As Minister of Economy, Trade and Industry in the PNA, I am very happy that PCBS has already completed an establishment census in Gaza and the Remaining West Bank. This constitutes the first Palestinian primary data base for economic statistics. It allows us to make a first analysis of the economic structure in the West Bank and Gaza in order to formulate adequate economic policies.

Furthermore, a business register will be established and also installed in the Ministry of Economy, Trade and Industry. So my Ministry will be one of the first to benefit from the work of the Palestinian Central Bureau of Statistics. Therefore, let me thank you very much and thank all who have contributed to this census.

#### On the four challenges

Friends, ladies and gentlemen, let me turn your attention again to the present political situation, especially the obstacles we are facing. You remember that I said that we are facing four main challenges and I said that one of them is to continue the negotiations successfully. I remember that in the night of the 19th of August 1993 in my secret speech at that time, I said that we are going to face four real challenges.

#### The first challenge

The *first* challange is to continue the negotiations successfully. I said that because the philosophy of the Palestinian-Israeli agreement is built on a gradual process, which for it to continue, should be built on trust and we should be able to build trust.

As you know, the first stage of that agreement concerns Gaza and Jericho. According to the Declaration of Principles, the age of this agreement should be three months only, not more. And we should come immediately to the early empowerment and to proceed simultaneously with the Gaza and Jericho agreement. And then, we should come to the interim agreement for all of the interim period.

Unfortunately, what happened is that after the Gaza/ Jericho agreement, we spent three months negotiating about the transfer of authority over the five sectors. At that time, the early empowerment could not be negotiated. And that is what happened. Then, we came to the interim agreement and we asked what is going to happen.

We are now faced with an up to now nine months delay, and we are still waiting to achieve the agreement for the interim period.

Ladies and gentlemen, without the interim agreement, I don't think that there will be a Palestinian-Israeli peace because it is the gate for the final status. Furthermore, in our position, it is the gate for the Palestinian independent state. Without it, I cannot see that there will be a real peace between the Palestinians and the Israelis.

The timetable on the Declaration of Principles should be respected. Unfortunately, it is not. I hope, however, that the second timetable that has been agreed between President Arafat and Foreign Minister Peres for the 15th of this coming June and the first of July would be the last date for us to reach an agreement for the interim period. I sincerely hope that it will succeed. If it doesn't, I can say, as can everybody, that the agreement is not working, will not work, does not work. I hope that we will not be forced to say this and I hope that we will be able to reach an agreement by that time. That's the first challenge. Therefore, to continue the negotiations successfully, mutual trust needs to exist. Unfortunately, there is a mistrust from both sides, and each side is criticizing the other. That is the first challenge, to continue the negotiations successfully.

#### The second challenge

The *second* challenge is to maintain security and stability. Security is not an Israeli need only, it is also a Palestinian need. If the Israelis undermine the Palestinian need for security, I think they will be making a mistake. Conversely, if we undermine, as Palestinians, the need of the Israelis for security, we will also be making a mistake, and therefore, it is mutual. Our security is their security and their security is ours, but exaggerating one's security needs without looking to the other's needs may close one's eyes to the real problem.

What are the social security needs of the Palestinians? Economic development is a security for the Palestinians. Now, the closure is a security for the Israelis, but a real danger for the Palestinians. Unfortunately, the closure to the Israelis is a policy. It used to be a reaction, but now it is a policy. I am afraid that we will start, and we have actually started, to build our policy against the closure. I wonder if that will be in the favor of the peace process, and therefore, the closure is a real danger. Nonetheless, I think there is a possibility to deal with one another in another way, other than closure.

It is not the right "policy" to close all the West Bank and Gaza, to close all borders with Egypt and with Jordan, and to separate Gaza from the West Bank. What they are really doing now is separating Gaza from the West Bank, and not Gaza from Israel. Do you think this constitutes any danger?! Our agreement was not for Gaza and Jericho only, our agreement is for the West Bank and Gaza as well. Is this the agreement? This is the Declaration of Principles only.

Therefore, we completely refuse, and without hesitation, the proposals that came from the Prime Minister of Israel about a Palestinian state in Gaza. It is unacceptable! It is unfeasible economically and morally from a national point of view. We are not ready to sacrifice one inch of the West Bank and Gaza. We are not ready to sacrifice or desert the agreement for West Bank and Gaza. Therefore, we are not willing to delay the implementation of the second stage of the Agreement. If we started to speak about a Palestinian state in Gaza, this is the clear and actual danger. The second challenge which we are facing is thus to maintain security

#### The third challenge

The *third* challenge is economic development: I believe that everybody is aware of the present situation in the West Bank and Gaza. The situation is continuously deteriorating. Things were very difficult and catastrophic even before we came here. Now, it has deteriorated further, become even more difficult. It is now worse than before we came here, and before the establishment of the PNA.

Now, there are at least 100,000 unemployed Palestinian workers. Previously, and before the establishment of the PNA, there were about 120,000 Palestinians who were working in Israel. The Israelis were practicing closure also in those days. During periods of closure in the past, before the establishment of the PNA, the Israelis were paying 10-15 million dollars monthly to be distributed to the Palestinian workers who were closed off from working in Israel. After we came, they threw 100,000 unemployed Palestinians from Gaza and West Bank in the face of the PNA, who were to be added to the growing total of unemployed Palestinians in the West Bank and Gaza.

That is one of the aspects of the difficult economic situation: no employment or infrastructure. It seems to me that we were really mistaken, when we told our people that international assistance will come immediately, that there would be a peace dividend. You will immediately see that the situation has been changed. It is a mistake - our mistake, because economic development, the economic process itself, is

a long, long process. You can't realistically see the dividends, the revenues, the benefits of the developmental projects until after two, five or more years. That is the reason why states make five or ten year plans, and not a one or two months' plan.

Our expectations were higher than they should have been. Now, I am worried about the impact or the influence of the economic situation on the whole process.

#### The fourth challenge

The *fourth* challenge is institution building. I believe that in a very short time we were able to establish a number of vital institutions. We certainly need more and more, but the process has started and we will continue.

These are the four main major challenges we are facing now. I believe that by this conference, while you are meeting here, you will help establish the support to one of the most important institutions in the PNA.

Ladies and gentlemen, I would like to thank you for having accepted the invitation to this conference and I am sure that this conference will produce the expected results and contribute to the further institutional development of PCBS in particular and to the evolution of the Palestinian administration in general. Thank you very much for your attention and I wish all of you a successful conference and a very pleasant stay in Palestine.

#### Session 1

# Chairman: Professor Sten Johansson

The Swedish Institute for Social Research

# Theoretical and Legal Framework for Palestinian Official Statistics

Palestinian Central Bureau of Statistics

##

# Introduction by

#### Dr. Hasan Abu-Libdeh

Director-General Palestinian Central Bureau of Statistics

#### **Discussants:**

Mr. Svein Longva Director-General Statistics Norway Mr. Per Samuelsson Chief Legal Counselor Statistics Sweden

Mr. Thomas Linehan
Former Director General
Statistics Ireland

#### Some highlights from the discussion

#### On centralization

Everyone agreed that the statistical system be centralized

#### On independence

"..there should be an explicit reference in the Law that the Bureau is an independent institution within its field of competence, that it is responsible for the total statistical product .. within the guidelines and budget set by the superior bodies."

: "To promote political impartiality the Director-General shall establish an advance schedule of release dates for all major series".

#### On the statistical legislation

"If the ongoing process with the legislation continues in the same spirit .. I think that the Palestinian legislation on statistics will be of a very high standard in international comparison."

"...while the General Statistics Law is very comprehensive, the draft law on business registers is very incomplete. It does not mention anything about who will keep the registers up to date or the procedures for that."

#### On the advisory council

"In Switzerland, we are now discussing a distinction between the two roles of an advisory council."

#### On border problems

"I would agree .. that boundary problems with other administrations will have to be watched carefully."

#### On voluntary participation

"I would like to challenge a point by Mr. Samuelson when he said that data collection from households should always be voluntary."

#### On research capacity

"It may be advantageous..that the Bureau carries out socio-demographic and economic analysis on the basis of statistics produced."

"The analysis of data for quality should come from within the Bureau but the economic analysis of what those data mean should come from outside."

#### On the masterplan

"Let me join other speakers in congratulating our friends in PCBS in putting together this Masterplan. It is indeed an impressive piece of work; it is comprehensive; it touches on all the key aspects that face a statistical agency."

# Dr. Hasan Abu-Libdeh Director General Palestinian Central Bureau of Statistics

Let me start on a personal note. On this journey we had, I think two persons have played a major role in my statistics PCBS life, simply because they believed in what we're doing. For the first one we have a nickname. We call him the holy spirit. That is Mr. Johansson. We call him holy spirit for several reasons. He has been inspiring since the day we met him in New York last year. I think he showed considerable understanding of this major undertaking. He agreed to work with us in the development of the Masterplan. He has special a place in our hearts at PCBS. I would like to thank him for all the encouragement and for putting up with us. So thank you very much Mr. Johansson.

The second person also has a nickname. We call him at PCBS - Sheikh Farid - Mr. Siegfried Holtkemper. I met him on November 10, 1993. I think we were four in the office at that time. I don't know if we managed to give him tea or coffee to drink, but from that day on he became our greatest friend. He was very instrumental and he is still very instrumental on the issue of persuading his government to give us that much money. Thank you very much, Mr. Holtkemper.

For today, I will be as brief as I can and I hope I do not mess up as a beginner. I will be presenting the theoretical and legal framework for Palestinian official statistics.

#### **Outline**

I will first try to remind you of the basic issues in the Masterplan. I will then present and highlight the legal framework that we are operating through. Thirdly, I present some policy guidelines and then share with you some other issues concerning PCBS development. I shall end by raising some points for discussion.

#### Functions and organization of official statistics

A primary function of official statistics is to inform decision makers so that they can take decisions that are not catastrophic by the end of the day.

Again it is to inform the ordinary citizenry so that they will be able to play their roles as citizens in their society and to contribute to the public debate and the democratization of the community in one way or another.

Official statistics should also cater for the needs of the private sector in general terms. For Palestine, this is a crucial function, simply because the Palestinian economy has no chance, no hope without the private sector, and I hope that we will be able to fulfill this function very soon.

In the Masterplan we had, of course, to discuss the issue of whether to go centralized or decentralized. We listed the arguments and I'm sure you are the experts here. Each of these options has its own advantages. In our case after discussions in New York with Professor Johansson and others, we thought that we should opt for a centralized statistical system for Palestine.

A centralized system of official statistics will be better able to work in an independent way so that it earns popular trust.

Centralization will increase the possibilities to coordinate the system and the various organs of the statistical system.

We believe that through a centralized system we will be best able to protect the confidentiality of the respondents to our questionnaires.

In a small country like ours we need to assemble the national statistical resources to constitute the critical mass of expertise needed for all phases of statistics production. We believe that a centralized system will be definitely more cost-effective.

Of course, for any central bureau of statistics there are risks involved with centralization. There is, for example, the risk of playing our role in an ivory tower. This is the big risk of playing in splendid isolation, not respecting user needs and user priorities.

To go around this, we designed a program called 'the user- producer dialogue". For every sector we try to hold a continuous dialogue with suggested and expected users. We have been having, at least once a week, a 3-hour workshop with various ministries, researchers and research institutions to discuss various issues. Therefore, we try to get this user-producer dialogue as a guarantee against working in isolation and working with the wrong priorities.

#### **Basic elements of the system**

The system we have been seeking is a system that is sustainable in the longer run, that is, a system that we can afford. Keeping this in mind, the system we are trying to build has three elements: It is based on administrative records, on censuses and on surveys. We will aim at a very strong emphasis on administrative records.

A statistical system in our opinion ideally has three central registers as its basis: A central population register that is continuously updated with vital events; a central register of establishments and enterprises for economic statistics, the so called "business register," also continuously updated; and a central register of land and land use for geographic information systems (GIS).

Take the GIS. Of course, we are not suggesting here that we are going to build a Palestinian GIS or a Palestinian population register. But we are promoting an integrated effort, a national Palestinian effort to create a Central register for land use

and to create the Palestinian Population Register. The three registers represent in our opinion the ideal basis for a sustainable statistical system.

Now, in putting together this system we are guided by the following principles: First of all, we believe that any survey should build on experience from previous ones. Of course, in our case we don't have that much experience. So what we did was to draw very heavily on the experience of surveys in other parts of the world. I can tell you that we have studied surveys that have been conducted in Namibia, Laos, various parts of Africa and the Arab world, Europe and you name it.

And again, any survey should be able to play the role of a pilot for the next one. This is what we are doing now. In each of our surveys we try our best to link it or put it together in such a way that it can be used as the basis for the next survey.

And of course, there should be consistency in the concepts, definitions, classifications applied in various surveys and also with international standards. We have been very keen to apply the international principles and standards in all of our surveys. Not only that, we have been embarking on promoting standardization in various activities. We just published last week our own version of ISIC. We call it the Palestinian ISIC.

All our surveys should eventually be integrated in a harmonized system where coordination takes place in such a way that maximum comparability is ensured, the precondition for assessing trends.

Very important is to be able to present detailed documentation of various surveys so that they can be used over and over again.

Basically, this is what we believe our statistical system should be built around. Of course, we will be very eager to hear your views concerning whether we are on the right track in this or not, and whether this is the most sustainable and cost-effective approach of putting together a statistical system.

#### The legal framework

A national statistical system obviously cannot be put together without having a legal framework that allows it to function properly. To function properly, we believe we need first of all, a General Statistics Law but also a Census Law and then also laws for the three central registers and maybe for other registers. A Privacy Law and a Public Information Law may also come about as part of the legislative environment for PCBS.

For the Statistical Law, we have managed to work with local experts and consulted with some international experts. We have sent our drafts to some of you and gotten your thoughts concerning a Palestinian Statistics Law. We managed to put it together and to present it to our National Authority for adoption.

Our Statistics Law is based on the following principles: The Law should ensure the independence of the Palestinian Central Bureau of Statistics. It must give PCBS the

## Legal framework

- 1. A General Statistical Law
- 2. A census law
- 3. Register laws
- 4. Privacy law
- 5. Public information law

Palestinian Central Bureau of Statistics

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mandate for data collection. It should guarantee confidentiality. The Law must also define some suggested sanctions for non compliance. We worked all through 1994 to develop the Law. Our draft has been presented to the PNA and it will be adopted with very minor changes of a technical nature only.

The Census Law is supposed to be a classical one. We are not really going to invent anything new. The Law should fixate the census date, authorize the census operations, delimit the issues to be studied, delimit the population to be enumerated and so on. That law is in the making, and we hope to be able to receive technical assistance to draft such a law because we don't have the experience in this area.

The Registers Laws are supposed to be mandating the three registers we spoke of when we addressed the issue of statistical system building. These laws should address the contents of these registers, as well as the procedures for updating these registers. We are currently working with our Swedish friends on developing a Population Register Law. We drafted a Business Register Law which was adopted by the PNA. The Land and Land Use Law has not been worked out yet, and I hope that we will be able do work with other concerned agencies and ministries on this issue.

For the remaining laws, the Privacy Law we hope that it will be able to address the issues of protecting the right to privacy with relavant exceptions for research and other official statistics.

For the Public Information Law, again we expect that it will be able to define and address the citizens' rights to public information and to define the role of official statistics as far as the citizen's rights to public information is concerned.

#### Some policy guidelines

Now, as to some key guidelines for what we do; first of all, it will be unwise on our side to think that we should be inventing anything. Official statistics has been there for a long time and is there in almost all countries in the world. We are building from scratch, but we are drawing very heavily on international experiences so that we can come up with a system that is accepted in the international statistical community. We are borrowing from others but, of course, we are adapting it all to our situation.

Building from scratch, we have an unequalled opportunity to build an internationally accepted system by applying the best national practices and the latest technology. We will be addressing this issue of technology later in this conference. And certainly, a central guideline is to take the cost issues very, very seriously for very obvious reasons.

We are fully aware of the fact, that maybe for the next 2-3 years we will be enjoying donor support in a generous way. Later we have to dig into our own backyard and share with our National Authority some of its own resources. Therefore, cost considerations and sustainability are very, very important issues that we have kept in mind.

#### Some additional issues

There are several additional issues that I would like to share with you. First of all, in our international relations, we are keen on trying to attend ESCWA statistical meetings. We would like to be able to attend as observers some meetings of the Conference of European Statisticians and we would like to be able to get membership in the International Statistical Institute and International Association of Official Statisticians.

These are important things to us, and we believe we will be able to be party to the international statistical community through being members of these three particular circles.

#### **Twinning Relationships**

On the other hand, knowing that we are very young in experience, and having a lot to learn, we are looking towards a very special type of relationship with specific statistical offices around the world in arrangements that could be characterized as twinning arrangement.

These twinning arrangements with other statistical offices aim at creating the cooperation atmosphere through various modalities. For example, we could have relationships that will guarantee that exchange of publications take place, that exchange of statistician visits can take place and, maybe at some stage when we are mature enough, also join methodological development research with others. What I have in mind (to be frank) is a model, which has been applied in several parts of the world, the Swedish model of cooperation, where twinning takes place at many levels between Statistics Sweden and the junior institution to work together in developing a statistical system in various areas. We are keen on having an organization to organization relationship with as many organizations as we can.

#### Relations to donors

As far as the donor related issues are concerned, I would like to state some principles. First of all, donors have to respect the Palestinian priorities. We welcome criticism and advice, but it is crucial that we dictate our own priorities. And it is crucial that donors respect these priorities. This is the only way for sustainable development.

We believe that we have to ask for donor understanding, that all projects must be fully financed for the time being, simply because the Palestinian budget cannot allow for statistics at this time. Our colleagues from the World Bank and the IMF could be better placed to tell you of the difficulties for the Palestinian budget. We hope to have an understanding ear from donor countries, so that we can finance the crucial projects lying ahead of us. We will, of course, make data available not only for local use, but also fulfill the international requirements in terms of availability of data.

So knowing that our priorities will be respected, we will respect the donor's requirements in terms of coordination and accountability. The very famous words here are: transparency, accountability, practicality and efficiency. Those were the key requirements of the donor community as articulated in a Consultative Group meeting in October 1993.

#### Statistical training institute

We are indeed facing a very serious problem in building up a statistical capacity in PCBS and in the national administration. Going back to the masterplan and the Statistics Law, we have been pushing towards the creation of a statistical unit within each of the ministries. We believe that if we manage to enhance the statistical research capabilities in the country, we will be the primary beneficiaries.

This is also why we have been mandated by the Palestinian National Authority (PNA) to set up a statistical training institute for Palestine. It must be able to address training needs of the Palestinian Central Bureau of Statistics but also the needs of the various ministries in terms of capacity, and maybe also the needs of research institutions, researchers etc.

Now the question that is facing us, and I hope that we will be able to benefit from your experience, is whether to go immediately towards creating an institution or to go into phases of having a program, may be developed and tested for a couple of years or so, and then become a fully fledged institution.

I think experience in neighboring countries has shown that such a training capacity is going to be of crucial importance to our case. Some of my Palestinian colleagues present here who are well known researchers in the country could speak for hours on the problems that we are facing in terms of and as a consequence of lack of statistical capacity in the country and specially in research.

#### **Marketing official statistics**

Now eventually, we have to be able to market official statistics, simply because one of the major risks that we are trying to avoid is to be working in an ivory tower as I said earlier. Therefore, we have been very keen on the issue of visibility in the media. We have been very keen on being in close contact with the public. Besides holding the regular sector specific workshops, for every research undertaking we prepare summary documents and we send it all over ministries and research institutions to familiarize them with what we do.

As I said in the opening of the conference, we are faced with the challenge of raising public awareness of statistics and the importance of statistics in the community, in the PNA first, but then in the community. Therefore, we are hoping that we will be able to set the stage from within the PCBS for more awareness. We are right now investigating the modalities of getting statistics into schools. Maybe we might eventually have a yearly "statistics day" in the schools, like in Japan. We are going to have an open house in PCBS, especially marketing our statistics library.

#### Some points for discussion

Finally to raise some points for discussion. I started this presentation by saying that we are not trying to invent anything. We are going by the books. But the basic question is: Are these principles still valid? Are they valid in the Palestinian situation?

The legal framework I have presented, is it the right one? And what should we do further so that the legal framework becomes friendly and supportive of what we do.

And, please, warn us about the risks and dangers lying ahead and advice us as to how we can best avoid them! Thank you very much!

#### Invited discussants

## Mr. Svein Longva Director-General, Statistics Norway

I am very impressed by the work done here in Jerusalem. To start from scratch has a lot of advantages but you will have to make decisions under uncertainty because you will not know what the surroundings will look like in the future. I am therefore especially pleased with the decisions you have made for the general structure because I think it is a robust one.

The conceptual framework is based on three pillars: a centralized statistical structure, a general statistical law and an independent statistical office. It will be impossible to comment on all the issues in Dr. Abu-Libdeh's introductory speech so I will limit myself to some remarks about the general approach taken.

#### On independence

First of all about the question of independence. The importance of having an independent Central Bureau of Statistics is stressed several times in the Masterplan and I think rightly so. However, I was a bit surprised that the General Statistical Law is so vague about this issue. I think it should be much clearer in stating the status of the Bureau and the rights of the Director-General. Being a Director-General myself I certainly know that it is very important to be in the position of having the possibility of making reference to a law when defending my independence.

I therefore think that there should be an explicit reference in the Law that the Bureau is an independent institution within its field of competence, that it is responsible for the total statistical product, of course, within the guidelines and budget set by the superior bodies.

The Bureau should have the right to determine the statistical methods, which form the basis for the preparation of official statistics. And finally, the Bureau should have the right to determine how and when statistics is to be published. All these issues should be included in the statistical law much more clearly than in the present version.

#### On centralization

Then I will talk a little bit about centralization because I think it is a key issue. I fully support the idea of establishing a centralized statistical system. The main arguments are clearly stated in the Masterplan itself, so I will not go into any details there. However, the borderlines should be much more clearly drawn than in the present Masterplan. I am, of course, aware that these other institutions are not yet established or fully functioning. Still I think that something should be done about it already now. And you have then the advantage of doing it before the others are started so that you can really get your views through.

It is especially important in relation to institutions that are going to be responsible for some of the administrative data systems and registers that you will want to use. Examples of some of the agencies that will be involved with the Bureau are: the tax authorities, the social security authorities, the newly established central bank, the ministries. I think the discussion in the Masterplan will have to be developed on this matter to reach a practicable division of labor. Now it is just in theory, saying that the system will be centralized. Some clear formulations about the division of labor in these respects are needed.

#### On the statistical law

Turning to the General Statistical Law, there are some hints there on what you think should be the responsibilities of the central statistical office. In article 4 there is a list of statistics to be covered by you. However, I think that there is a danger in having such a list as part of the Law itself. Important items may be left out when the list is viewed in a longer perspective. And the list is much too long as a list of short term obligations.

My advice would be not to include such a list in the Statistics Law itself but to replace it with an explicit request for a yearly workplan, a long term plan and a development strategy. That should be part of the obligations of the management of the Bureau itself.

#### On using administrative data

Then a few words about the use of administrative data. The use of administrative data is regarded as the fundamental basis of statistical system building in the Masterplan and I am in complete agreement with that view. It cannot be stressed too often, actually.

In addition to what is said in the Masterplan I would like to stress the following: First, it is not enough to promote the establishment of the central registers of persons, enterprises and land as the basic infrastructure for statistics. The Bureau should also play an active role in promoting the use of these registers because if these registers are not used they will not be maintained and then there will difficulties in using them as the basis for statistical calculations.

And these registers should be viewed as cornerstones of administrative data systems elsewhere and the usual statistical standards should also be promoted wherever possible.

It should therefore be stated in the law that the Bureau should have the right to be informed about the establishment of major administrative systems and also be given the possibility to influence how they are designed in order to safeguard considerations for official statistics.

And secondly it should also be clearly stated in the Statistical Law that the Bureau should have the right to use administrative data and administrative systems as such directly for the production of official statistics and not only to have the right to request data for official statistics. This is simply because that will limit the complete access to administrative data and administrative systems as such.

#### On research capability

I will end with a favorite theme of my own since I have been invited to be a discussant here. That theme concerns research and analysis as a function of the Bureau.

As stated in the Masterplan, the system of official statistics will be "a fundamental instrument for the Palestinian National Authority, for diagnosing problems, guiding action and evaluating programs." The Masterplan therefore also rightly states the importance of establishing the needed capacity to derive value added by deeper analysis of the data. Without such analysis the information made available will be underutilized.

It is also stated that an important function will be to cooperate with universities and other research organizations that contribute to the public debate and enlightenment with qualified analysis based on scientific methods.

However, based on these considerations the Masterplan goes on to formulate the basic principles for a division of labor between the Bureau and sector ministries and agencies. And the division of labor stated is that "sufficient analytical competence and capacity to assess and improve the quality of data for various users and to produce reports that effectively disseminate the data should be within the Bureau."

However, the Masterplan goes on to state that "the capacity for analysis of substantive issues should primarily be built among the users in ministries and agencies" and also, I assume, in the universities. This is also introduced in article 8 of the general Statistical Law. In my view these clear statements of a division of labor is a bit premature at this time and I do feel that it should be further discussed to what degree such activities also should be included as part of the duties of the Bureau itself.

Having access to and knowledge of microdata collected and of the quality and content of the statistics produced, the Bureau will have professional advantages compared with other institutions performing statistical analysis. Furthermore, an extension of the Bureau's responsibilities also to include such analysis of data will, in the present situation, be the most effective way to satisfy the needs of the policy-makers and the public at large.

It may be advantageous both for the Bureau itself and for the Palestinian National Authority that the Bureau carries out socio-demographic and economic analysis on the basis of statistics produced. It may also be given the task of developing analytic tools for monitoring social, economic and environmental developments and possibly also for national planning. The importance attached to national accounting points in this direction and developing analytical tools is just an extension of the work done on national accounting. I will therefore suggest that a special study should be conducted before the division of labor between the ministries, the central bank and the Bureau is finally decided.

Mr. Per Samuelson Chief Legal Advisor Statistics Sweden

First I will say that I am very grateful and very honored to be invited to this conference and to participate in this discussion.

I am a legal expert at Statistics Sweden and I have been working a lot with the law on official statistics that became Swedish law in 1992. I also participated in a task force within the European Union to make a draft of a statistics law for the community. There is also a working group within the Council of Europe which is dealing with a draft recommendation on privacy measures when processing data for statistical purposes.

And from these experiences I would like to focus on *five principal items* that are the fundamental elements in a legal framework for statistics. My comments will be a little repetition of what was said in the presentation by Dr. Abu Libdeh of the legal framework for the official statistics of Palestine.

#### 1. Statement of purpose

The first principal item is the statement of purpose: To provide a general frame, it is necessary to state the purpose of statistics. The legal instrument should express the different aims of the production of statistics. This can be expressed in general terms in the preamble of the law: Statistics is needed to monitor developments in demographic, economic, social and environmental areas in society.

The statement of purpose should also include the users of statistics. The citizens are very important users of statistics in a democratic society, so are the decision-makers. Statistics are vital for formulation of public policies and to monitor the developments.

It is crucial that official statistics are produced and presented in an objective and neutral way and by an independent agency. These requirements should be clearly expressed in a legislation on statistics.

#### 2. Organization of the statistcal system

The second principal item is concerned with organization. There is, of course, a need in a legal instrument for statistics to establish some rules concerning the organization of statistical production. The role and the responsibility of the National Central Bureau of Statistics should be described. Apart from national needs, it is also important to mention the responsibility of the Central Bureau of Statistics for international contacts and exchange in the field of statistics.

Even the organization and the division of responsibilities within the Central Bureau of Statistics should be encompassed by the legal instrument. This could also include security measures and rules of confidentiality for the employees.

#### 3. Coverage of statistics

And the third principal item is the coverage of statistics. A rather detailed description of what statistics should cover is needed. This description shall also comprise

international needs. In practice, this enumeration could take its starting-point from the general description of purpose mentioned earlier and make a break-down to a more instrumental level. Another solution to this could be a reference to a yearly work-plan as suggested by Mr. Longva in his speech.

#### 4. Confidentiality of primary data

The fourth principal item would be confidentiality of primary data. One of the most important functions of a legal instrument for statistics is to grant confidentiality to the data subjects, the physical and legal persons behind the statistical figures.

There are two aspects to this matter. One is to see to it that a registered person will not be harmed during the statistical process, i. e. while the data are connected to the individual persons. The other is to have safeguards to eliminate the risk that the identity of individual persons is disclosed in a statistical presentation.

Regarding the first aspect, a fundamental requirement is a wide range of arrangements of a technical and physical nature surrounding the data processing. But from a legal point of view it is even more important to be able to guarantee the subjects that data collected for statistical purposes will never be used for other purposes.

#### 5. Data collection procedures

The fifth principal item, finally, is data collection procedures. Data for statistical purposes are collected from three sources. They are collected from persons and households, from enterprises and from administrative authorities.

From individual persons and households, data should be collected on a voluntary basis. This means that the respondents should be given information about the purpose of a statistical survey and other circumstances of importance for him or her to be able to decide on participation.

A decision from the respondent's side not to participate should be respected without entailing any consequences for him or her. One exception from this general rule of voluntary participation concerns population censuses, when carried out according to the recommendations by the United Nations every tenth year.

When data are collected from enterprises, there are strong reasons to make the participation obligatory. The circumstances under which the participation of an enterprise in a survey is mandatory should be clearly stated in the legal act and also what will happen if the enterprise does not perform its duties under the Statistical Law. The most effective way to persuade unwilling enterprises to submit their data is to impose a fine of some discouraging amount if data are not submitted in spite of reminders.

The last case is data from administrative authorities. This case is comprised of two elements. One is the need to create a legal base to ensure the continuous submission of administrative data to the statistical bureau. The other is to satisfy ethical and legal

norms for the use of data regarding individual persons without their expressed consent.

For both these elements the solution is to create a legal base. A legal instrument which contains a description of each source from which data must be transmitted to the statistical bureau will ensure the transmission as well as meet the requirements concerning privacy when using administrative data for statistical purposes.

#### **Concluding remarks**

To conclude: As far as I am able to judge from the different drafts of the Palestinian statistical legislation the principal items I have mentioned seem to be covered to a large extent. If the ongoing process with the legislation continues in the same spirit, bearing in mind the principles I have mentioned, I think that the Palestinian legislation on statistics will be of a very high standard in international comparison.

#### Mr. Thomas P. Linehan Former ýDirector-General Statistics Ireland

It is a rather miracle that I am in the presence of the holy spirit having come to Jerusalem for the first time, this place of pilgrimage. And in this august presence I hesitate to make another analogy but I think it is necessary.

In complimenting the Palestinian Central Bureau of Statistics for the work they have done so far, to express appreciation of their unique position of starting from nothing one is reminded of the readings of the old testament. He said let there be light and there was light.

In this case they are trying to create light. There has been a lot of light before, contradictory light and they have to pick from that contradictory lights what they consider to be their their appropriate light for their future. We certainly hope to provide them with the proper guiding star.

I was very glad to be part of the first meeting in New York last year. I must compliment the Bureau on the progress it has made since that time. Last year they showed us their objectives and their enthusiasm for their work. In presenting this Masterplan they have shown that they have dedicated themselves to it and done quite an amount of research. I think they would be the best people to present a paper at an international meeting on the faults of statistics offices in many countries.

I have been retired from the Irish office for some four years. With me here I have an interesting document. It is a corporate plan produced by my successor. In my retirement in looking at this plan I have the time to see all the things I was not expert on even though I was 25 years in office.

#### On boundary problems

So I can give one piece of advice. There is no way one can anticipate all problems at the start. One has to learn as one goes. And there will be unexpected problems arising. I would agree with what has just been said that boundary problems with other administrations will have to be watched carefully. Boundary problems exist periodically. But boundary problems exist within the application of statistics too. And it will be very important in releasing statistics to look at them carefully as if one was rearing a family and to watch their progress and their faltering steps and to give them the support publicly.

#### Maintaining public trust

From this program produced by my successor I will just read you one part. They had identified seven goals. This one related to the importance of maintaining the public image of statistics. The main problem was to ensure that particular series do not become controversial. In becoming controversial they may lose their credibility. That could be one of the disadvantages of a centralized system.

I am very much in favor of a centralized system having operated one in a small country for a long time but if all statistics emanate from one source and if one series become contaminated you may have the virus factor that may spread to other series. If the series come from different sectoral origins then one may lose credibility but it may not affect the others. This is not a fundamental reason for changing from a centralized system but it is something to be watched, I think.

#### Links to decision-takers

I think a problem facing a centralized system also is to develop and maintain adequate links to the administrative decision-takers. You have to ensure that at the table where discussions take place on the allocation of limited resources to many demands, all of which are put forward as being essential and indispensable, that one has somebody there who supports the importance of statistics. The opening session this morning showed that you have existing strong links with the relevant ministry. I think it is important that you continue to have such a link.

In the initial stages when you are hoping for substantial donor participation this may not be relevant. But in the long run you have to make sure that there is one at the table defending the interests of statistics. You are in a very fortunate way there because you are obviously in the spearhead in the administrative agencies that are emerging and I would advice you to keep the benefit of that forward position always.

#### On independence

I did make a note after the meeting in New York which I sent to your colleagues and I am very glad to see that the points I have stressed have all been covered in the program.

I would emphasize again one point I did in relation to the independence of the office. It is essential that the independence of the Director General is accepted in the technical aspects, and in the content and indeed in the timing of the publication of statistical output. And we certainly have adopted a policy that can be recommended. When you have a stable situation with regular series coming out, do announce in advance on a regular basis the publication dates of series so that you cannot be accused of holding back or anticipating publication to forward political aims.

#### On knowing and not knowing

I would like to quote something that I often used in international meetings to indicate the appreciation of the people at the center of organizations. There is an old saying:

He who knows not and knows not that he knows not, is a fool; avoid him!

He who knows not and knows that that he knows not is a child; teach him!

He who knows but knows not that he knows is asleep; wake him!

He who knows and knows that he knows is a wise man; follow him!

I think that the Palestinians have a wise man; Follow him!

Floor interventions

Prof. Hans Zeuthen Former Director General Statistics Denmark

#### On defending independence

We have heard a lot about the legal setting of a statistical office. I think the legal setting is important but you also have to be aware of what is outside the legal things. One of the most vital things in the long run for a statistical office is that it is trusted and that it has authority. Maybe for the time being you do not have many competitors in giving information but in a short while you will have a big bureaucracy in the Ministry of Labor, for instance. And this Ministry is doing heavy efforts to reduce unemployment and maybe they are not succeeding as well as they hope to. And then

you are going to have very heavy discussions about how unemployment is developing.

You cannot do that in an ivory tower. You have to listen to all their arguments. It is necessary to still have the authority to say, well this is the way we want to produce the figures. And you need to have your arguments so well done that the Ministry is not willing to start a fight with you.

I think in a while you will experience that this is the most heavy competition you have to face in playing your role. The bureaucracies in strong ministries will have their own ideas about how things develop. Then you have to build up authority and trustworthiness so that the public will only trust you.

I was happy to inherit an office in Denmark with a good public reputation. I had once to argue even with the Prime Minister's office. The discussion ended when I said, "Well if you want to publish your own unemployment figures, they will not be trusted." The permanent undersecretary had to agree.

This is what you are going to have to fight for: to be so much believed that nobody else in the government machinery will want to compete with your figures.

# Mr. Heinrich Lützel Director of the National Accounts Division Statistics Germany

A first remark to the Masterplan and the structure of this plan: I must say I am impressed by this plan and this is not only a good plan for Palestine; It could be a good plan for many other countries as well. Even Germany can learn from this plan.

#### On independence

My main point is on a comment by Mr. Longva on the principle of independence of official statistics. What is independence?

Independence does not mean that the statistical office is financially independent. It does not say that the statistical office is independent to decide which statistics should be taken. But it is very important that the statistical office is independent on *how* statistics are prepared and on *how* statistics are presented to the public.

I made a proposal for the third article of the Statistical Law. The main point is that statistics should be prepared according to the principles of neutrality, objectivity and scientific independence.

Why is this so important? I think statistics have the objective to give information but they should also serve as a mirror for the success of the policy of the government. It can happen that the mirror shows not good figures. And it can happen that ministers

try to influence the way statistics are prepared. And then it is important that these principles are laid down in a law, so that official statisticians can say: No! The way statistics are prepared is for me to decide. It should be said very clearly in the statistical law.

# Mr. Mahinder Gill Assistant Director, Statistics Department International Monetary Fund

#### On centralization

A couple of remarks on what has been said. First of all on the organizational structure. I too am a passionate advocate of a centralized organization, having had the benefit many years ago in my home country of operating in an organization which was very much centralized..

You may be aware that the *Economist*'s ranking list of statistical offices has Statistics Canada and the Australian Bureau of Statistics as number one and two in terms of efficiency of organization, in terms of delivery of products and a whole host of other considerations. Both are very centralized structures. In the context of Palestine, given its very scarce manpower resources, professional statistical competence, here s uch to be commended for a centralized organization.

#### On independence

It is important to recognize the need for independence in the law itself, as many other speakers before have said. Independence here is to be used in the sense that Lützel mentioned, that is to deliver impartial, objective and timely statistics.

Another issue related to promoting impartiality and objectivity is to have a preannounced schedule of the publication dates for a variety of statistical series. We have just had in the context of the Fund a discussion in the executive board. One issue that many executive directors gave strong support to was to have a pre-announced publication date in order to forestall any adverse market reactions that may occur when statistics are not published within a certain time frame. There may be undue influences. This is important to recognize.

#### On boundary problems

Many speakers have also referred to the boundary problems with other agencies and ministries. This is where the provisions of articles 8 and 9 of the General Statistical Law may create the potential for duplication of effort. I say this with concern in the context of Palestine. In the Fund we often get multiple requests from different

agencies for technical assistance, in some cases in the same area. The details of areas of responsibility should be worked out.

Certain areas of macro-economic statistics, like monetary statistics will be typically the functions of the Monetary Authority or a Central Bank. Very often the statistics are produced as a byproduct of banking supervision. None the less it is important for the PCBS to be involved, to work closely in developing concepts and standards so that all of the statistics can be readily used in the wider context of the national accounts. Likewise, I can mention the areas of government finance. It would be useful to work out co-operative arrangements with the Ministry of Finance so that one can avoid duplication and better harness the scarce resources. The PCBS may also consider the need for outposting statisticians, say working in the Ministry of Labor or of Agriculture, thereby ensuring that there is co-ordination of effort and that concepts, standards and classifications are used in the whole system.

## On relations with donors

A remark that Hasan Abu-Libdeh made on the need for donors to respect the priorities of PCBS and Palestinian authorities was certainly well taken. Of course at the same time it is recognized that the various organizations have their respective spheres of competence and of necessity the technical assistance will be directed to their respective areas of comparative advantage.

For the Fund, for instance, we do work in our technical assistance activities closely with the authorities, but at the same time we also work closely with our user departments within the Fund to identify the major problems. You may need to develop jointly your priorities. While the point itself is not disputed, I think this is more of an area of co-operation and really fine-tuning what ought to be the priorities in the respective areas.

# On training

I should also mention something about our training. We will, of course, be responsive to the needs for training of Palestinian statisticians. We do run courses in the fields of balance of payments, monetary statistics, government finance, and this year for the first time also national accounts. We stand ready to provide any assistance in the form of training which would then help Palestinians to develop trainers on their own part.

# On the advisory council

Finally, I should make another point specifically with regard to the General Statistics Law referring to the composition of the Advisory council. Here it would be useful to consider the inclusion also of the business community. They would be interested not only as suppliers of data but also as users in need of timely and relevant statistics. Also, to instill confidence it would be useful to have them as members of the Advisory Council.

The advisory function of the Council should also include the assignment of priorities. I think this is important also from a budgetary standpoint. You really need to have the user community on the council to lend support on the issue of financing.

# Mr. Ramesh Chander Statistical Advisor World Bank

Let me join other speakers in congratulating our friends in PCBS in putting together this Masterplan. It is indeed an impressive piece of work; it is comprehensive; it touches on all the key aspects that face a statistical agency. I shall not go into specifics that are embodied in the Masterplan. There is one particular issue on which I wholeheartedly agree, and that is the form of organization. Centralization indeed does make complete sense in the environment, in the circumstances that you face here.

# On priorities

Having said that, the blueprint is, I believe, the first step. The next step is to carefully articulate and develop a business plan that addresses many of the issues which we have been trying to skirt around; the issue of priorities, the issue of resources, both in terms of their availability and their utilization.

Mr. Abu-Libdeh made reference to the matter of the development of skills. That is clearly one of the areas that must receive high priority if you are trying to develop an institutional structure.

# On good statistics and quick fixes

The dilemma the PCBS will face in the near term is the choice between having comprehensive or perfect statistics meeting all of the highest professional standards versus the demands that are going to emerge from policy makers and users for quick fixes. This dilemma will have to be faced. It cannot be avoided. This dilemma will have to be met in a systematic manner where there is a planned effort to begin with the more simple and go on to the more complex.

I agree completely with the point Hans Zeuthen made about competition. Because if PCBS does not generate the data that users will demand, then there will be competition. Agencies and individuals will develop independent estimates, weak, poor, in some cases nothing but guestimates. This will in the longer term affect the capacity and the credibility of PCBS. The issue of competition will need to be faced fairly early.

# On balancing institution building and current output

My final remark concerns the issue of funding, particularly donor funding. The donor community has been very responsive, and rightly so in supporting the efforts that are being made here. A note of caution is simply this. While funding is available today, there need to be a delicate balance between how much of those funds that is channeled into institutional building and how much is channeled into the generation of current output. This is a decision that will have to be made fairly early. I am sure we will have an opportunity to get into this issue because I think this is a key issue that we face.

# Mr. William Seltzer Former Director-General United Nations Statistics Division

I like to concentrate my comments on the General Statistics Law. I only got a chance to see it during the break. It is a good law. However, there can be ways in which it could be strengthened. We might want to give some attention to it.

# On independence

First of all, this question of independence seems to create some kinds of confusion. We are not that independent that we want to be in an ivory tower. What we really mean by independence is political impartiality, credibility, integrity, professional and scientific integrity. And indeed in Article 3.2. the words "truthful and impartial" are used, which I think is the right idea.

Now the question is, how can that be strengthened in the law? And there I would agree with some of the original discussants. I think there are opportunities for strengthening. I like to point out two or three of them.

First the point that several speakers have noted already. Pre-announce the release dates. Indeed one could incorporate this in Article 5-4 which now says "No statistics can be published as Palestine official statistics without the prior approval of the Director-General." You can then go on to say something like: "To promote political impartiality the Director-General shall establish an advance schedule of release dates for all major series". The existence of that schedule is an important instrument. You just want to add, whatever you can, to the cost of political manipulation, to those who try to manipulate the data.

The second point which I have come to realize in a recent period of looking into this question is that of having a fixed term for the Director-General's time in office. This period can be renewed. Then it is less like a Minister. If something goes wrong, it is difficult to say good bye. It is a more secure position. In my own country the United States, the Bureau of the Census Director is a political appointment. The appointment lasts until the next President comes in. In the Bureau of Labor Statistics it is a fixed term in number of years and it is deliberately set off from the presidential election years. That helps to contribute to political impartiality.

One additional brief thing on the law, I do not see much mention in the law of sample surveys. Censuses are mentioned but not sample surveys.

# On registers

I am worried by your Article 17 which seems to say that the Bureau will co-operate with other ministries with respect to the registers. I understand where you co-operate on sample frames for statistics and other statistical matters but the law also says for "the equitable and cost-effective functioning of all Palestinian public and private administration." And there I just wonder: are you then using certain data that you have got under the cloak of confidentiality? Even if you are not actually doing that you may be given an appearance of doing just that. That would just be a cautionary concern that I would have.

# Dr. Anna Lennblad Director-General of Research Division Central Bank of Seychelles

Contrary to most other speakers here I am working in a central bank, in a very small country, where we have an inexperienced staff in both the Central Bureau of Statistics and in the Central Bank. That puts me in a slightly different position from other people here in that I see some very practical problems from a user perspective, specifically that of a Central Bank.

# On time limits in a user perspective

One problem I want to discuss is that of time limits. It was raised by some speakers earlier but I see it from this different perspective. For me as a user of the Central Bureau of Statistics data, it is very important to get the data at a certain time. Time limits are important for the independence of official statistics of a country but they are also important for the users.

If official statistics are not timely, something similar might happen in Palestine as what is currently happening in Seychelles. The Central Bureau of Statistics is sending out a questionnaire to a number of enterprises to compile the national accounts. Now, they are still working on the national accounts for 1993. I am obliged by a time limit in Seychelles law to publish an annual report for 1994. And in that annual report I need to have a section on what is happening in the economy during 1994. So I am also sending out a questionnaire to the same enterprises as the Central Bureau of Statistics. I have not seen their questionnaires because they are confidential but I presume that we are sending out more or less the same questionnaires.

The morale or the point in what I am saying is that it is very important to have time limits. But having time limits is not enough. You Palestinians are not more or less perfect like the Swedes, the Norwegians, the Dutch or the Australians and the

Canadians. You will make mistakes like we do. You might not be able to publish on time. You might want to think already now of how you can co-operate with those other agencies, that also need to publish on a timely basis so that you avoid duplication of questionnaires because it will make you look bad and it will make your Central Bank look bad as well.

# Mr. Jean-Louis Bodin Director, International Reletions and Co-operation Department INSEE, France

I have four remarks about the topic of this morning. My first remark concerns the independence of statisticians. I like to avoid what has already been said by previous speakers. I have two points.

# On independence

The first point is that I fully support what has been said by Mr. Lützel. Independence does not mean that statisticians can decide by themselves what they can do or what they must do. In most of the countries there are in fact laws, decrees, regulations which say what is the statistical program, what must be the activities of the statistical offices. But independence means that statisticians must decide by themselves how they compile the statistics. The independence concerning the methodological and technical aspects must be very large.

Some years ago members of parliament in France decided that tobacco and alcohol must be excluded from the Consumer Price Index by law. Of course, we fought that decision. It was not possible for parliament to do that even for good reasons. We succeeded in having this law removed after lobbying and thanks to support in mass media. Thanks to that incident, it is now recognized that the contents of the consumer price index is up to the statisticians to decide, not to the politicians.

My second point concerning independence is that it is important to have relations between users and producers, relations that have the best quality. It is also important to have an active advisory council. Very few speakers mentioned the role of the advisory council to ensure an independent status. In Article 6 of your draft law, some important users are missing in your list of advisory council members, for instance: representatives of trade unions; or the associations of employers or representatives of firms. It is also important that the council is appointed by the Prime Minister but it should be stated that such appointments be made after being proposed by representative organizations.

# On voluntary participation

My second remark concerns article 12. It seems to me that there is some contradiction between Article 12-1 and Article 11-1. I am aware that in a large minority of countries there is some possibility for individuals even a right to refuse participation in a census or a survey. I think this is dangerous in a country where statistics is just starting.

My intention is not to say that, if a person is refusing, you must call the police or start a legal process to obtain the answers. But I think it would be best to say nothing on this matter. You may know that in some countries, mainly the Nordic, participation is voluntary, but in many other countries, including France, it is compulsory to participate in censuses and surveys. We apply this provision with a lot of caution, of course.

But on the contrary I fully agree that for the use of administrative data there must be informed consent of the people who are in the files.

#### There are no models!

My third remark concerns the exchange of visiting statisticians quoted by Dr. Abu Libdeh in his opening speech. I think it is important that you have a large range and a very large knowledge of what is done by very different countries. Statistics is organized in very different ways in the different countries. I fully disagree with Dr. Abu Libdeh when he used the word "model" in his speech this morning.

There are no models. You have lots of examples, of course, but no models. The organization of statistics in one country is the result of a long process, of history, of the culture, of the people. So there is no model. You have to find your own model. And that is not the model of Norway, of France or of the USA. It will be your model.

My fourth and final remark is a short one. Mr. Abu Libdeh, you mentioned in your speech the need to become members of ISI and IAOS. You may know that I was very involved in ISI and was a president of IAOS some years ago. If I can be of some help to introduce Palestinian statisticians to those organizations, of course, I shall be very happy to do so.

# Mr. Labeeb Abdunnur Chief of Statistics Division ESCWA

# On ESCWA meetings

This morning Mr. Abu-Libdeh in one of his transparencies mentioned that he would like to be invited to the annual meetings of ESCWA statisticians. Allow me a small correction: ESCWA meetings are biannual, not annual. ESCWA membership includes Palestine and PCBS will be invited to participate in meetings, workshops and seminars that we may arrange.

Having made this explanation I like to come to the problem of boundaries and duplication. We have a special boundary problem which no one touched upon this morning which is causing us some problems with respect to the request by Abu Libdeh.

#### On the Damascus bureau

Before this PCBS was created, we had a Palestinian Bureau of Statistics in Damascus. It still exists. When we send invitations we have to invite them because nobody told us that this is not the Bureau of Palestine. We have been informed that there is now a new Bureau also but not negating the other one. Nor does the statistics law refer to it or make a connection.

ESCWA is asked to help them set up national accounts tabulations. This morning the minister mentioned that nobody but PCBS is authorized to publish Palestinian statistics. But the Bureau in Damascus is publishing too and it asks for our help and we cannot refuse our help. Also our regional advisors have been asked to come to the Central Bank here in Gaza, also to set up some national accounts estimates.

There is a very clear problem of boundary and of duplication. And so far there is no indication of how this is going to be resolved. I simply wanted to point this out because this may cause us some embarrassment at some time.

Mr. Willem de Vries
Deputy Director-General
Statistics Netherlands

## On decentralization

I have four points to make: First of all, to pick up on an issue mentioned by Mr. Gill about centralization. I think there are two very different types of decentralization of statistical systems. The first type is what I call subject matter decentralization made by ministries. I think that is not good.

The second type is regional decentralization, having regional offices all over the country. Now Palestine is, of course, quite small. Nevertheless, I think that there could be advantages in having regional offices. It could enhance the visibility of statistics. It would perhaps also be good for data collection.

As far as the Economist's ranking list of statistical offices is concerned, the first two, Canada and Australia, are examples of countries with regionally decentralized systems. Mr. Gill did not mention number 3 on the list, which happens to be the Netherlands. We have centralization in both respects. But if we started all over again, we may have had regional offices. So whatever the choice would be made in Palestine I am looking forward to the moment when the PCBS appears on the ranking list of the Economist.

Second point, also with regards to centralization. I think there is contradiction between Article 8-2 and Article 9 of your statistics law. Article 8-2 says that government departments shall not conduct statistical surveys without prior coordination with the PCBS. Article 9 says that the PCBS is the only authority that can request data from households and enterprises. There may be a slight contradiction there.

# On voluntary participation

As point 3, I would like to challenge a point by Mr. Samuelson when he said that data collection from households should always be voluntary. Of course, I know that it is so in many countries. It is so in Holland. But it is not so, for instance, in Australia or in France. So may be this is one of the old principles that should be reconsidered.

# The business register law

My fourth point is that while the General Statistics Law is very comprehensive, the draft law on business registers is very incomplete. It does not mention anything about who will keep the registers up to date or the procedures for that. Some work must be done in that respect.

# Mr. Raoul Suarez de Miguel Head,International Affairs Department Statistics Switzerland

First of all, I fully share the views of Mr. Bodin about the need to avoid linking the development of your national statistical system to any foreign model. Coming originally from Mexico and now working in Switzerland, I would never try to export to Mexico a Swiss model, even if it seemed to be perfect. National statistical systems are extremely linked to the cultural and social contexts in which they developed. Take what you feel is useful from the different statistical systems and apply it to your situation only in a very pragmatic way.

# On independence

I have heard very interesting interventions about the independence of statistical offices. I would suggest to our Palestinian colleagues that they fully integrate the Declaration of Fundamental Principles of Official Statistics in their Masterplan and General Statistical Law. This declaration was first adopted by the Conference of European Statisticians and in 1993 by the United Nations Statistical Commission and now by a large number of countries. The Declaration should be integrated as part of the image of all statistical offices as the basic framework for the development of official statistics. This seems to me very important.

# On advisory councils

As stressed by Dr. Abu Libdeh, the objective of independence is to ensure public trust. Statistics should be fully credible for all parts of society, also for that part of society that is in disagreement with the government. In this sense I have some concern with the application of Article 6 of the law concerning the advisory council. If this council is appointed by the Prime Minister, it is essential that some parts of society is not excluded from representation. The Council must be representative of the largest possible part of society and the economic structure.

In Switzerland, we are now discussing a distinction between the two roles of an advisory council. We should have a good representative council which we call the Statistical Commission. But we feel that it would be appropriate also to have, like in Italy, a kind of scientific independent council that guarantees the scientific independence, the comprehensiveness and quality of statistics as well as the compliance of official statistics activities with fundamental deontological rules. We feel that we should have two different councils.

I also have to express some concern with Article 9. I feel that this article should not be applied in order to restrict the private statistical activities. In a democratic society, diversity and plurality of statistical sources are essential. This is important not only for there to be competition, but also, because the freedom to compile statistics is a very fundamental right.

I would like to finish by saying that there is no problem in attending the meetings of the European Statisticians. The PCBS should just send a letter to Geneva to explain that they would like to attend the next plenary session. And they will get the full documentation. A number of countries outside Europe are attending those sessions, like New Zealand, Australia, Mexico etc. We would all like to meet our Palestinian colleagues in Geneva.

# Mr. Karl Schoer Statistical Advisor to the Chancellor's Office Germany

# On voluntary participation

I would like to comment just on one point raised by Mr. Samuelson on participation in household surveys. I support what Mr. de Vries said and follow a more pragmatic approach. In Germany we have a mixed system. In the Household Expenditure Survey we have a voluntary approach because close cooperation is required and I think it is the only realistic way.

But we also have the micro-census, that is an extended Labor Force Survey. There we have in principle a compulsory approach. Some few questions are also voluntary. In Germany we have a massive campaign against the population census in the light of the discussion on data protection. In this process there was a judgment made by the German Constitutional Court.

One point made by the court was that statisticians should take the mildest way of collecting their information. One requirement was also that whenever possible, choose the voluntary approach. A special board was set up to go into this question, especially for the micro-census. And only recently in the last round, results were released and it was found that the results on the voluntary questions were heavily biased. In the light of these results, we in Germany decided to keep the compulsory approach in the microcensus.

I would suggest that you follow a pragmatic approach. Some questions, like those on health, are so sensitive that you can follow only the voluntary approach. But other questions, if you want to have proper and reliable results, it is better to follow the compulsory approach. If I look at our experiences regarding those compulsory questions, refusal rates are very low, almost negligible. I think that shows that it is possible to get proper results also if you follow this compulsory approach.

# Mr. Dieter Katterman Senior Planning Officer, GTZ

I would like to talk about two possible extensions of the instititional set up for PCBS that have been suggested in the discussion. One is on the question of whether or not to establish an own training institute. The other is whether or not or in which way to have own research capacity. I am doing this not as a statistician but as one who only collaborates with statisticians being from the German Agency for Technical Cooperation. That is also why I only ask questions, rather than give suggestions.

# On training institute

Is there any consideration of the capacity in the present situation to start building up two other, let's call them, ambitions. The training institute will certainly bind a number of resources, among them trained statisticians. My questions is whether at the present stage the PCBS should not rather take advantage of the many propositions and opportunities to have help either come in or to have Palestinian statisticians sent abroad for training.

# On research capacity

The second question is on the same line concerning the research capacities. I would like to ask in this field also whether you have some ideas on how to build it up in the present situation. I see its importance, of course, but I am not sure whether it is the PCBS that should take the responsibility for government research too.

Another question or concern I would like to raise is what you mention about donor contribution. I would like to have the opportunity some time during this conference to effectively discuss the possibilities of integrating projects into programs. I find this to be a very important issue and I think there is rarely an occasion better than this conference to have that discussion.

# Mr. Farhad Mehran Director, Bureau of Statistics International Labor Organization

# On credibility of statistics

I would like to speak about the credibility of statistics. This issue was raised a number of times in the previous discussion. I want to take it one step further. I don't want to go into the legal and theoretical aspects but discuss the behavior of the statisticians with respect to the credibility of statistics and how to safeguard this behavior in a Masterplan or a Statistical law, especially in a country like Palestine.

My guess is that, like many other things, in the beginning the statistical products will not have high quality. It is hard for me to believe there will be statistical results that are really credible right from the beginning. So the question is: What should be the behavior of the statistical authority when he knows that in the beginning the statistical products will not have the quality he wishes them to have? I think this is something one has to think about, because I don't believe that there can be high quality statistics in the first few years, even the first five years.

Yet people will expect credible statistics. The only problem is that with statistics it is hard to see whether they have good quality by just looking at the number. With a chair or a table you can easily see whether they are of good quality by looking or touching. Not so with statistics.

So the statistician could well be in a position of defending his number while the public and the mass media do not believe them. My feeling is that we should have some kind of rules. I have two in mind that could even be embedded in the law or the theoretical framework.

# Defend integrity of methods but be modest about results

The first one is that the statistical authority should defend the integrity of statistical methodology and operations. But he should be modest in his declaration of the results. He should be his own critic and be transparent in the description of the methodology and the evaluation of the results. My experience has shown that by being critical of your own numbers yourself, you get credibility. You show to the public that you know more about the data than the others. If you try to say that your numbers are just perfect, you end up in a defensive position. So, be cautious of the results of your statistical operations.

One possibility would be to put into your law a provision for publication of your methodology and evaluation of the results to force the statistical authority to be transparent.

# **Keep methods constant to measure trends**

The second point is that the statistician in this situation should concentrate on aggregates and trends. For that he should keep his methodology and operations unchanged over a pre-announced period. I think the issue of pre-announced release dates is a minor point. To me what is important is to declare that my methodology has been agreed with the Scientific Council, I will not change it for a certain period of time and this should be known. Even if there are some minor errors, you cumulate them and make the change after, say, five years. At least you give some credibility to your measure of change.

This would be my second point regarding the credibility of statistics and this could also be embedded whether in the Masterplan or in the General Statistical Law to force the statistical office or make it possible for the statistical office to resist change for a period.

# Mr. Hussein Sayed Regional Statistical Advisor UNFPA

I think we all enjoyed reading the Masterplan which is actually presenting a conceptual framework for the activities of the PCBS for the coming years. However, I think everyone would know that the operationalization of this conceptual framework included in the Masterplan will be highly affected by how the activities are actually run and also by the views of the people who are carrying out the process. In that sense I would like to comment on some of the principles that were mentioned earlier.

## On decentralization

There was a lot of discussion on centralization and decentralization. I think irrespective of the fact that we all agree that we should have a central office, the process itself should be decentralized.

I mean that data collection should be carried out at the lowest level allowing them to benefit from the data and their utilization. I totally agree with what as said earlier by Mr. de Vries about the decentralization to the regional level. This is very important because we should create a sense of ownership. A sense of ownership is very important to be created at the lowest level so that they know that they are not creating statistics only for the benefit of the central people. They are producing statistics for their own benefit and for the central people at the same time.

# On research capacity

My second point is on prime responsibilities. We all agree that the prime responsibility for creating data should be with PCBS. But there are other steps; producing data is not the end of the story. It is the beginning. We talked about promotion, utilization, dissemination, analysis. We have to define the prime responsibilities at each stage. For production of data, for dissemination of data, there is a clear responsibility for the PCBS. But when we reach the stage of analysis, then

the arena should be enlarged to include all other partners that can participate in the analysis.

Here, I would like to stress the importance of this larger arena with regard to what Mr. Mehran said about credibility. If the analysis of statistics is concentrated within the statistical office this will actually put the office on the defensive line all the time. It should be enlarged with all people and institutions, like the universities, that can contribute to analysis. This will increase the credibility of the statistics, ensure the transparency of the institution and that everyone will be utilizing this statistics.

# On statistical legislation

The third point I would like to mention is concerned with laws. Whether creating fool-proof laws is practical or not is important in this context. I think in drafting and formulating these laws we should be concentrating on concepts and principles but leave the details to special decrees because you have to establish flexibility for the statistical office to work accordingly. This does not preclude that we, for instance, have fixed dates for releasing publications. This should not be in the law but in the detailed annual workplan produced by the statistical office. If the laws are too tight, this will create problems for the PCBS. The basic principles should be in the law, not all the details.

Finally, I think it is very important also to operationalize the Masterplan itself by working on a detailed workplan identifying the priorities. The Masterplan is comprehensive as to areas of action, all of which might be important at a certain time. The priorities should be identified according to available resources. The workplan will then be reflecting the priorities.

# Mr. Odel Larson Officer In Charge, Statistics Division Food and Agricultural Organization

I agree with everything Mr. Mehran said about credibility, except for one item. In my view, credibility comes with the users knowing what to expect and when to expect it. And that actually comes from a planned program of censuses and surveys and a published schedule of releases.

The analysis of data for quality should come from within the Bureau but the economic analysis of what those data mean should come from outside.

# On registers

One previous speaker had some concerns over article 17. On page 19 of your Masterplan you go into a lot of detail about building these central registers both for establishments and for land use. There is a statement that really concerns me. And as I

read the document I even made a comment at the top of the page. It says "not only for tax purposes or internal order and security which make them controversial". You recognize what we all know, that they are controversial. My statement at the top says that the statistical system must be free of any tax or regulatory action.

I think all those people looking in need to know who is doing what, who is helping whom? Recognizing that we are all using these registers for different purposes, but the statistical system should not be seen as furthering the cause of taxes or any regulatory action.

Just one last comment. We make a statement here that the twin problems facing the Bureau is achieving sufficient support from the data user and developing some user competence. My concern is that when we get into the document and start to talk about the system of subject matter statistics, the data users get lost. I would suspect that we need to get back to the users even in developing the questionnaires. If there is no user for a question, the question should not be there.

# Concluding remarks and rejoinders

Mr. Svein Longva Director-General Statistics Norway

# On boundary problems

Just a very short remark on the boundaries with other agencies. I think that it is very important to establish those boundaries as soon as possible. I will stress especially, the need to establish good co-operation with the monetary authorities or the Central Bank. They will start out doing very much the same work in macro-economic statistics as the Bureau. I think it will be a real failure not to have a clear division of labor from the very beginning.

Mr. Per Samuelsson Chief Legal Advisor Statistics Sweden

# On voluntary participation

I would comment on the question of voluntary or obligatory surveys that were addressed by several speakers. I will not take a very strong position on my side but I will emphasize that there is a borderline between basic data and "soft" data that could be dealt with in the legislative process. The most important issue for a statistical office is to show the importance of statistics and the statistical office and in that

process increase the willingness of people to participate. Participation in a survey should be a democratic right and not an obligation.

As I mentioned earlier, I think participation in a population census should be obligatory to get basic data, but for the rest, I think participation should be voluntary. One reason is that you should not have an obligatory system when you don't have an effective way to follow it up with prosecution or fines. It is more important to promote statistics in a positive way.

Also, if you have a sample survey it is the statistical system that points out who must participate and it is not quite fair that you trouble some but not others with participation.

# Mr. Thomas P. Linehan Former Director-General Statistics Iireland

There have been some marginal differences in the comments that have been made. I think they arise from the fact that we bring together two things, that is, the picture we have of the long term requirements for an established statistical system and the problems that arise in creating such a system.

For example, the question of fixed release dates is irrelevant until such time that one has set up a series of such things and that is part of the long term one.

# On the Advisory Council

As regards the Advisory Council, I think it is much more important than would appear from the references in the act. It is essential that it has full composition of user groups but I think it should also provide for rotating membership in the sense that there should be established periods of membership so that one can have variety in it. I would also like the Council to have a stated advisory role on priorities.

# On responsibility for elections

The third point for inclusion was the responsibility for elections. I have no such experience with elections. On a practical point, elections can come on very short notice. I wonder if the arrival of an elections could disrupt every other activity of the Bureau by diverting resources needed. So I would sound a warning on that.

# Dr. Hasan Abu-Libdeh Director-General Palestinian Central Bureau of Statistics

This discussion has been very, very rich and I hope we will be able to utilize it to the maximum of its potential and we will go very carefully over the suggestions made here. Just two comments, if you allow me.

# On the Advisory Council

First of all I think I will share with most of the discussants the issue of the Advisory Council. I would seek to take the recommendations of this session and inject them into the way the Council will be put together and the way it will function/

# On the Damascus Bureau

Second, just quickly on the issue of boundary again. I don't see any real problems with having a statistical office in Damascus and in fact also in Amman. We are here working on the statistical well-being of the people in Gaza and the West Bank. It is well-known that the Palestinian people are not only in West Bank and Gaza Strip. A division of labor has to be in place for what we do and what the statistical office of Damascus office will do and can do. I think that has been very clearly presented in a decree that was issued on the 14th of February in 1994 allowing for division of responsibilities between this office and the one in Damascus.

# Session 2

# Chairman: Professor Hans Zeuthen

Former Director General Statistics Denmark

# Population and Social Statistics System: Combining Registers and Administrative Data with Censuses and Surveys

# Introduction by

# Dr. Marwan Khawaja

Deputy Director-General and Director, Population and Social Statistics Division Palestinian Central Bureau of Statistics

# **Discussants:**

# Mr. Farhad Mehran

Director, Bureau of Statistics
International Labour Organisation

# Mr. Jean-Louis Bodin

Director, International Relations & Cooperation Department
Institut Nationale de Statistiques
Asia

# Mr. William Seltzer

Former Director General UN Statistics Division

# Mr. Labeeb Abdunnur

Chief, Statistics Division Economic and Social Commission for Western et des Edudes Economiques

# Some highlights from the discussion

# On the register approach

"In my view, something is terribly, terribly wrong with.. the plan's central reliance on a population register as the heart of demographic and social statistics."

"..the ideal basis of a system of statistics is that you have central registers in each of the three areas: population, business establishments and land. They are useful, no, needed for any statistical system. Some sort of registers is needed as a frame."

"..a dream of any Swiss statistician is to be Nordic but this remains simply a dream."

"But there was in fact another model implicit in the discussion which is the Anglo-American Model"

# Dr. Marwan Khawaja

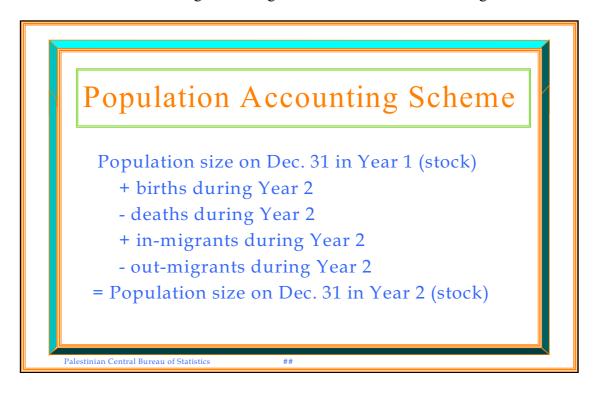
Deputy Director-General of PCBS and Director of the Population and Social Statistics Division

## **Outline**

I will, first, briefly describe the existing population statistics, then second, describe the options before us and third and finally, state our recommendation and adopted strategy. I will later follow the same outline for social statistics.

## Introduction

Reliable estimates of population figures and demographic rates are usually obtained by combining flow data from a good vital registration system with counts of stock from censuses conducted at regular intervals. The conventional way of evaluating current estimates is to use a simple accounting scheme. We take the population size, that is, the stock in year 1. We add births, subtract deaths and factor out the balance of population movement at the borders. Ideally you have independent counts of stock at the end of each year. The change in the stocks between year 2 from year 1 should tally with the net flows according to civil registration of births deaths and migration.



Currently available population figures for the West Bank and Gaza from the Israeli Central Bureau of Statistics (ICBS) are based on the logic of this scheme. But there is only one count of stocks. That is from the one and only census conducted in 1967. The 1967 census is the base for all estimates in subsequent years, that is, from 1967 on till the present.

For the current population estimates, births are actually counted. Birth figures come from birth registration. Migration figures are also actual counts made by the border police at points of entry and exit. Deaths are not actual counts from registration. The ICBS has used model life tables to provide mortality estimates and they also make assumptions about the age/sex structure of migration flows. So, I think we are probably the single country in the world that have not had a census for almost thirty years. And of course, the available statistics suffer from that fact.

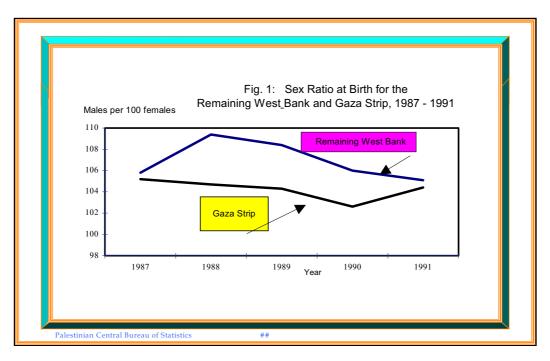
# Three problems

We have three basic problems with current estimates. First, the lack of a firm base in regular counts of stocks. Second, there are inconsistencies in the available estimates. And third, there are many gaps in the available statistics and lack of detail. The ICBS does not provide plenty of published data. Let me just briefly go over these three problems.

Concerning the first problem, we are not really sure about the completeness of the 1967 census, that is, how good it was. The census was never evaluated. We do not know the amount of undercoverage in that census. The important point here is that errors in the 1967 count are still with us.

We have in fact looked at the current population series that the ICBS has been providing since 1967. We think in general that they have been doing a fairly good job considering the circumstances. We found some problems with the data as any demographer would expect. There are, for example, problems with the age structure. It is highly irregular. In fact the ICBS does not publish or provide data with the conventional five year age grouping. They refuse to do that on the ground that the data are not reliable.

Another quality check is to look at the sex ratios. Sex ratios at birth from 1987 till 1991 for Gaza Strip and the West Bank look rather strange. Normally, there would be about



105 males per 100 females. In certain years the sex ratio in the West Bank is over 108, so there are problems. ICBS officials acknowledge that there are problems. We do agree.

The third problem in the existing estimates is that the ICBS does not provide much of the data that policy makers and researchers need. There are many gaps, for example the Palestinian Diaspora are not counted. Estimates are not provided. The ICBS uses in fact two different definitions of the population, a de jure definition for Israel and a de facto definition for the Occupied Territories. The available ICBS estimates refer only to the resident population. I would say here that only a third of the Palestinian population is actually living here according to estimates made by the US Bureau of the Census.

For policy making, small area population estimates are very much needed. We had very frequent requests from local users for such estimates. We could not provide them initially. We turned to the ICBS but they had no figures. We have published a monograph with preliminary estimates. We can not really come up with good estimates. But it was an important gap and still is.

No data are provided on internal migration, between districts for example. There are no data on household and family composition. Some important vital statistics are also not provided, such as marriage and divorce rates.

# Three options

So, what to do?! We had to select from three options to proceed to fill the gaps and provide the needed statistics.

- Undertake a fairly large demographic survey for the short term
- Undertake a population and housing census
- Initiate a campaign to improve the current population register

Let me just go over each of these three options and say a little bit about them. First, by conducting a large demographic survey we would be able to reduce many of the uncertainties in population numbers. We could fill some gaps and we could test the quality of the existing population register. These are the three main outputs or objectives of undertaking such a survey. I should say that we have started this survey. We are in fact about to go to the main fieldwork of this survey on the 29th of April. And we have included specific questions to test the register.

The second option, a population census, cannot, of course, solve the immediate problems of our impatient users. They would have to wait about three years to get new detailed results. We need two years for planning such a large undertaking, and another year for producing basic results. So the census cannot really be a solution for the short term. By conducting a census, however, we can obtain a new count of stock that can then be updated by flow statistics from the vital registration system. And by conducting a census we could, maybe also, update the existing population register. We are thinking about undertaking a census that is combined with the existing register, not in isolation from it.

The third option is to improve the current register. The Israelis will, according to the agreement, transfer their current register to us. By using the population register we can provide needed data on time and with much less costs. This requires either a separate campaign to register people or that the upcoming elections or the census is used to update the register. It can also be improved in various other ways. Of course, the use of the registers is not confined to statistics. It will also serve many public offices, the public administration and the private sector businesses.

We are in fact thinking of the Scandinavian experience, where they rely on the register for providing the needed statistics. The continuous updating of the register, of course, does require a lot of coordination and cooperation between different departments.

How many of the Diaspora Palestinians are included in the register is still an open question. The demographic survey will provide some estimates of how many resident Palestinians have close relatives abroad as well as of how many Palestinians abroad have close human ties here. We will probably still miss a lot of Palestinians abroad. So one way would be to later ask all Palestinians in all countries to register as Palestinian nationals. How practical that option is, is a different question.

Our plans right now include in fact to use the census operation to improve the Palestinian population register and also to rely on the election operation to improve the register. By improving the current register we can of course reduce the need for frequent censuses, but it cannot happen immediately. But if we undertake a census in about two years as planned, a census may not be needed until much later, if we succeed in maintaining a good sophisticated population register.

# **Our recommendations**

So what do we recommend? Our recommendations for population statistics are summarized in the following five points:

- First, a demographic survey for the short run. This recommendation is actually being implemented at the present. We are about to go to the field.
- Second, that a central population register be established by law, built on the existing population register that will be transferred to us.
- Third, a campaign to improve the existing register, but hopefully we can do this in connection with the elections.
- A full scale census of population and housing no later than 1997. I should emphasize here that we have in fact started planning for the census of population and housing.

# The system of Social Statistics

Now we come to the system of social statistics. I will do basically the same as for population statistics, describe the existing statistics, briefly say something about options before us in connection with describing existing statistics and state our recommendations.



For social statistics we have started with a more or less conventional list of nine areas of social concerns, that statistics should be provided for. These nine areas are listed above. Most countries, I would say, provide information for those nine areas.

What I want to do is go over this list and very briefly say something about available statistics and what we have been doing on them.

# 1. Household Income Expenditure and Consumption:

The ICBS has conducted one survey, in 1973-1974. As most of you know, an Income Expenditure and Consumption survey is important not only for the social perspectives but for the economic perspective as well. Through this survey we can provide for example, statistics to construct weights for the consumer price index that my colleague will talk about in a session tomorrow. The current weights are very dated. We do not have information concerning poverty, consumption patterns etc. for the social perspective.

So there are wide and urgent needs for such a survey in our case. A PECS, that is, a Palestinian Expenditure and Consumption survey is planned in cooperation with Statistics Sweden. We are in fact about to undertake a pilot to test the instruments and the procedures for undertaking this survey.

## 2. Labor Force Statistics:

We do in fact have a complete series of labor force statistics from the ICBS dating back to 1968 for the territories. From 1988, with the beginning of the Intifadah, the Israelis have had problems in the field with respondent cooperation. The non-response rate reached 20 percent and the quality of participation declined. As a result the ICBS has discontinued some series and, of course, since May of 1994, stopped providing data for Gaza and Jericho.

A labor statistics plan, to follow the ILO convention, should include labor force statistics, that is, data on employment and unemployment, wage statistics, earnings and labor costs from establishment surveys or administrative records, data on occupational accidents and injuries as well as data on industrial actions. We do in fact have a plan for labor statistics, produced in cooperation with the ILO. A copy of this plan is available from PCBS.

Of these four main areas, we are about to implement a plan for a labor force survey. It is a two year plan during the time of which we will conduct a labor force survey semiannually, that is, do four rounds. We have started working on this activity and we have almost completed the questionnaires and manuals to be tested in a pilot in May.

# 3. Education and access to schooling

On education and access to schooling we do have yearly data from the ICBS on levels of education based on the labor force survey. Yearly administrative data are also available from ICBS, based on a yearly school survey. However, published data are very thin. The ICBS does not provide that much data in this area although the system includes a lot of unpublished information. We have been looking at what is available, trying to evaluate the quality of the data and say something about them. Most importantly, we will make them available to users. The results will be published in a Current Status Report, that is almost completed.

We have also made a comprehensive and detailed school survey with field work in January, the results of which will be available in early fall.

# 4. Health and access to medical care

The ICBS has been providing yearly data on a few indicators like hospitalization, and hospital beds, etc. But as in the case of education, the system does include lots of unpublished data for the West Bank and Gaza. Many NGOs and independent researchers have been collecting data in the last years, and there are much more than have been published in this area. Most of these data will be available, again in a Current Status Report that will be published very soon.

# 5. Family and vulnerable groups

For the fifth area, statistics on family and vulnerable groups, yearly data based on the labor force survey from the ICBS are available only on average household size. No statistics are available on household or family composition, the situation of the elderly or of children. No systematic compilation of gender statistics has been made. The demographic survey will provide us with a start to fill the gaps in this area.

# 6. Housing Conditions:

Standard data on housing conditions are available from the ICBS for the Gaza Strip and the West Bank. These data are based on a housing module that they have added to the labor force survey every three years. As a result we do have the basic statistics completed as series. The data are not provided at the local level and I would like to emphasize that a housing census has not been conducted in the area since 1951. Housing, of course, is very relevant and important here, because there are great changes taking place on the ground. If you visit Ramallah, which you will tomorrow, you will see a lot of activity going on in the construction and housing area. So local area housing statistics are greatly needed for planning the infrastructure.

# 7. Culture and Recreation:

The ICBS does not provide any data in this area.

## 8. Crime Statistics and Victimization:

The ICBS provides some data, that is, some reports on crime and accidents based on police and court records. We do have some information here and there but no information based on a victimization or crime survey is available and has never been conducted in the area as far as we know.

# 9. Elections and popular organizations

For the ninth and final area, the ICBS does not provide any information on elections and popular organizations.

# The three elements of the social statistics system

So, what to do?! We are proposing a system of social statistics based on three basic elements:

The *first* element of our planned system of social statistics are reliable population statistics. We do need reliable population estimates to calculate most, if not all, rates in the area for example, hospital beds per thousand population, school enrollment rates etc.

The *second* element of the system would be administrative records. We will use administrative records to the greatest possible extent to obtain the needed statistics primarily from vital registration and from the health and education systems. This is for various reasons, of course. It is a cost effective way of getting the needed data. There is none or very little respondent burden and quality can be quite good in some instances.

The *third* element of the planned system would be a household survey capability. This is because we cannot rely only on administrative records to provide the needed data in certain areas, such as providing short term indicators on the economy and employment rate, for example or household expenditure and consumption data.

The system we are proposing depends or assumes a heavily centralized system. The combinations that are proposed, we think, can be best achieved in a centralized system, instead of each sector producing its own statistics.

# Elements of a system

- 1. Population estimates for rates & proportions
- 2. Administrative records
  - Cost effective
  - No respondent burden
  - Requires cooperation & coordination
- 3. Specialised household surveys
  - Only viable source for some sectors
  - Needed for interpretation of change

Palestinian Central Bureau of Statistics

##

For the household survey capability program, we have two main options:

One is to undertake a labor force survey and add sector modules to it once in a while, like the ICBS has been doing with housing. Right now we are thinking about a semi annual labor force survey and in two years time we may even undertake a quarterly labor force survey, if resources are available, and add sector modules to it.

The second option is to conduct a comprehensive multipurpose household survey on living conditions once every two years.

These are our two main options. The *first* option has many advantages. It can be based on a survey capability that is existing, that we inherited from the ICBS. This capability is, however, really confined to fieldworkers, Palestinians that have been employed by the ICBS. We will not be able to inherit more than that of the needed survey infrastructure. We can continue to collect data on the labor force with the existing procedures that the ICBS used. I should emphasise here that the ICBS design, procedures and questionnaires in most respects are consistent with ILO recommendations. To this survey we may then from time to time add modules on housing, health, crime or family composition.

Our *second* option, the comprehensive multipurpose household survey will, of course, quickly provide us with baseline data for all the sectors combined. This is the first advantage. Such a survey also has extensive analytical advantages. It is, of course, a cheaper, or more cost effective way to proceed. Instead of undertaking two surveys a year, we would just undertake one survey every few years. There are also disadvantages, of course. In this second option you do not get the close monitoring of

the labor market of a labor force survey. It cannot provide timely data on employment for the short term. There may be other quality problems as well.

## Our recommendations on social statistics

- We recommend that a system on social statistics be based on a combination of population statistics, administrative records and specialized household surveys;
- We recommend that a national household survey capability program be build on the labor force survey as a nucleus;
- We recommend that a Palestinian Expenditure and Consumption Survey should be undertaken immediately. As I said, we are in the planning stage of this survey and about to undertake a pilot for it.
- Finally, we leave the options for the household survey program open for the future, for a few years, that is whether to adopt one core survey such as the labor force survey and add sector modules to it, or to undertake a comprehensive multi-purpose survey.

## Invited discussants

# Mr. Farhad Mehran Director, Bureau of Statistics International Labor Organization

Actually I am very pleased to see the final recommendations for the population and social statistics by Dr. Marwan. To me it is an interesting interpretation of the Masterplan and in some sense a deviation from it.

I would like to group my comments in two areas: one on registers and in that I really address the Masterplan more than the proposal for the population and social statistics program which I feel is more balanced.

My other set of comments will concern labor and social statistics and with that I will address myself to the presentation of Dr. Marwan, and in fact I will try to support some of the proposals made.

# On registers

First, regarding registers and a register based statistical system in Palestine, the subtitle of this session is actually "combining registers and administrative data with census and surveys". I would like to say a few points on the merits of this approach. I basically

would like to see whether the emphasis is right and I would like also to say a few words on the chronology of putting such a thing in place.

On the merits first: in the Masterplan the heavy reliance on a register based statistical system is based on the idea of cost, that is cost to the producer and cost to the respondent.

The easier part will be to take the cost of the respondent. I don't think (and some of the Palestinians who have been dealing with statistics could maybe comment on this later) that there is such a big felt respondent burden here as there is in some other parts of the world. I am assuming this not only for the household level but also for establishments and enterprises.

The producer costs to start a register system are quite high. Even higher are the costs of maintaining it. So I am skeptical as to whether cost reductions for the producer and the respondents do justify a register based statistical system in Palestine, at least in the short run.

My view would be to start with a well coordinated system with censuses and surveys and with a view to wait and see on administrative data. Maybe a register system is created. You should be looking at the system once in a while to see whether the merits are there at that time or not.

# On business registers

One of the three register systems proposed is the business register system, and I would like to concentrate on that, now that the population register has been mentioned.

What is the ideal condition for a register of businesses to work? The first is that there should be large units rather preponderantly. Second, units should be fairly stable. And third, there should be some kind of authority to register.

I don't think any of these three conditions are satisfied at the moment at least and I see difficulty in devising a register based statistical system unless it is thought of as just a component of the system like any other sources.

There is the problem of coverage. We know in Palestine there is and there will be a large informal sector, small units and very unstable units, changing ownership, changing activities, changing location. To keep records on that will be quite difficult.

The linkage of registers and administrative records are also going to be difficult. If you are really talking about a system, these registers and the administrative records which will go with it should be linked in some sense and that linkage I can only see with difficulty.

In fact, it seems to me that at least for the business register the coverage will be so limited, the difficulties will be so many that one should put it in a second position and instead start with a survey approach. Use, of course, registers and other administrative

data as supplements. They are needed especially for small area statistics and some times to meet more frequent data needs when you cannot have surveys on a frequent basis.

# More on registers

Another point about registers and administrative data that all of you know is that they are more controversial.

The application of statistical definitions is more difficult with registers and administrative data than they are with surveys. You can adapt the questionnaire to the data requirements.

Changes in questionnaires or in their design are less visible than taking one group in the registers, including it or excluding it, for example from the definition of unemployment when applied to administrative records concerning job seekers.

Also the chronology of things, we have seen from the presentation of Dr. Marwan that they will take in priority order: a demographic survey, the population census and eventually a workable population register.

So the way things will work, I think, will be this. Even if the aim will be a register based statistical system *the path will be not lead that way*. It will probably be the census & survey direction. Of course, one would think that after a few milestones you will look at it and see whether you could change direction.

I would suggest that the distinctive feature of the Palestinian Central Bureau of Statistics should not be that it is basing its statistical system on registers. Like a few other countries, it could develop the three sources of statistics in parallel. I think that will be a more balanced approach and a more realistic one and that, if done well, will be a quite distinctive feature of the Palestinian system.

# On the role of labor force surveys

Now let me turn for some few final minutes to labor and social statistics. As Dr. Marwan said, there is a document available regarding a program for labor statistics. Of the proposals in it, I want to emphasize just one. That is the role of labor force surveys as a nucleus for a wide area of social statistics as opposed to a general social survey.

We know how controversial employment/unemployment data can be. You, Mr. Chairman mentioned this morning a controversy in Denmark. I think such cases have occurred in many countries.

The Masterplan has a clear warning about the ILO recommendations on that. It says explicitly, (I think a little too much) that it is best suited to the urban regular labor market. The urban regular labor market is quite small in Palestine and I suppose it will remain so for the near future and even in the medium term at least.

But of course the ILO recommendation on labor force statistics is not just employment/unemployment. It is employment/unemployment and *under*employment. When viewed that way, I think it is much more relevant. I would advice that no statistics of unemployment be published without accompanying data on underemployment. It is feasible to do so. Various types of underemployment can be measured if you accept some approximations.

# On the merits of the labor force survey option

The point about the role of labor force surveys, that was mentioned by Dr. Marwan was that it can be the nucleus for a whole series of social statistics.

Because of the controversies on employment/unemployment you need a good questionnaire, a good training of the interviewers, well tested procedures for data processing and editing and for blowing up the sample survey to population size, which is very important to properly measure changes. You need 12-13 questions at least to correctly divide the population into employed, unemployed or underemployed and this only for a restricted concept of underemployment.

If one is considering to have a large survey for many social areas, the tendency would be to make the employment/unemployment part with only a few very global questions. With few questions of course, the risk of not being able to apply a proper definition and not have accurate numbers coming out of it, is higher.

The next point (which I think is in favor of a labor force survey accompanied with supplementary modules for social concerns) is that once you have a labor force survey you can run it on a regular basis, for example, every six months. Then you are ready to incorporate a module with questions on a social issue which is topical at any time. You have the apparatus. Within six months you can incorporate such a supplementary module in your labor force survey and therefore have data available shortly after. But if you are designing your system with a big social survey every three or four years you have to wait at least three years to get your data. I think that is a serious drawback.

Finally, there is the learning process that goes with a regular survey for the staff, for the interviewers, for data processing and analysis. Also, it can correct itself in the process. If you have a large social survey every three years or every five years the institutional memory will be short. It will be broken. Each time one will almost be starting from scratch and, therefore, there will be less chance of learning by doing.

# **Summarizing my recommendations**

To summarize: I do support Dr. Marwan's five recommendations at the end, especially the first four because the last one is open ended, and especially this role of labor force surveys as a nucleus.

I recommend that you be cautious about the emphasis given in the Masterplan regarding the role of registers and especially business registers. I note the fact that the

draft Business Register Law does not include any word on maintenance and I think the key issue for the business register is maintenance.

# Mr. William Seltzer Former Director-General United Nations Statistics Division

By way of background, before I got myself involved in statistical administration I gained some experience in problems of demographic and social measurement, particularly in developing countries. Also today, I speak only as a university man and as a friend.

As such, I think it is my duty to be both constructive and frank and frankness is really directed at the Masterplan as I read it and less at the presentation of Dr. Marwan which, as has already been indicated, in essence evolved from the Masterplan presented to us.

# On this terrible register approach

In my view, something is terribly, *terribly* wrong with the way the Masterplan is presented in one critical area, and that is the plan's central reliance on a population register as the heart of demographic and social statistics.

If you look in the Masterplan, the second place seems to be given to the population census. Absent from the list of major tools seems to be the sample survey.

I am pleased that Dr. Marwan's presentation gives much more emphasis to the role of surveys than the Masterplan appears to do. And I think that is a sound and healthy development. Let me go on to indicate why I am so concerned about the way the Masterplan appeared to me on a quick reading.

If I would have made one central point myself, it would be the following one: data derived from administrative records, that is population registers and vital registration, and data derived from direct statistical inquiries, that is population censuses and sample surveys, should be seen as complementary data sources and not as competitive data sources. It is not one *or* the other.

To the extent one is viewing it as one *or* the other, you are selling the statistical needs of a country short and its ability to respond. The fact of the matter is that most countries with heavy reliance on population registers are making use of sample surveys also.

But in the present case we did not see in the Masterplan that kind of complementary arrangement. I think that is particularly important in a developing country such as we are dealing with here.

# On administrative records

From the point of view of relevance, administrative records are fine in terms of the specific concepts of the administrative system. If you define something in the administrative system and make a payment on that basis or do something similar, it is fine. But in planning and developing new concepts and new ideas, when you want to try and look at what alternate concepts would be, you have to be able to make inquiries, not just on those topics that are central to the administration as it exists now but as administration might evolve to in the future.

Secondly, the administrative reporting systems are notoriously slow to change. They are by their definition rigid. You cannot change an administrative reporting system that quickly throughout the country.

The sample survey is relatively easy to change, in terms of the questions being asked or to have very up to date inquiries in terms of the topics you need. Again we are talking about a developing country.

When it comes to quality, first of all, the administrative records system is limited to those who are sort of caught in the administrative system. You can have some real frame problems. If that is your only source of information about the frame, you may have some real omissions. That is why a complementary approach, using some kind of area sampling for surveys, would be a very important adjunct to any effort with administrative records.

When it comes to other kinds of reporting errors, administrative reporting systems tend to be defined (as I said before) in terms of the concepts that are relevant to the administration and not necessarily in terms of what survey research says that respondents can really understand well enough and reply to in sample surveys. You have better control of response errors in a sample survey situation, I would submit.

When it comes to sampling error on the other hand, the variance on the administrative reporting system is apt to be very low, I mean it is a full coverage. On the other hand, in the sample survey, variance can be very large when you get down to low disaggregations and the sampling error very high. These are complementary kinds of issues.

As to timeliness, I would submit that both administrative recording systems and surveys are tremendously variable in their ability to be on time or to be very delayed. If you look around the world you will find slow processed surveys and very slow processed administrative systems. And you find quick surveys and relatively quick administrative data derived from administrative systems. There is a lot of variation in that

The apparent cost of administrative reporting systems to the statistics producer is low. That is true. However, I think the term used by Dr. Marwan was more the term cost effectiveness. There I do not think the tradeoff is that simple, particularly bearing in mind that when you have a system of censuses and surveys you have some shared costs that can cover a variety of data collection activities.

And then finally, on perception, (and this is something we talked about this morning), an administrative based system is clearly tied to the administrative system it depends on, while a survey can have a free standing and ability to look at the administrative reporting activity. And so I would submit that surveys are a complement even if you do have a population register based activity. It is important, until you are very clear about what is going on, to have an independent census and survey operation.

# On maintaining the register

The trick is not so much in establishing the register, the trick is in maintaining it. And the first step in maintaining it is to have a well functioning birth and death registration system. Until you have that and until you are sure that your birth and death registration system is under control you should think twice at least.

I would submit that the data that Dr. Marwan pointed out to us would indicate that it may not be in such good control. The fluctuation of the sex ratio at birth looks like there might be some reporting problems, perhaps in early neonatal deaths. The failure to register births that resulted in a death shortly thereafter could be the source of some of that variation.

There is a notion that the election register can help. Well I suppose they can but when you have a population where the majority of people are very young the electoral registers can only help for a small part of the population, a relatively small part at that. You still have to handle the coverage of those under the voting age.

The demographic survey you mentioned in one of your slides as being important in the short run. I would say in the short run *and* in the long run also. It is both short and long run important.

And then, finally, in terms of work on the vital registration system, I think surveys can be of help in understanding the completeness, how well those administrative record systems are working.

# Use a balanced approach!

So I am very pleased with what Dr. Marwan indicated, with the direction you are seeming to go. And I would hope that his words are carrying the day rather than the words that appear right now in the Masterplan.

I think a balanced approach is important. I am not trying to say that the population registers are not important and useful, but I do think that until you are sure of what is going on, you have to have a complementary approach even in the longer run.

Mr. Jean-Louis Bodin
Director of Department for International Relations and Co-operation
INSEE, France

An anecdote on foreign advice

I should like to start with an anecdote. It was during a seminar organized by the Bureau of Labor Statistics in Washington in February of 1991. The seminar was designed for the transition countries of Eastern and Central Europe. One of the discussants of the seminar was Professor Malinvaud who was in the past the Director General of French Statistics and whose name is probably well known to many of you. Professor Malinvaud remembered that when he was a young statistician just after the second world war, a lot of American colleagues went to Europe to explain American statistics to the Europeans. It was within the framework of the Marshal plan. Malinvaud remembered that the American colleagues said to him: You know it is not difficult to make good statistics. Here are the questionnaires and our classifications. Just translate them into French and that's all!! And Prof. Malinvaud said: We did not follow this advice and we were right.

# On registers and people

Why did I tell you this story? It is because my feeling is more or less the same as the two previous discussants concerning the use of population registers for statistical purposes. Of course, population registers are used to a very large extent in Nordic countries. The population in these countries have no problem with the population registers. I would like to add one thing to what was said by the two previous discussants.

The actual trend is that most of the industrialized countries are rather under the pressure of public opinion to forbid the general use of population registers and including, of course, their use for statistical purposes.

As statisticians we can regret this situation, but we cannot negate it. Personally I am sure that there is a part of fantasy in the reaction of the public opinion and I am quite sure that the fears of the public opinion are not founded on sound reasons. However, that is the reaction of public opinion, and we must take that reaction into account.

My opinion is that in the Mediterranean culture (even if the first population registration in history was organized here in Palestine two thousand years ago) in spite of historical registration of the population, the Mediterranean culture is against generalized registration. In our different countries and I include here Palestine, but, of course, I think mainly of countries like France or Italy or Spain, this kind of population registers are viewed like a kind of big brother.

In your country I am afraid it might be more or less the same, especially because of the political situation, and because of the difficult relations you had in the past and you will have in the future with Israel.

The decision to implement or not to implement a population register is not up to the statisticians. It is up to the government. But even if such a decision is made in your country I am afraid you cannot count upon such a register for statistical purposes until after years and years.

## On the census

So, for me, the priority must be a population census, especially because such a census has not been made since just after the 1967 war. At that time the situation was very confused and probably the results of such a census are not useful at all now.

But organizing a census is a long process. A census is costly. And it is absolutely necessary that the census is a success, because of the cost of such organization. It is not possible to organize a census very often. So it is necessary too that the census is a success.

It will be long to prepare a census for the short term. I am sure that the demographic survey must be made as soon as possible. I agree with my friend Mr. Seltzer, when he said that the demographic survey is of course a short term objective but a long term objective as well. This is precisely because it is not possible to organize a census very often.

# On the social survey program

Concerning social statistics, I generally agree with the presentation made by Dr. Marwan and with the proposed plan. My only comment is that in the plan proposed by Dr. Marwan it seems that there are no priorities. When you have to do so many things it is necessary to have very strict priorities, of course.

I just would like to make one comment about the surveys. I would like to emphasize one aspect of the Survey on Expenditure and Consumption. These surveys are very useful for a lot of other statistical purposes and not only for social knowledge. For instance, it is absolutely necessary to have such a survey for computing a sound Consumer Price Index and also to improve the quality of National Accounts.

## On administrative records

What I said about the population register does not mean that the statistical office is not entitled to use administrative data. On the contrary, administrative records are a very important source of statistical data.

For instance, in France we are using to a very large extent at least three sources of administrative data in the area of social statistics. First the civil registration of births, deaths and so on, of course.

Second, we have in France a unique declaration of salaries, which is used by the social security administration and by the tax administration and also by statistics. Exactly the same declaration is used by the three administrations, which means, of course, a reduction of the burden for the firms which have to declare these salaries.

The third source of administrative data that we are using in a large extent in France, is the permanent census of people looking for a job. I do not have the intention to insist on the big advantages of the use of administrative data in terms of coverage, of low cost and so on. Instead I would like to stress the main difficulty in using administrative data. The great difficulty is that these data are not originally designed to make statistics. That means that the classifications which are used, the concepts which are used are maybe different from the ones used by statisticians.

Here in Palestine I believe you have a unique opportunity, because the PCBS exists. The other administrations which will in the future build administrative systems are still not existing or are just being built. The tax administration, the social security administrations, have not yet started to work, if I am not wrong.

So you have a unique opportunity because it must be possible to have in the group of experts who will prepare the systems, also a statistician. In this case the gap between the concepts and classifications used in the administrative system and the statistically desired one can perhaps be made small.

Of course, priority must be for the administrative treatment. The first objective of the administrative file, is to ensure, for instance, the collection of taxes and not to do statistics.

But if a statistician can work from the beginning with tax experts to build the administrative system, one can be sure that the gap will be as small as possible. And since these tools are not yet existing you have probably a unique opportunity to deal very effectively with this problem. And of course it will be easier to influence the treatment before they implement it than after.

# On using Israeli data

My last recommendation concerns the use of data previously compiled by the Israeli Central Bureau of Statistics. Dr. Marwan mentioned, what is also in the Masterplan, the gaps and the inconsistencies of ICBS data. They have nevertheless an advantage. They exist. And it is better in my opinion to have statistics even with lack of consistency. It is better to have some statistics rather than nothing.

I hope that during the negotiations you still have with the Israeli authorities you will be able to improve the use of data by the Palestinian Central Bureau of Statistics, at least during the time when other data are not yet available.

# My thanks to the PNA and to the PCBS

To conclude I would like to thank the PNA and the PCBS for their hospitality. Permit me to do that not only on my behalf. As you probably know, France is for the time being till the end of June, the president of the European Union so my thanks are the thanks of the President of the European Union.

I must confess that I was very impressed by the very wise decision of the PLO who decided to have a Bureau of Statistics very quickly in the nation's capacity building

process. That means that the PLO and now the PNA are fully convinced that even if the information is not very good for the government it is better than having no information at all. And I am also very impressed by the progress made by the PCBS.. It seems that they are working a lot.

# Mr. Labeeb Abdunnur Chief of Statistics Division ESCWA

I think people have to be given the chance to dream. Otherwise their lives become helpless. We should be allowed to dream but we should also be realistic. We are very happy that everybody in the newly established PCBS is trying to do their best, to do a very good job and to impress everybody of what they are doing. So they have obviously written a very well thought out document and they have consulted with many experiences of countries.

## No model for Palestine

I believe it was Mr. Bodin who said in the morning that we should have our own model. We should not follow other models. We should learn from others' experiences.

So it is good that the PCBS has been studying others' experiences but the Palestinian model should be a very special model because we have here a population in a very special situation. The Palestinian situation has its unique characteristics and therefore cannot possibly follow any specific model. It has to have its own model. They have people here, people in Diaspora, people in stateless states, they have people everywhere.

Something has to be done that can encompass the whole situation, encompass the fact that this is a very new statistics bureau, a bureau with hardly any resources. It is true that some money is coming in now which is helping them to undertake some operations but it is never known for how long this money is going to stay and what will be the situation in a couple of years.

And so, they are working in a very uncertain situation. They do not know what the developments are going to be. So they have to be very careful in what they are planning to do.

# Preferring a comprehensive survey

Unfortunately we are discussing things now after the fact, like for instance, is it better to undertake this kind of survey or that kind of survey, after it has been decided what surveys to undertake.

I would have preferred under the specific circumstances in this transitional period of the Palestinian people to recommend undertaking a multipurpose survey because of the savings in time and cost and because of the fact that it can provide baseline data needed at this stage and because we still do not have sufficient or reliable sources of other information.

#### On the census

The PCBS is hoping to undertake a census in 1997. If this is the case and knowing what the capabilities are and the difficulty of undertaking a census, I am surprised that they have not started yet. It takes at least two years of preparations for a census.

I should recall what Mr. Chander said this morning. With this inflow of assistance we should be thinking of how we are going to split it between spending on capacity building and spending on generating current data. I think it behooves the bureau to spend a good part of the donations on capacity building, on preparation for the census, on preparation for building a survey capability for the future.

Getting started with the population register is not something easy even though there are some elements of a population register that has been inherited. But it is admittedly very deficient. It is not up to date and even updating it is a very very time-consuming activity. It also requires population attitudes, a population culture that will help such a register to be really built up and to be used efficiently.

So I would go along with what has been suggested before by previous discussants. The fact is that a census is an essential thing to undertake and that, of course, will require a lot of time for preparation. Maybe you should start preparing right ahead. And also, we should concentrate on a civil registration system which can provide vital statistics.

The PCBS has already undertaken steps for a labor force survey, for a big demographic survey. I wish them success in these surveys and I hope that in the future more efforts will be placed on the population census.

# On exhausting the staff

I should mention that this afternoon I was talking to some employees of the Bureau. I felt that they are exhausted. They are really working very hard. Some of them are working more than 12 hours a day. With all these surveys being undertaken at the same time, they will be exhausted. They will even exhaust the respondents. I do not know what will be their state when it comes to working on the census, to preparing for the census. So only a point of warning. I think they should be very careful in planning their time for the future and I wish them success in what they are doing right now.

# Floor interventions

**Chairman Zeuthen:** I should point out before I give the floor to Sten Johansson that the first census in Denmark was taken in 1769. However, it was kept secret from the Swedes. But after they were published in the beginning of last century, the Swedes have not been afraid of the Kingdom of Denmark! (laughter in the audience)

# Professor Sten Johansson The Swedish Institute for Social Research Former Director-General of Statistics Sweden

I have to respond to that and point out the first Swedish census was taken in 1749, that is twenty years before and that also that census was kept a state secret for fear of the Danes! (laughter) We fought and feared each other for 300 years but we now have had 200 years of peace and friendship.

Well after hearing this discussion I do wonder if I am a holy spirit or an evil spirit or some evil ghost or something...(laughter)

Let me first take full responsibility for the misunderstandings that came out in this discussion. Something in it must be badly structured because very qualified readers of the Masterplan have drawn very wrong conclusions as to what are the actual recommendations.

# On registers

What is said in the Masterplan is that the *ideal* basis of a system of statistics is that you have central registers in each of the three areas: population, business establishments and land. They are useful, no, needed for any statistical system. Some sort of registers is needed as a frame.

If you have no other type of registers, you must have maps so that you can make samples. The Palestinian statisticians who are now in the field to prepare for the demographic survey know how difficult it is to construct a Master Sample, when you do not have a frame with population numbers as a base, and even worse when you do not even have maps. That is the first sort of register that you need.

Secondly, no country in the world should start a population register for statistical purposes and it is not recommended in the Masterplan that such a thing should be done. What is discussed in the Masterplan is the idea of institution building, not only for statistics but building the Palestinian Administration.

The European Union is now helping the Palestinians to prepare for the election. It costs an enormous amount of donor generosity to pay for establishing an election register. This cost must be taken by someone every time there is an election in this country, provided that one wants free and fair elections.

The Palestinian administration now suffers from the fact that it cannot collect taxes. How can they collect taxes in a fair and equitable way without having a population register or a register of enterprises? The recommendation in the Masterplan is that the PCB should *promote* the idea of establishing such registers. Since these needs are very much felt by the Palestinian National Authority, they have actually started preparations for a Palestinian population register. In this endeavor they are fortunate not to start from scratch but with an existing register.

They are very happy, as we heard this morning from Mr. Abu-Ala, that the first establishment census has been so successful. Palestinians enterprises have allowed themselves to be registered for a Palestinian business register. Less than two per thousand of the approached enterprises have not consented to be registered, not only for statistics but for establishing a business register which will be also for other purposes.

So, the idea is that if the Palestinian National Authority wants to go in the direction of building the instruments for fair and equitable public administration, then these instruments should be used also for statistics.

## On errors in censuses

Now, statisticians are very proud of their censuses. One of the countries represented here, Holland, can no longer do any censuses. Germany had big problems. Most of us that do censuses have to recognize that there is undercoverage in the censuses. The US Bureau of the Census estimates its undercoverage to be 5 per cent.

The Palestinian National Authority will inherit the population register that probably has less undercoverage than that because the birth registration is fairly accurate, not totally accurate but not worse than in any census in the developing countries.

Study the Tanzanian census, study the census in Turkey, study any census in the other countries and you will see that the Palestinians start from a better ground than any other country that has tried to start a registration system.

# On censuses and surveys

Of course, the Masterplan does not rely on the population register to be a solution to all things. It says that there must be a census and it outlines a plan for sample surveys.

I do not know how Mr. Seltzer's misunderstanding could come about. There are in the Masterplan the proposals that a national household capability program be built on the labor force survey, that there be a demographic survey, that there be an Expenditure and Consumption survey and even an explanation why sample surveys are needed even if you have both a census and a register.

So I do hope that the continued discussion does not rest on these misunderstandings but on what is actually recommended in the Masterplan. I thought the Masterplan for population and social statistics was absolutely perfectly reviewed and presented by Dr. Marwan. So let it be the basis for the continued discussion, although, I recommend that the discussion on the business register be postponed until tomorrow's session when it will be dealt with.

# Mr. Hussein Sayed Regional Statistical Advisor UNFPA

# On misunderstandings

I think since this afternoon we started to talk about the details, the misunderstanding of the problems started to appear.

First, I think that in the presentation there was an effort to try to present all the instruments as if they actually compete with each other and not that they are complementary to each other, as what rightly mentioned by Mr. Seltzer in his discussion.

I think also that the presentation was trying to ignore that each of these instruments has its advantages and disadvantages. Each instrument has its limitations and its advantages which was also not discussed or put in the proper perspective.

I think that led to some confusion as to whether we are talking about successive steps, a survey as a short term response and then a census and then a population register., This arrangement as 1 or 2 and 3, is creating the problem. It is not an ordering of these instrument. They should be dealt with as complementary instruments. Within that context, I think we should reconsider what should be done actually in that perspective.

Secondly, I think for each of these instruments, there are always prerequisites and actual conditions that would allow or hinder the application of such instrument.

# On the population register

It is very difficult to talk about a population register unless we have the prerequisites needed for such an instrument. Okay, the population register is inherited from the Israelis. If we are accepting that register, if we are saying that it exists, then we can actually use it but as a complementary instrument, not as a fully fledged instrument that can provide these data.

## On the census

I think also that talking about the census is not giving the census the proper context that should be given to it. A census is, according to the discussion, taken to provide a stock, a new count of the population. This is not the case.

A census is a global instrument that is providing a count of stocks but also characteristics of the population in general areas. It should not be limited as was mentioned. In that sense I think the separation between population statistics on the one hand and social statistics on the other is creating this differentiation.

I think this differentiation should not be there actually with the implication of clear boundaries. The three instruments are actually complementary, not only from the instruments point of view but also from the subject matter point of view. This should also be kept in mind.

# On criteria for priorities

My third point is concerned with priorities. I will not take it that the short term survey is given the first priority and the census the second priority and the population register the third. I will ignore that numbering system. I was trying to understand what the criteria were by which the Masterplan decided the priority for the PNA.

If we are deciding about priorities, I think there are some criteria. We have to talk first about needs. First, what are the needs of the PNA and then what are the resources available. When we are talking about resources we should take into consideration not only financial resources but also personnel and all other resources that should be included. And a third factor which I think is very important is sustainability, to what extent these instruments will be sustainable and to what extent the PNA or the PCBS will be able to sustain these instruments throughout its normal function.

There may be more than these three criteria but I was looking for criteria to identify what will be the priorities of the PNA or the PCBS in its implementation of the Masterplan.

# The census is the first priority

If we take the instruments according to these criteria, I think without hesitation that the census will come as a first priority. There is no hesitation: it will not be possible to work on a parallel basis because we do not have unlimited resources. We have limited resources. Because we have limited resources we have to prioritize our activities. If you are going to prioritize then it is not possible to go on parallel activities. So I think in that respect the census will be the first priority and then we have to decide what else?

I do not know if the Palestinian experience will be totally different from the experience of neighboring Arab countries. If we take the Jordanian example, (I do not know why the models of the Europeans were only considered) they do not up till now have a sound vital registration system. They do not have a great birth registration system and they do not have death registration. I do not know that the population here has different characteristics than the Jordanian population. That needs to be discussed.

Certainly the census has an undercount as was rightly mentioned but the level of undercount in the censuses within our region is much lower than the level of accuracy

attached to the vital registration systems within the region. If we take that into consideration, and we assume that a vital registration system is a prerequisite for a population register, we can see that the accuracy of the population register will not be as good as we expect, so this is another point.

I think also that a very important point is the ability to maintain the system which is referred to previously as sustainability. But maintaining the system is totally different from one instrument to another. The census is a one-shot operation that can be taken care of. One can even import external resources for its implementation. We cannot do that for the population register. It has to be created from within and maintained from within. We can initiate the process. We can promote the process but we cannot maintain it. So the level of sustainability required for the population register is much higher than for the census operation.

Finally, I would like to say that we have to review the priorities within the concept of complementarity of the methods and actually how to develop a package that can maximize the benefits of each of these methods, not to work on parallel lines but to work on feasible lines that can achieve or maximize the benefits.

# Mr. Raul Suarez de Miguel Head of Department International Affairs Statistics Switzerland

Even with the clarifications of our friend Sten, I think we have a real problem here. This morning we realized that there are three main pillars for the future system: administrative records, a census and sample surveys. That was very clearly stated this morning and that we can all recommend.

But the Masterplan for statistics is proposing for general institution building purposes a central population register that should be governed by a separate law.

I am not sure that it is up to statisticians to propose such kind of institution building, in particular given the sensitive political circumstances within the Palestinian population and in the particular context in which Palestinian institutions are to be built.

# On using the census for updating the register

If I read the Masterplan accurately, one of the things it proposes is that a census may be needed from time to time to update the population register and also to produce statistics at the detailed local level, on the labor force, etc.

I just wish to recall that a number of countries represented in this room cooperated recently on the census of one of the countries in Eastern Europe. One of the main problems we had was the wish of that government to use the result of this census to update its population register.

It appeared in the discussion that this was an instrumentalization of the statistical census for administrative purposes and according to international practices this would be possible only under very strong conditions and full guarantees for the protection of the fundamental rights of individuals. So, I think, here the relation between a census and a population register is very inaccurate from this fundamental point of view.

## The Nordic model as a dream

Having said that I can tell you that a dream of any Swiss statistician is to be Nordic but this remains simply a dream.

We have good population registers at the level of cantons but you cannot use them for statistical purposes. Because simply, you can not sample accurately by using these as the basis. We use other basis for sampling rather than the population registers.

Switzerland is not a disorganized country, Swiss people are relatively disciplined. The people have good relations with the administration and they react normally to the request of information from the other administration. Even in these very stable and good circumstances our population registers cannot be used for statistical purposes.

I just wish to point out these different elements because I do not think it is a question of principles. It is a question of opportunity. Why go in a direction which is problematic from the political point of view, from the point of view of international recommendations and from the point of view of the usefulness of our investment?

Let other people making the institution building make proposals about registers or administrative purposes. Let the statisticians remain in the framework of what is possible, useful and effective in statistics.

# Mr. Ramesh Chander Statistical Advisor World Bank

# On the three S-words

I have no intention to repeat the arguments that have been so eloquently presented both by panelists and by speakers who have preceded me.

I think at this stage of development, noting the capacity and the potential capacity that will be put in place in the near term, we need to bear in mind first of all the issue of priorities.

Having settled that issue and that can only be decided after due consultation with the major users within the territory, there is then the question of examining the feasibility of how you go about implement that, remembering all the time the three S-words:

- simplicity
- sustainability and
- a step by step approach.

# Dr. Rita Giaqaman Director, Community Health Department Bir Zeit University

I would like to shift the discussion a little bit to cover a conceptual angle. (Yes, I am not a statistician. I am a clinical social scientist) and include also in it some methodological considerations.

As you know in the Palestinian context, the absolute key for collecting statistics at the moment is to formulate appropriate policies that are crucial for peace. There is a triad: peace links to economic development and links to social human development as well. The formula is inseparable. Unlike what many international agencies are doing at the moment in this country, the focus cannot and should not be only at the economic link because there is no trickle down effect that takes place. In any case, to me there are two main problems that I identify as crucial.

# What trends? What indicators?

The first one is: what are the trends that we study. It links to priority but it is a bit more complicated than just priority. What are these trends and why are we studying them? The second one is what type of indicators do we use to study these trends?

I would like to argue along with the Bureau of Statistics that, yes, we must hurry because we need these data. And yes! what we must do is gain international accreditation as quickly as possible. But I would also produce a counter argument.

I would like to say that we need to think very carefully because we Palestinians have other than the universal problematics with generating statistics. We also have ones that are specific to the Palestinian context. To give you an example of what I am trying to say I should deal with health which is my area and women which is my new area.

# On health concepts and measurement

In health I am referring back to the Masterplan. We see hospital beds as an indicator of accessibility. False!! not only specifically for the Palestinian case but universally.

Accessibility is about distance. It is about cost and it is about appropriate methods for surveys. If we study accessibility of health services we must study primary health care as said in the World Health Organization's standards.

So why are we collecting statistics about hospitals and hospital beds? I am not suggesting that its not important. I am only saying that they are not indicators of accessibility of health services. We must think before we do.

The second thing is mortality data. Yes, mortality data are important, but cause of death classifications are problematic as we all know. Because often, in 99.9 per cent of all cases, causes of death are registered as one cause. Those of us who are working in health know that the causes of death are multiple.

When we know that somebody died from cancer there is no way for any of us as people to use the cause of death statistics to find out why is that cancer occurring and why at such a high rate in that country. So surely mortality statistics are not sufficient.. We need to back them up with different types of surveys and morbidity statistics.

Those are crucial. We should not only worry about those who are dead. We must also worry about those who are surviving.

When it comes to morbidity statistics we must remember that there is an epidemiological transition. Today we do not only suffer from third world diseases such as diarrhea, etc. We also suffer from modern day diseases such as diabetes, hypertension, cancer and heart diseases.

When it comes to other problems in health, the focus is on maternal and child health, Why do we omit 50 per cent of Palestinian women when we talk about ever married women, who are between ages 15 - 49? If the average life expectancy of Palestinian women is 70 then this is only 50 per cent of the women population.

Why are we zeroing in on maternal and child health, reproductive health? Women's health is the priority and the problem is not merely a problem of priorities but is a conceptual problem. In this country as elsewhere the focus is on reproduction at a time when for all sorts of reasons in this social transition we have all sorts of roles, political, economic, cultural and academic that get omitted, so certainly there is a conceptual problem and certainly there is a priority problem.

I just have this feeling that this is donor led because, for instance, Unicef focuses on the mother and child health. But, should we as Palestinians and should the Central Bureau do the same?

# On women's issues

When it comes to women, women are a big problem for statistics. Every time we ask statisticians: How do you account for the non-remunerated work of women the answer is, yes, but we have to get international accreditation and, yes, it is very difficult to estimate. It is very difficult to develop indicators for women's non-remunerated work.

My point is that this is very dangerous, not only for women but for the economy as a whole. You can go back to social science literature on women and the economy to show that when you do not account for women's work outside the market you are

likely to analyze trends in the economy that can lead you to a disaster. We have so much literature about this to the point that we must stress that - difficult or not - we have to do something to acknowledge women's work outside the labor market.

That is why I have also some question marks about employment and unemployment concepts. Because those really need to be conceptually redefined.

# My recommendations

Now, finally, I know all too well that it is very easy to criticize. So what I would like to do is to come up with recommendations after this criticism. I think that it is really important that we have a Central Bureau of Statistics and it is really important that we have this debate today, but we have hardly had any time to discuss real issues. I have three recommendations:

We must think very carefully, you and us, before we move. We need to go together to develop indicators. Statisticians alone cannot develop indicators. They have to develop them with the experts in the field. Educators have experts on women and so on. We must create teams combining statisticians with experts in the field.

Disaggregate the data, whatever you do. Male/female must be part of any census or survey what ever.

The third and perhaps the most important recommendation is that we must have a follow up of this meeting. We need to really touch the heart of the problem. I would say that these discussions must take place within smaller workshops or groups that could meet in an on-going fashion until we solve the huge problems that we have in terms of statistical methodologies and analysis.

# Mr. Gosta Guteland Deputy Director-General Statistics Sweden

We are very anxious to have a population register in Sweden and in the other Nordic countries and also to have it with a good quality. We are also aware of all problems to have that quality. For the moment we are missing about 40 000 people in our register and we do not know exactly what to do to correct it. The problems are there all the time. What I wanted to say now very briefly is that there are some conditions that have to be fulfilled before you start population register work.

# On conditions for registers

One is that there must be many users. It is not enough to have a register system just for statistical purposes. It does not work. It becomes too expensive. It is not cost-efficient.

Another condition is that a lot of ministries and other partners have to work together and use the same classifications, the same register. They must have some common identification for each individual. And then the question is: who will convince them to cooperate? Is it the Central Bureau of Statistics or is it someone else?

The third condition is that people in general accept the register. And I can say from Sweden that there are some people, perhaps not many, who are afraid of the system. They think that the register can be used against them. But today I think there are many more people who say: we want to have a good register because we do not want the authorities to have wrong information about me. They want to have correct information.

They do not want to be mixed up with someone else in hospital records, in social insurance, in the mail or in the bank. The one possibility to get that is to have a unique identification in a common basic register.

It is very important to have good quality in the register. We are very concerned with the 40,000 missing in the register, although that is less than half a per cent of the population.

One way to reach good quality is to have many users and many updating procedures. For instance, when the tax authorities send out information to all households with the tax statements or when the voter cards are mailed to all citizens, you can see if there are many returns. So, if such mail is returned to sender, you can use that for corrections and to create a better quality in the register. There must be effective and inexpensive procedures to update the register.

But my general point is that it is not just to create these registers. There are a lot of conditions that must be fulfilled and we are all aware of that.

# Ms. Fatheya Nassru Ministry of Education Palestinian National Authority

I would like to make a very short comment on what I have heard this afternoon. I think that the Palestinian Central Bureau of Statistics is doing is a very good job. So far they have been making those workshops that Dr. Giaqaman was talking about and thinking before doing. They are doing it. Thinking as a group. They keep on generating ideas from many. However, the start is always difficult. The points of awareness that I would like to raise are the following.

# On mixing registration and statistics

First that we should not mix between registration, population and administrative records on the one hand, and statistics on the other hand. Because if we work on these

two issues as one interdependent kind, we may lose track on facts at the factual level as compared with the application on the other level. That's one.

I think it is very important to get facts as facts regardless of how are we going to use them. We need to know the population. It is a point of awareness. This is a first point of awareness.

# On the need for Palestinian authenticity

The second point is that the tools of collecting data have to be developed with an understanding of authenticity, based on the needs of the indigenous people. Here we are talking about the Palestinian people and therefore our tools have to be authentic, original. To meet the needs we should have visualized them before we develop these tools.

I think the statistics bureau is trying to do this as much as possible, though it sounds like they are translating certain tools from here and there. I think it is important to do our own job, on our own merits, on our own needs, with our own vision for the transformation process. This is my second point on awareness.

# "Anything in haste is a waste"

The third point on awareness, which is also the final point, is to remember a very important slogan "anything in haste is a waste". Thinking, lots of reflection, building capabilities have to precede the functionality because the price we are going to pay for the errors at the establishment level would be very heavy.

I am not recommending anything in haste for these two years to have all the data we want. I feel more comfortable to have well established tools and processes and lots of thinking before we go into the field. And even when we go to the field we consider it as a trial kind of process rather than as established tools of collecting data at any level for whatever reason. Because the love for your tool may hinder you from developing the tools. So consider it a baby to be growing over time and knock out all the previous biases.

Any administrative record, for example, is built on administrative policy. The administrative records of the Israeli occupation are definitely not suitable for the administrative record for the Palestinian Authority on its own land conceptually speaking. It might be useful, but this is not what we want. We have to examine what we want first and then to refuse what we want to refuse and to get what we want to get.

# Concluding remarks and rejoinders

# Mr. Farhad Mehran Director, Bureau of Statistics International Labor Organization

# On misunderstandings

One comment regarding the so called misunderstanding. I think there was a careful reading of the Masterplan. I discussed the matter of putting the emphasis right. Our disagreement, I think, is on what to emphasize rather than on the actual trade-off between the instruments.

# On unemployment definitions

I think I have to say one thing concerning a statement made by Ms. Rita Giaqaman concerning the doubts that she had regarding employment and unemployment definitions and their coverage of women's unremunerated activities. I think international standards do cover the unremunerated activities of women and women's underemployment, of course, to some extent. In fact surveys often do not cover it according to the standards, however. So it is a question of application of standards rather than standards themselves.

# Mr. Jean-Louis Bodin Director, Department International Relations and Co-operation INSEE, France

# On population registers

One short comment to Sten Johansson. Not only am I convinced that it is possible to make good statistics without a population register but also that it is possible to make good administration without a population register.

In France we have no population register... (Protesting in the audience)...No, no, no, we have just personal identification numbers without current addresses. It is not a population register. And the tax administration is not allowed to use the PIN, the personal identification number.

And the tax administration in France is doing its job...(Chairman Zeuthen whispers a word: well???)... Well, not too well but well.

I would prefer to retain one comment from the floor, which seems to me important. Because of the lack of human and financial resources, it is very important now, it is time now to make priorities. And I think it is the most important message for our Palestinian friends.

# Mr. William Seltzer Former Director-General United Nations Statistics Division

# On population registers

Just three comments: First, if you look around the world you will find the dried skeletons of failed population registration schemes in country after country in the developing world. A key issue is motivation to do the registration and to keep it up to date, and unless you got the motivation it is just a waste of time and effort because it will not fly.

Second, Mr. Zeuthen and Mr. Johansson have reminded us that the first population censuses in Denmark and Sweden were taken in the seventeenhundreds. On the basis of this information I would restate the Nordic model to read: Wait at least two centuries to make use of population register for statistical work!! (Laughter in the audience)

(Chairman: No Mr. Johansson, you cannot have the floor for a rejoinder!)

Thirdly, I think I played some significant role in involving Sten Johansson in this process that started with the first international conference which was held at the UN Statistical Division in New York. I am very pleased and gratified with the kind of role he has played. I think we are all involved in a complementary effort. And I am sure if there is a disagreement on one thing or another, maybe it is not a disagreement, maybe it is just a matter of terminology and words and phrases.

But I think from what I see overall in the Masterplan, and as I see the overall development of the Palestinian Central Bureau of Statistics, the role of the complementary skills of Mr. Johansson and of others who worked with the staff and the Director-General of the PCBS, remarkable progress has been made. I am sure that with his influence and the influence of others, this kind of intelligent development that is going on will continue. Thank you!!

# Mr. Labeeb Abdunnur Chief of Statistics Division ESCWA

# On population registers

I think it is very dangerous for a central bureau of statistics to be involved in data collection that scares people. And a population register or anything for the purpose of taxation is something they should stay away from. Let those who want to, do it!

The statistics bureau can make use of it later if it is useful to them, but let them not get involved in it, because this is going to affect all their future work with the population.

So they should stay away from any thing that scares the population. That includes population registers and maybe administrative records in fact.

They should concentrate on building their capabilities now. This is what they need to be doing in preparation for what important statistics is to be done in the near and far future, including the population census.

And I should paraphrase what Mr. Chander said: they have to tread carefully and climb up the ladder step by step and build up their system block by block.

# Dr. Marwan Khawaja Deputy Director-General and Director of the Population and Social Statistics Division Palestine Central Bureau of Statistics

I want to thank the discussants and commentators for their interventions. Thank you very much. I think we have had a very lively and interesting discussion.

# On the implicit Anglo-American model

After this discussion, it seems to me that we came up with only one model in the discussion, whether you call it the Scandinavian or the Nordic model. But there was in fact another model implicit in the discussion which is the Anglo-American Model (if you want to call it that way) which is the dominant model.

# On misunderstandings

I just want to emphasize three or four points. I do think that there is a misunderstanding of what is stated in the Masterplan and I think that there is misunderstanding in fact of what I said in the discussion.

The controversy concerning the population register, although anticipated, is a little bit inconsistent with what is written.

# On the population register

There is in fact, this is the point I want to make, there is in fact a population register. We are not advocating the creation of a new register, I do want to emphasise this point.

This existing population register has been used for statistical purposes by the ICBS, and in fact as Professor Johansson has mentioned, the coverage of births is quite good. We think it is almost complete.

That has to do with the circumstances in which we live. There is an ID number for every one living in the Occupied Territories. It has to do with political reasons, you

know, there are sanctions for not registering births and for delays in showing your ID card. You have to carry your ID to go around.

In any case there is such a system. It is really different from Jordan and some other Arab countries in the region. The situation here is quite different, I think. So the first point I wanted to emphasize is that what is advocated is to *improve* the register, not to create a new one. It is not for the Central Bureau of Statistics to involve itself in maintaining the register. This is not what we are saying. What we are really saying is that we will play a role in *promoting* the improved population register.

In fact the PNA has adopted this Masterplan and work is being undertaken to improve the register.

# Census planning has started

The second issue which I want to emphasize (I think I mentioned this) is that census planning is under way. We have been working on it. So it is not as Mr. Abdunnur said, if the census is high priority why don't you start working on it. We have four full time staff members working in the census for three months now. We were trying very hard to increase staffing for the census but it is underway. We are in fact giving it the highest priority.

# On gender issues

The third point has to do with health statistics and gender statistics, that Dr. Giaqaman commented on. I did forget to mention the fact that we actually have made a plan for a Demographic and Health Survey in collaboration with Macro International. This is by now a classic survey that has been done in many countries, more than 50 I think and in some countries more than once. The emphasis is on child and maternal health. Financing for this survey is not available, and I think, unfortunately it cannot be undertaken in the short run.

However, we are planning a survey in collaboration with Unicef that is basically a health survey. It is in the planning stage right now. We do not really yet have an agreement with Unicef to do it, but we have established a user/producer group in this sector, and the instruments and the output of this survey will be specified very soon. I hope it will cover many of the concerns that Dr. Giagaman raised.

For gender statistics, I believe that we are very conscious about making all of our statistics available by gender. This is a point I actually forgot to mention. There are no available gender statistics right now. I think the organizational setup of the PCBS reflects the fact that the PCBS is a gender conscious institution. I think we should be proud of that even at the managerial level. It is not perfect but I think it is rather unique in that regard.

# On PCBS as a public service organization

My final point has to do with the Dr. Nassru's comments. I do want to emphasise the fact that we are in charge of producing official statistics, and we are very sensitive to producing statistics conforming to international standards.

There are actually very established standards concerning quality control and standards for how to do things. But we are, of course, trying to adapt these standards to the local conditions. That is why we make sure that a user group is established and we take their recommendations very seriously.

We are very aware of the fact we are a public institution. This institution is not owned by me or by any employee at PCBS. It is there for the public. We are a service organization, and we try to make sure that every sector in the society is represented, every concern, I would say, every relevant party is represented in these user groups.

# Session 2

# Chairman: Professor Hans Zeuthen

Former Director General Statistics Denmark

# Population and Social Statistics System: Combining Registers and Administrative Data with Censuses and Surveys

# Introduction by

# Dr. Marwan Khawaja

Deputy Director-General and Director, Population and Social Statistics Division Palestinian Central Bureau of Statistics

# **Discussants:**

# Mr. Farhad Mehran

Director, Bureau of Statistics
International Labour Organisation

# Mr. Jean-Louis Bodin

Director, International Relations & Cooperation Department
Institut Nationale de Statistiques
Asia

# Mr. William Seltzer

Former Director General UN Statistics Division

# Mr. Labeeb Abdunnur

Chief, Statistics Division Economic and Social Commission for Western et des Edudes Economiques

# Some highlights from the discussion

# On the register approach

"In my view, something is terribly, terribly wrong with.. the plan's central reliance on a population register as the heart of demographic and social statistics."

"..the ideal basis of a system of statistics is that you have central registers in each of the three areas: population, business establishments and land. They are useful, no, needed for any statistical system. Some sort of registers is needed as a frame."

"..a dream of any Swiss statistician is to be Nordic but this remains simply a dream."

"But there was in fact another model implicit in the discussion which is the Anglo-American Model"

# Dr. Marwan Khawaja

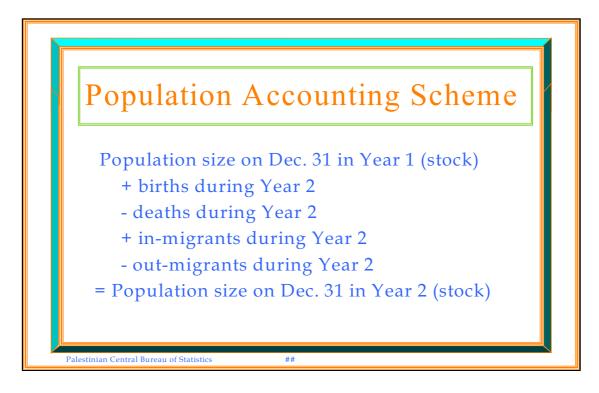
Deputy Director-General of PCBS and Director of the Population and Social Statistics Division

## **Outline**

I will, first, briefly describe the existing population statistics, then second, describe the options before us and third and finally, state our recommendation and adopted strategy. I will later follow the same outline for social statistics.

## Introduction

Reliable estimates of population figures and demographic rates are usually obtained by combining flow data from a good vital registration system with counts of stock from censuses conducted at regular intervals. The conventional way of evaluating current estimates is to use a simple accounting scheme. We take the population size, that is, the stock in year 1. We add births, subtract deaths and factor out the balance of population movement at the borders. Ideally you have independent counts of stock at the end of each year. The change in the stocks between year 2 from year 1 should tally with the net flows according to civil registration of births deaths and migration.



Currently available population figures for the West Bank and Gaza from the Israeli Central Bureau of Statistics (ICBS) are based on the logic of this scheme. But there is only one count of stocks. That is from the one and only census conducted in 1967. The 1967 census is the base for all estimates in subsequent years, that is, from 1967 on till the present.

For the current population estimates, births are actually counted. Birth figures come from birth registration. Migration figures are also actual counts made by the border police at points of entry and exit. Deaths are not actual counts from registration. The ICBS has used model life tables to provide mortality estimates and they also make assumptions about the age/sex structure of migration flows. So, I think we are probably the single country in the world that have not had a census for almost thirty years. And of course, the available statistics suffer from that fact.

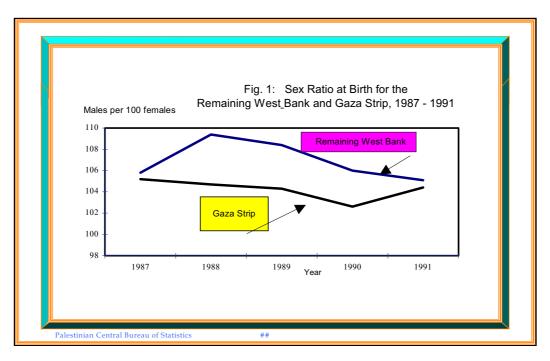
# Three problems

We have three basic problems with current estimates. First, the lack of a firm base in regular counts of stocks. Second, there are inconsistencies in the available estimates. And third, there are many gaps in the available statistics and lack of detail. The ICBS does not provide plenty of published data. Let me just briefly go over these three problems.

Concerning the first problem, we are not really sure about the completeness of the 1967 census, that is, how good it was. The census was never evaluated. We do not know the amount of undercoverage in that census. The important point here is that errors in the 1967 count are still with us.

We have in fact looked at the current population series that the ICBS has been providing since 1967. We think in general that they have been doing a fairly good job considering the circumstances. We found some problems with the data as any demographer would expect. There are, for example, problems with the age structure. It is highly irregular. In fact the ICBS does not publish or provide data with the conventional five year age grouping. They refuse to do that on the ground that the data are not reliable.

Another quality check is to look at the sex ratios. Sex ratios at birth from 1987 till 1991 for Gaza Strip and the West Bank look rather strange. Normally, there would be about



105 males per 100 females. In certain years the sex ratio in the West Bank is over 108, so there are problems. ICBS officials acknowledge that there are problems. We do agree.

The third problem in the existing estimates is that the ICBS does not provide much of the data that policy makers and researchers need. There are many gaps, for example the Palestinian Diaspora are not counted. Estimates are not provided. The ICBS uses in fact two different definitions of the population, a de jure definition for Israel and a de facto definition for the Occupied Territories. The available ICBS estimates refer only to the resident population. I would say here that only a third of the Palestinian population is actually living here according to estimates made by the US Bureau of the Census.

For policy making, small area population estimates are very much needed. We had very frequent requests from local users for such estimates. We could not provide them initially. We turned to the ICBS but they had no figures. We have published a monograph with preliminary estimates. We can not really come up with good estimates. But it was an important gap and still is.

No data are provided on internal migration, between districts for example. There are no data on household and family composition. Some important vital statistics are also not provided, such as marriage and divorce rates.

# Three options

So, what to do?! We had to select from three options to proceed to fill the gaps and provide the needed statistics.

- Undertake a fairly large demographic survey for the short term
- Undertake a population and housing census
- Initiate a campaign to improve the current population register

Let me just go over each of these three options and say a little bit about them. First, by conducting a large demographic survey we would be able to reduce many of the uncertainties in population numbers. We could fill some gaps and we could test the quality of the existing population register. These are the three main outputs or objectives of undertaking such a survey. I should say that we have started this survey. We are in fact about to go to the main fieldwork of this survey on the 29th of April. And we have included specific questions to test the register.

The second option, a population census, cannot, of course, solve the immediate problems of our impatient users. They would have to wait about three years to get new detailed results. We need two years for planning such a large undertaking, and another year for producing basic results. So the census cannot really be a solution for the short term. By conducting a census, however, we can obtain a new count of stock that can then be updated by flow statistics from the vital registration system. And by conducting a census we could, maybe also, update the existing population register. We are thinking about undertaking a census that is combined with the existing register, not in isolation from it.

The third option is to improve the current register. The Israelis will, according to the agreement, transfer their current register to us. By using the population register we can provide needed data on time and with much less costs. This requires either a separate campaign to register people or that the upcoming elections or the census is used to update the register. It can also be improved in various other ways. Of course, the use of the registers is not confined to statistics. It will also serve many public offices, the public administration and the private sector businesses.

We are in fact thinking of the Scandinavian experience, where they rely on the register for providing the needed statistics. The continuous updating of the register, of course, does require a lot of coordination and cooperation between different departments.

How many of the Diaspora Palestinians are included in the register is still an open question. The demographic survey will provide some estimates of how many resident Palestinians have close relatives abroad as well as of how many Palestinians abroad have close human ties here. We will probably still miss a lot of Palestinians abroad. So one way would be to later ask all Palestinians in all countries to register as Palestinian nationals. How practical that option is, is a different question.

Our plans right now include in fact to use the census operation to improve the Palestinian population register and also to rely on the election operation to improve the register. By improving the current register we can of course reduce the need for frequent censuses, but it cannot happen immediately. But if we undertake a census in about two years as planned, a census may not be needed until much later, if we succeed in maintaining a good sophisticated population register.

# **Our recommendations**

So what do we recommend? Our recommendations for population statistics are summarized in the following five points:

- First, a demographic survey for the short run. This recommendation is actually being implemented at the present. We are about to go to the field.
- Second, that a central population register be established by law, built on the existing population register that will be transferred to us.
- Third, a campaign to improve the existing register, but hopefully we can do this in connection with the elections.
- A full scale census of population and housing no later than 1997. I should emphasize here that we have in fact started planning for the census of population and housing.

# The system of Social Statistics

Now we come to the system of social statistics. I will do basically the same as for population statistics, describe the existing statistics, briefly say something about options before us in connection with describing existing statistics and state our recommendations.



For social statistics we have started with a more or less conventional list of nine areas of social concerns, that statistics should be provided for. These nine areas are listed above. Most countries, I would say, provide information for those nine areas.

What I want to do is go over this list and very briefly say something about available statistics and what we have been doing on them.

# 1. Household Income Expenditure and Consumption:

The ICBS has conducted one survey, in 1973-1974. As most of you know, an Income Expenditure and Consumption survey is important not only for the social perspectives but for the economic perspective as well. Through this survey we can provide for example, statistics to construct weights for the consumer price index that my colleague will talk about in a session tomorrow. The current weights are very dated. We do not have information concerning poverty, consumption patterns etc. for the social perspective.

So there are wide and urgent needs for such a survey in our case. A PECS, that is, a Palestinian Expenditure and Consumption survey is planned in cooperation with Statistics Sweden. We are in fact about to undertake a pilot to test the instruments and the procedures for undertaking this survey.

## 2. Labor Force Statistics:

We do in fact have a complete series of labor force statistics from the ICBS dating back to 1968 for the territories. From 1988, with the beginning of the Intifadah, the Israelis have had problems in the field with respondent cooperation. The non-response rate reached 20 percent and the quality of participation declined. As a result the ICBS has discontinued some series and, of course, since May of 1994, stopped providing data for Gaza and Jericho.

A labor statistics plan, to follow the ILO convention, should include labor force statistics, that is, data on employment and unemployment, wage statistics, earnings and labor costs from establishment surveys or administrative records, data on occupational accidents and injuries as well as data on industrial actions. We do in fact have a plan for labor statistics, produced in cooperation with the ILO. A copy of this plan is available from PCBS.

Of these four main areas, we are about to implement a plan for a labor force survey. It is a two year plan during the time of which we will conduct a labor force survey semiannually, that is, do four rounds. We have started working on this activity and we have almost completed the questionnaires and manuals to be tested in a pilot in May.

# 3. Education and access to schooling

On education and access to schooling we do have yearly data from the ICBS on levels of education based on the labor force survey. Yearly administrative data are also available from ICBS, based on a yearly school survey. However, published data are very thin. The ICBS does not provide that much data in this area although the system includes a lot of unpublished information. We have been looking at what is available, trying to evaluate the quality of the data and say something about them. Most importantly, we will make them available to users. The results will be published in a Current Status Report, that is almost completed.

We have also made a comprehensive and detailed school survey with field work in January, the results of which will be available in early fall.

# 4. Health and access to medical care

The ICBS has been providing yearly data on a few indicators like hospitalization, and hospital beds, etc. But as in the case of education, the system does include lots of unpublished data for the West Bank and Gaza. Many NGOs and independent researchers have been collecting data in the last years, and there are much more than have been published in this area. Most of these data will be available, again in a Current Status Report that will be published very soon.

# 5. Family and vulnerable groups

For the fifth area, statistics on family and vulnerable groups, yearly data based on the labor force survey from the ICBS are available only on average household size. No statistics are available on household or family composition, the situation of the elderly or of children. No systematic compilation of gender statistics has been made. The demographic survey will provide us with a start to fill the gaps in this area.

# 6. Housing Conditions:

Standard data on housing conditions are available from the ICBS for the Gaza Strip and the West Bank. These data are based on a housing module that they have added to the labor force survey every three years. As a result we do have the basic statistics completed as series. The data are not provided at the local level and I would like to emphasize that a housing census has not been conducted in the area since 1951. Housing, of course, is very relevant and important here, because there are great changes taking place on the ground. If you visit Ramallah, which you will tomorrow, you will see a lot of activity going on in the construction and housing area. So local area housing statistics are greatly needed for planning the infrastructure.

# 7. Culture and Recreation:

The ICBS does not provide any data in this area.

## 8. Crime Statistics and Victimization:

The ICBS provides some data, that is, some reports on crime and accidents based on police and court records. We do have some information here and there but no information based on a victimization or crime survey is available and has never been conducted in the area as far as we know.

# 9. Elections and popular organizations

For the ninth and final area, the ICBS does not provide any information on elections and popular organizations.

# The three elements of the social statistics system

So, what to do?! We are proposing a system of social statistics based on three basic elements:

The *first* element of our planned system of social statistics are reliable population statistics. We do need reliable population estimates to calculate most, if not all, rates in the area for example, hospital beds per thousand population, school enrollment rates etc.

The *second* element of the system would be administrative records. We will use administrative records to the greatest possible extent to obtain the needed statistics primarily from vital registration and from the health and education systems. This is for various reasons, of course. It is a cost effective way of getting the needed data. There is none or very little respondent burden and quality can be quite good in some instances.

The *third* element of the planned system would be a household survey capability. This is because we cannot rely only on administrative records to provide the needed data in certain areas, such as providing short term indicators on the economy and employment rate, for example or household expenditure and consumption data.

The system we are proposing depends or assumes a heavily centralized system. The combinations that are proposed, we think, can be best achieved in a centralized system, instead of each sector producing its own statistics.

# Elements of a system

- 1. Population estimates for rates & proportions
- 2. Administrative records
  - Cost effective
  - No respondent burden
  - Requires cooperation & coordination
- 3. Specialised household surveys
  - Only viable source for some sectors
  - Needed for interpretation of change

Palestinian Central Bureau of Statistics

##

For the household survey capability program, we have two main options:

One is to undertake a labor force survey and add sector modules to it once in a while, like the ICBS has been doing with housing. Right now we are thinking about a semi annual labor force survey and in two years time we may even undertake a quarterly labor force survey, if resources are available, and add sector modules to it.

The second option is to conduct a comprehensive multipurpose household survey on living conditions once every two years.

These are our two main options. The *first* option has many advantages. It can be based on a survey capability that is existing, that we inherited from the ICBS. This capability is, however, really confined to fieldworkers, Palestinians that have been employed by the ICBS. We will not be able to inherit more than that of the needed survey infrastructure. We can continue to collect data on the labor force with the existing procedures that the ICBS used. I should emphasise here that the ICBS design, procedures and questionnaires in most respects are consistent with ILO recommendations. To this survey we may then from time to time add modules on housing, health, crime or family composition.

Our *second* option, the comprehensive multipurpose household survey will, of course, quickly provide us with baseline data for all the sectors combined. This is the first advantage. Such a survey also has extensive analytical advantages. It is, of course, a cheaper, or more cost effective way to proceed. Instead of undertaking two surveys a year, we would just undertake one survey every few years. There are also disadvantages, of course. In this second option you do not get the close monitoring of

the labor market of a labor force survey. It cannot provide timely data on employment for the short term. There may be other quality problems as well.

## Our recommendations on social statistics

- We recommend that a system on social statistics be based on a combination of population statistics, administrative records and specialized household surveys;
- We recommend that a national household survey capability program be build on the labor force survey as a nucleus;
- We recommend that a Palestinian Expenditure and Consumption Survey should be undertaken immediately. As I said, we are in the planning stage of this survey and about to undertake a pilot for it.
- Finally, we leave the options for the household survey program open for the future, for a few years, that is whether to adopt one core survey such as the labor force survey and add sector modules to it, or to undertake a comprehensive multi-purpose survey.

## Invited discussants

# Mr. Farhad Mehran Director, Bureau of Statistics International Labor Organization

Actually I am very pleased to see the final recommendations for the population and social statistics by Dr. Marwan. To me it is an interesting interpretation of the Masterplan and in some sense a deviation from it.

I would like to group my comments in two areas: one on registers and in that I really address the Masterplan more than the proposal for the population and social statistics program which I feel is more balanced.

My other set of comments will concern labor and social statistics and with that I will address myself to the presentation of Dr. Marwan, and in fact I will try to support some of the proposals made.

# On registers

First, regarding registers and a register based statistical system in Palestine, the subtitle of this session is actually "combining registers and administrative data with census and surveys". I would like to say a few points on the merits of this approach. I basically

would like to see whether the emphasis is right and I would like also to say a few words on the chronology of putting such a thing in place.

On the merits first: in the Masterplan the heavy reliance on a register based statistical system is based on the idea of cost, that is cost to the producer and cost to the respondent.

The easier part will be to take the cost of the respondent. I don't think (and some of the Palestinians who have been dealing with statistics could maybe comment on this later) that there is such a big felt respondent burden here as there is in some other parts of the world. I am assuming this not only for the household level but also for establishments and enterprises.

The producer costs to start a register system are quite high. Even higher are the costs of maintaining it. So I am skeptical as to whether cost reductions for the producer and the respondents do justify a register based statistical system in Palestine, at least in the short run.

My view would be to start with a well coordinated system with censuses and surveys and with a view to wait and see on administrative data. Maybe a register system is created. You should be looking at the system once in a while to see whether the merits are there at that time or not.

# On business registers

One of the three register systems proposed is the business register system, and I would like to concentrate on that, now that the population register has been mentioned.

What is the ideal condition for a register of businesses to work? The first is that there should be large units rather preponderantly. Second, units should be fairly stable. And third, there should be some kind of authority to register.

I don't think any of these three conditions are satisfied at the moment at least and I see difficulty in devising a register based statistical system unless it is thought of as just a component of the system like any other sources.

There is the problem of coverage. We know in Palestine there is and there will be a large informal sector, small units and very unstable units, changing ownership, changing activities, changing location. To keep records on that will be quite difficult.

The linkage of registers and administrative records are also going to be difficult. If you are really talking about a system, these registers and the administrative records which will go with it should be linked in some sense and that linkage I can only see with difficulty.

In fact, it seems to me that at least for the business register the coverage will be so limited, the difficulties will be so many that one should put it in a second position and instead start with a survey approach. Use, of course, registers and other administrative

data as supplements. They are needed especially for small area statistics and some times to meet more frequent data needs when you cannot have surveys on a frequent basis.

# More on registers

Another point about registers and administrative data that all of you know is that they are more controversial.

The application of statistical definitions is more difficult with registers and administrative data than they are with surveys. You can adapt the questionnaire to the data requirements.

Changes in questionnaires or in their design are less visible than taking one group in the registers, including it or excluding it, for example from the definition of unemployment when applied to administrative records concerning job seekers.

Also the chronology of things, we have seen from the presentation of Dr. Marwan that they will take in priority order: a demographic survey, the population census and eventually a workable population register.

So the way things will work, I think, will be this. Even if the aim will be a register based statistical system *the path will be not lead that way*. It will probably be the census & survey direction. Of course, one would think that after a few milestones you will look at it and see whether you could change direction.

I would suggest that the distinctive feature of the Palestinian Central Bureau of Statistics should not be that it is basing its statistical system on registers. Like a few other countries, it could develop the three sources of statistics in parallel. I think that will be a more balanced approach and a more realistic one and that, if done well, will be a quite distinctive feature of the Palestinian system.

# On the role of labor force surveys

Now let me turn for some few final minutes to labor and social statistics. As Dr. Marwan said, there is a document available regarding a program for labor statistics. Of the proposals in it, I want to emphasize just one. That is the role of labor force surveys as a nucleus for a wide area of social statistics as opposed to a general social survey.

We know how controversial employment/unemployment data can be. You, Mr. Chairman mentioned this morning a controversy in Denmark. I think such cases have occurred in many countries.

The Masterplan has a clear warning about the ILO recommendations on that. It says explicitly, (I think a little too much) that it is best suited to the urban regular labor market. The urban regular labor market is quite small in Palestine and I suppose it will remain so for the near future and even in the medium term at least.

But of course the ILO recommendation on labor force statistics is not just employment/unemployment. It is employment/unemployment and *under*employment. When viewed that way, I think it is much more relevant. I would advice that no statistics of unemployment be published without accompanying data on underemployment. It is feasible to do so. Various types of underemployment can be measured if you accept some approximations.

# On the merits of the labor force survey option

The point about the role of labor force surveys, that was mentioned by Dr. Marwan was that it can be the nucleus for a whole series of social statistics.

Because of the controversies on employment/unemployment you need a good questionnaire, a good training of the interviewers, well tested procedures for data processing and editing and for blowing up the sample survey to population size, which is very important to properly measure changes. You need 12-13 questions at least to correctly divide the population into employed, unemployed or underemployed and this only for a restricted concept of underemployment.

If one is considering to have a large survey for many social areas, the tendency would be to make the employment/unemployment part with only a few very global questions. With few questions of course, the risk of not being able to apply a proper definition and not have accurate numbers coming out of it, is higher.

The next point (which I think is in favor of a labor force survey accompanied with supplementary modules for social concerns) is that once you have a labor force survey you can run it on a regular basis, for example, every six months. Then you are ready to incorporate a module with questions on a social issue which is topical at any time. You have the apparatus. Within six months you can incorporate such a supplementary module in your labor force survey and therefore have data available shortly after. But if you are designing your system with a big social survey every three or four years you have to wait at least three years to get your data. I think that is a serious drawback.

Finally, there is the learning process that goes with a regular survey for the staff, for the interviewers, for data processing and analysis. Also, it can correct itself in the process. If you have a large social survey every three years or every five years the institutional memory will be short. It will be broken. Each time one will almost be starting from scratch and, therefore, there will be less chance of learning by doing.

# **Summarizing my recommendations**

To summarize: I do support Dr. Marwan's five recommendations at the end, especially the first four because the last one is open ended, and especially this role of labor force surveys as a nucleus.

I recommend that you be cautious about the emphasis given in the Masterplan regarding the role of registers and especially business registers. I note the fact that the

draft Business Register Law does not include any word on maintenance and I think the key issue for the business register is maintenance.

# Mr. William Seltzer Former Director-General United Nations Statistics Division

By way of background, before I got myself involved in statistical administration I gained some experience in problems of demographic and social measurement, particularly in developing countries. Also today, I speak only as a university man and as a friend.

As such, I think it is my duty to be both constructive and frank and frankness is really directed at the Masterplan as I read it and less at the presentation of Dr. Marwan which, as has already been indicated, in essence evolved from the Masterplan presented to us.

# On this terrible register approach

In my view, something is terribly, *terribly* wrong with the way the Masterplan is presented in one critical area, and that is the plan's central reliance on a population register as the heart of demographic and social statistics.

If you look in the Masterplan, the second place seems to be given to the population census. Absent from the list of major tools seems to be the sample survey.

I am pleased that Dr. Marwan's presentation gives much more emphasis to the role of surveys than the Masterplan appears to do. And I think that is a sound and healthy development. Let me go on to indicate why I am so concerned about the way the Masterplan appeared to me on a quick reading.

If I would have made one central point myself, it would be the following one: data derived from administrative records, that is population registers and vital registration, and data derived from direct statistical inquiries, that is population censuses and sample surveys, should be seen as complementary data sources and not as competitive data sources. It is not one *or* the other.

To the extent one is viewing it as one *or* the other, you are selling the statistical needs of a country short and its ability to respond. The fact of the matter is that most countries with heavy reliance on population registers are making use of sample surveys also.

But in the present case we did not see in the Masterplan that kind of complementary arrangement. I think that is particularly important in a developing country such as we are dealing with here.

# On administrative records

From the point of view of relevance, administrative records are fine in terms of the specific concepts of the administrative system. If you define something in the administrative system and make a payment on that basis or do something similar, it is fine. But in planning and developing new concepts and new ideas, when you want to try and look at what alternate concepts would be, you have to be able to make inquiries, not just on those topics that are central to the administration as it exists now but as administration might evolve to in the future.

Secondly, the administrative reporting systems are notoriously slow to change. They are by their definition rigid. You cannot change an administrative reporting system that quickly throughout the country.

The sample survey is relatively easy to change, in terms of the questions being asked or to have very up to date inquiries in terms of the topics you need. Again we are talking about a developing country.

When it comes to quality, first of all, the administrative records system is limited to those who are sort of caught in the administrative system. You can have some real frame problems. If that is your only source of information about the frame, you may have some real omissions. That is why a complementary approach, using some kind of area sampling for surveys, would be a very important adjunct to any effort with administrative records.

When it comes to other kinds of reporting errors, administrative reporting systems tend to be defined (as I said before) in terms of the concepts that are relevant to the administration and not necessarily in terms of what survey research says that respondents can really understand well enough and reply to in sample surveys. You have better control of response errors in a sample survey situation, I would submit.

When it comes to sampling error on the other hand, the variance on the administrative reporting system is apt to be very low, I mean it is a full coverage. On the other hand, in the sample survey, variance can be very large when you get down to low disaggregations and the sampling error very high. These are complementary kinds of issues.

As to timeliness, I would submit that both administrative recording systems and surveys are tremendously variable in their ability to be on time or to be very delayed. If you look around the world you will find slow processed surveys and very slow processed administrative systems. And you find quick surveys and relatively quick administrative data derived from administrative systems. There is a lot of variation in that

The apparent cost of administrative reporting systems to the statistics producer is low. That is true. However, I think the term used by Dr. Marwan was more the term cost effectiveness. There I do not think the tradeoff is that simple, particularly bearing in mind that when you have a system of censuses and surveys you have some shared costs that can cover a variety of data collection activities.

And then finally, on perception, (and this is something we talked about this morning), an administrative based system is clearly tied to the administrative system it depends on, while a survey can have a free standing and ability to look at the administrative reporting activity. And so I would submit that surveys are a complement even if you do have a population register based activity. It is important, until you are very clear about what is going on, to have an independent census and survey operation.

#### On maintaining the register

The trick is not so much in establishing the register, the trick is in maintaining it. And the first step in maintaining it is to have a well functioning birth and death registration system. Until you have that and until you are sure that your birth and death registration system is under control you should think twice at least.

I would submit that the data that Dr. Marwan pointed out to us would indicate that it may not be in such good control. The fluctuation of the sex ratio at birth looks like there might be some reporting problems, perhaps in early neonatal deaths. The failure to register births that resulted in a death shortly thereafter could be the source of some of that variation.

There is a notion that the election register can help. Well I suppose they can but when you have a population where the majority of people are very young the electoral registers can only help for a small part of the population, a relatively small part at that. You still have to handle the coverage of those under the voting age.

The demographic survey you mentioned in one of your slides as being important in the short run. I would say in the short run *and* in the long run also. It is both short and long run important.

And then, finally, in terms of work on the vital registration system, I think surveys can be of help in understanding the completeness, how well those administrative record systems are working.

#### Use a balanced approach!

So I am very pleased with what Dr. Marwan indicated, with the direction you are seeming to go. And I would hope that his words are carrying the day rather than the words that appear right now in the Masterplan.

I think a balanced approach is important. I am not trying to say that the population registers are not important and useful, but I do think that until you are sure of what is going on, you have to have a complementary approach even in the longer run.

Mr. Jean-Louis Bodin
Director of Department for International Relations and Co-operation
INSEE, France

An anecdote on foreign advice

I should like to start with an anecdote. It was during a seminar organized by the Bureau of Labor Statistics in Washington in February of 1991. The seminar was designed for the transition countries of Eastern and Central Europe. One of the discussants of the seminar was Professor Malinvaud who was in the past the Director General of French Statistics and whose name is probably well known to many of you. Professor Malinvaud remembered that when he was a young statistician just after the second world war, a lot of American colleagues went to Europe to explain American statistics to the Europeans. It was within the framework of the Marshal plan. Malinvaud remembered that the American colleagues said to him: You know it is not difficult to make good statistics. Here are the questionnaires and our classifications. Just translate them into French and that's all!! And Prof. Malinvaud said: We did not follow this advice and we were right.

#### On registers and people

Why did I tell you this story? It is because my feeling is more or less the same as the two previous discussants concerning the use of population registers for statistical purposes. Of course, population registers are used to a very large extent in Nordic countries. The population in these countries have no problem with the population registers. I would like to add one thing to what was said by the two previous discussants.

The actual trend is that most of the industrialized countries are rather under the pressure of public opinion to forbid the general use of population registers and including, of course, their use for statistical purposes.

As statisticians we can regret this situation, but we cannot negate it. Personally I am sure that there is a part of fantasy in the reaction of the public opinion and I am quite sure that the fears of the public opinion are not founded on sound reasons. However, that is the reaction of public opinion, and we must take that reaction into account.

My opinion is that in the Mediterranean culture (even if the first population registration in history was organized here in Palestine two thousand years ago) in spite of historical registration of the population, the Mediterranean culture is against generalized registration. In our different countries and I include here Palestine, but, of course, I think mainly of countries like France or Italy or Spain, this kind of population registers are viewed like a kind of big brother.

In your country I am afraid it might be more or less the same, especially because of the political situation, and because of the difficult relations you had in the past and you will have in the future with Israel.

The decision to implement or not to implement a population register is not up to the statisticians. It is up to the government. But even if such a decision is made in your country I am afraid you cannot count upon such a register for statistical purposes until after years and years.

#### On the census

So, for me, the priority must be a population census, especially because such a census has not been made since just after the 1967 war. At that time the situation was very confused and probably the results of such a census are not useful at all now.

But organizing a census is a long process. A census is costly. And it is absolutely necessary that the census is a success, because of the cost of such organization. It is not possible to organize a census very often. So it is necessary too that the census is a success.

It will be long to prepare a census for the short term. I am sure that the demographic survey must be made as soon as possible. I agree with my friend Mr. Seltzer, when he said that the demographic survey is of course a short term objective but a long term objective as well. This is precisely because it is not possible to organize a census very often.

#### On the social survey program

Concerning social statistics, I generally agree with the presentation made by Dr. Marwan and with the proposed plan. My only comment is that in the plan proposed by Dr. Marwan it seems that there are no priorities. When you have to do so many things it is necessary to have very strict priorities, of course.

I just would like to make one comment about the surveys. I would like to emphasize one aspect of the Survey on Expenditure and Consumption. These surveys are very useful for a lot of other statistical purposes and not only for social knowledge. For instance, it is absolutely necessary to have such a survey for computing a sound Consumer Price Index and also to improve the quality of National Accounts.

#### On administrative records

What I said about the population register does not mean that the statistical office is not entitled to use administrative data. On the contrary, administrative records are a very important source of statistical data.

For instance, in France we are using to a very large extent at least three sources of administrative data in the area of social statistics. First the civil registration of births, deaths and so on, of course.

Second, we have in France a unique declaration of salaries, which is used by the social security administration and by the tax administration and also by statistics. Exactly the same declaration is used by the three administrations, which means, of course, a reduction of the burden for the firms which have to declare these salaries.

The third source of administrative data that we are using in a large extent in France, is the permanent census of people looking for a job. I do not have the intention to insist on the big advantages of the use of administrative data in terms of coverage, of low cost and so on. Instead I would like to stress the main difficulty in using administrative data. The great difficulty is that these data are not originally designed to make statistics. That means that the classifications which are used, the concepts which are used are maybe different from the ones used by statisticians.

Here in Palestine I believe you have a unique opportunity, because the PCBS exists. The other administrations which will in the future build administrative systems are still not existing or are just being built. The tax administration, the social security administrations, have not yet started to work, if I am not wrong.

So you have a unique opportunity because it must be possible to have in the group of experts who will prepare the systems, also a statistician. In this case the gap between the concepts and classifications used in the administrative system and the statistically desired one can perhaps be made small.

Of course, priority must be for the administrative treatment. The first objective of the administrative file, is to ensure, for instance, the collection of taxes and not to do statistics.

But if a statistician can work from the beginning with tax experts to build the administrative system, one can be sure that the gap will be as small as possible. And since these tools are not yet existing you have probably a unique opportunity to deal very effectively with this problem. And of course it will be easier to influence the treatment before they implement it than after.

#### On using Israeli data

My last recommendation concerns the use of data previously compiled by the Israeli Central Bureau of Statistics. Dr. Marwan mentioned, what is also in the Masterplan, the gaps and the inconsistencies of ICBS data. They have nevertheless an advantage. They exist. And it is better in my opinion to have statistics even with lack of consistency. It is better to have some statistics rather than nothing.

I hope that during the negotiations you still have with the Israeli authorities you will be able to improve the use of data by the Palestinian Central Bureau of Statistics, at least during the time when other data are not yet available.

#### My thanks to the PNA and to the PCBS

To conclude I would like to thank the PNA and the PCBS for their hospitality. Permit me to do that not only on my behalf. As you probably know, France is for the time being till the end of June, the president of the European Union so my thanks are the thanks of the President of the European Union.

I must confess that I was very impressed by the very wise decision of the PLO who decided to have a Bureau of Statistics very quickly in the nation's capacity building

process. That means that the PLO and now the PNA are fully convinced that even if the information is not very good for the government it is better than having no information at all. And I am also very impressed by the progress made by the PCBS.. It seems that they are working a lot.

# Mr. Labeeb Abdunnur Chief of Statistics Division ESCWA

I think people have to be given the chance to dream. Otherwise their lives become helpless. We should be allowed to dream but we should also be realistic. We are very happy that everybody in the newly established PCBS is trying to do their best, to do a very good job and to impress everybody of what they are doing. So they have obviously written a very well thought out document and they have consulted with many experiences of countries.

#### No model for Palestine

I believe it was Mr. Bodin who said in the morning that we should have our own model. We should not follow other models. We should learn from others' experiences.

So it is good that the PCBS has been studying others' experiences but the Palestinian model should be a very special model because we have here a population in a very special situation. The Palestinian situation has its unique characteristics and therefore cannot possibly follow any specific model. It has to have its own model. They have people here, people in Diaspora, people in stateless states, they have people everywhere.

Something has to be done that can encompass the whole situation, encompass the fact that this is a very new statistics bureau, a bureau with hardly any resources. It is true that some money is coming in now which is helping them to undertake some operations but it is never known for how long this money is going to stay and what will be the situation in a couple of years.

And so, they are working in a very uncertain situation. They do not know what the developments are going to be. So they have to be very careful in what they are planning to do.

#### Preferring a comprehensive survey

Unfortunately we are discussing things now after the fact, like for instance, is it better to undertake this kind of survey or that kind of survey, after it has been decided what surveys to undertake.

I would have preferred under the specific circumstances in this transitional period of the Palestinian people to recommend undertaking a multipurpose survey because of the savings in time and cost and because of the fact that it can provide baseline data needed at this stage and because we still do not have sufficient or reliable sources of other information.

#### On the census

The PCBS is hoping to undertake a census in 1997. If this is the case and knowing what the capabilities are and the difficulty of undertaking a census, I am surprised that they have not started yet. It takes at least two years of preparations for a census.

I should recall what Mr. Chander said this morning. With this inflow of assistance we should be thinking of how we are going to split it between spending on capacity building and spending on generating current data. I think it behooves the bureau to spend a good part of the donations on capacity building, on preparation for the census, on preparation for building a survey capability for the future.

Getting started with the population register is not something easy even though there are some elements of a population register that has been inherited. But it is admittedly very deficient. It is not up to date and even updating it is a very very time-consuming activity. It also requires population attitudes, a population culture that will help such a register to be really built up and to be used efficiently.

So I would go along with what has been suggested before by previous discussants. The fact is that a census is an essential thing to undertake and that, of course, will require a lot of time for preparation. Maybe you should start preparing right ahead. And also, we should concentrate on a civil registration system which can provide vital statistics.

The PCBS has already undertaken steps for a labor force survey, for a big demographic survey. I wish them success in these surveys and I hope that in the future more efforts will be placed on the population census.

#### On exhausting the staff

I should mention that this afternoon I was talking to some employees of the Bureau. I felt that they are exhausted. They are really working very hard. Some of them are working more than 12 hours a day. With all these surveys being undertaken at the same time, they will be exhausted. They will even exhaust the respondents. I do not know what will be their state when it comes to working on the census, to preparing for the census. So only a point of warning. I think they should be very careful in planning their time for the future and I wish them success in what they are doing right now.

#### Floor interventions

**Chairman Zeuthen:** I should point out before I give the floor to Sten Johansson that the first census in Denmark was taken in 1769. However, it was kept secret from the Swedes. But after they were published in the beginning of last century, the Swedes have not been afraid of the Kingdom of Denmark! (laughter in the audience)

# Professor Sten Johansson The Swedish Institute for Social Research Former Director-General of Statistics Sweden

I have to respond to that and point out the first Swedish census was taken in 1749, that is twenty years before and that also that census was kept a state secret for fear of the Danes! (laughter) We fought and feared each other for 300 years but we now have had 200 years of peace and friendship.

Well after hearing this discussion I do wonder if I am a holy spirit or an evil spirit or some evil ghost or something...(laughter)

Let me first take full responsibility for the misunderstandings that came out in this discussion. Something in it must be badly structured because very qualified readers of the Masterplan have drawn very wrong conclusions as to what are the actual recommendations.

#### On registers

What is said in the Masterplan is that the *ideal* basis of a system of statistics is that you have central registers in each of the three areas: population, business establishments and land. They are useful, no, needed for any statistical system. Some sort of registers is needed as a frame.

If you have no other type of registers, you must have maps so that you can make samples. The Palestinian statisticians who are now in the field to prepare for the demographic survey know how difficult it is to construct a Master Sample, when you do not have a frame with population numbers as a base, and even worse when you do not even have maps. That is the first sort of register that you need.

Secondly, no country in the world should start a population register for statistical purposes and it is not recommended in the Masterplan that such a thing should be done. What is discussed in the Masterplan is the idea of institution building, not only for statistics but building the Palestinian Administration.

The European Union is now helping the Palestinians to prepare for the election. It costs an enormous amount of donor generosity to pay for establishing an election register. This cost must be taken by someone every time there is an election in this country, provided that one wants free and fair elections.

The Palestinian administration now suffers from the fact that it cannot collect taxes. How can they collect taxes in a fair and equitable way without having a population register or a register of enterprises? The recommendation in the Masterplan is that the PCB should *promote* the idea of establishing such registers. Since these needs are very much felt by the Palestinian National Authority, they have actually started preparations for a Palestinian population register. In this endeavor they are fortunate not to start from scratch but with an existing register.

They are very happy, as we heard this morning from Mr. Abu-Ala, that the first establishment census has been so successful. Palestinians enterprises have allowed themselves to be registered for a Palestinian business register. Less than two per thousand of the approached enterprises have not consented to be registered, not only for statistics but for establishing a business register which will be also for other purposes.

So, the idea is that if the Palestinian National Authority wants to go in the direction of building the instruments for fair and equitable public administration, then these instruments should be used also for statistics.

#### On errors in censuses

Now, statisticians are very proud of their censuses. One of the countries represented here, Holland, can no longer do any censuses. Germany had big problems. Most of us that do censuses have to recognize that there is undercoverage in the censuses. The US Bureau of the Census estimates its undercoverage to be 5 per cent.

The Palestinian National Authority will inherit the population register that probably has less undercoverage than that because the birth registration is fairly accurate, not totally accurate but not worse than in any census in the developing countries.

Study the Tanzanian census, study the census in Turkey, study any census in the other countries and you will see that the Palestinians start from a better ground than any other country that has tried to start a registration system.

#### On censuses and surveys

Of course, the Masterplan does not rely on the population register to be a solution to all things. It says that there must be a census and it outlines a plan for sample surveys.

I do not know how Mr. Seltzer's misunderstanding could come about. There are in the Masterplan the proposals that a national household capability program be built on the labor force survey, that there be a demographic survey, that there be an Expenditure and Consumption survey and even an explanation why sample surveys are needed even if you have both a census and a register.

So I do hope that the continued discussion does not rest on these misunderstandings but on what is actually recommended in the Masterplan. I thought the Masterplan for population and social statistics was absolutely perfectly reviewed and presented by Dr. Marwan. So let it be the basis for the continued discussion, although, I recommend that the discussion on the business register be postponed until tomorrow's session when it will be dealt with.

#### Mr. Hussein Sayed Regional Statistical Advisor UNFPA

#### On misunderstandings

I think since this afternoon we started to talk about the details, the misunderstanding of the problems started to appear.

First, I think that in the presentation there was an effort to try to present all the instruments as if they actually compete with each other and not that they are complementary to each other, as what rightly mentioned by Mr. Seltzer in his discussion.

I think also that the presentation was trying to ignore that each of these instruments has its advantages and disadvantages. Each instrument has its limitations and its advantages which was also not discussed or put in the proper perspective.

I think that led to some confusion as to whether we are talking about successive steps, a survey as a short term response and then a census and then a population register., This arrangement as 1 or 2 and 3, is creating the problem. It is not an ordering of these instrument. They should be dealt with as complementary instruments. Within that context, I think we should reconsider what should be done actually in that perspective.

Secondly, I think for each of these instruments, there are always prerequisites and actual conditions that would allow or hinder the application of such instrument.

#### On the population register

It is very difficult to talk about a population register unless we have the prerequisites needed for such an instrument. Okay, the population register is inherited from the Israelis. If we are accepting that register, if we are saying that it exists, then we can actually use it but as a complementary instrument, not as a fully fledged instrument that can provide these data.

#### On the census

I think also that talking about the census is not giving the census the proper context that should be given to it. A census is, according to the discussion, taken to provide a stock, a new count of the population. This is not the case.

A census is a global instrument that is providing a count of stocks but also characteristics of the population in general areas. It should not be limited as was mentioned. In that sense I think the separation between population statistics on the one hand and social statistics on the other is creating this differentiation.

I think this differentiation should not be there actually with the implication of clear boundaries. The three instruments are actually complementary, not only from the instruments point of view but also from the subject matter point of view. This should also be kept in mind.

#### On criteria for priorities

My third point is concerned with priorities. I will not take it that the short term survey is given the first priority and the census the second priority and the population register the third. I will ignore that numbering system. I was trying to understand what the criteria were by which the Masterplan decided the priority for the PNA.

If we are deciding about priorities, I think there are some criteria. We have to talk first about needs. First, what are the needs of the PNA and then what are the resources available. When we are talking about resources we should take into consideration not only financial resources but also personnel and all other resources that should be included. And a third factor which I think is very important is sustainability, to what extent these instruments will be sustainable and to what extent the PNA or the PCBS will be able to sustain these instruments throughout its normal function.

There may be more than these three criteria but I was looking for criteria to identify what will be the priorities of the PNA or the PCBS in its implementation of the Masterplan.

#### The census is the first priority

If we take the instruments according to these criteria, I think without hesitation that the census will come as a first priority. There is no hesitation: it will not be possible to work on a parallel basis because we do not have unlimited resources. We have limited resources. Because we have limited resources we have to prioritize our activities. If you are going to prioritize then it is not possible to go on parallel activities. So I think in that respect the census will be the first priority and then we have to decide what else?

I do not know if the Palestinian experience will be totally different from the experience of neighboring Arab countries. If we take the Jordanian example, (I do not know why the models of the Europeans were only considered) they do not up till now have a sound vital registration system. They do not have a great birth registration system and they do not have death registration. I do not know that the population here has different characteristics than the Jordanian population. That needs to be discussed.

Certainly the census has an undercount as was rightly mentioned but the level of undercount in the censuses within our region is much lower than the level of accuracy

attached to the vital registration systems within the region. If we take that into consideration, and we assume that a vital registration system is a prerequisite for a population register, we can see that the accuracy of the population register will not be as good as we expect, so this is another point.

I think also that a very important point is the ability to maintain the system which is referred to previously as sustainability. But maintaining the system is totally different from one instrument to another. The census is a one-shot operation that can be taken care of. One can even import external resources for its implementation. We cannot do that for the population register. It has to be created from within and maintained from within. We can initiate the process. We can promote the process but we cannot maintain it. So the level of sustainability required for the population register is much higher than for the census operation.

Finally, I would like to say that we have to review the priorities within the concept of complementarity of the methods and actually how to develop a package that can maximize the benefits of each of these methods, not to work on parallel lines but to work on feasible lines that can achieve or maximize the benefits.

#### Mr. Raul Suarez de Miguel Head of Department International Affairs Statistics Switzerland

Even with the clarifications of our friend Sten, I think we have a real problem here. This morning we realized that there are three main pillars for the future system: administrative records, a census and sample surveys. That was very clearly stated this morning and that we can all recommend.

But the Masterplan for statistics is proposing for general institution building purposes a central population register that should be governed by a separate law.

I am not sure that it is up to statisticians to propose such kind of institution building, in particular given the sensitive political circumstances within the Palestinian population and in the particular context in which Palestinian institutions are to be built.

#### On using the census for updating the register

If I read the Masterplan accurately, one of the things it proposes is that a census may be needed from time to time to update the population register and also to produce statistics at the detailed local level, on the labor force, etc.

I just wish to recall that a number of countries represented in this room cooperated recently on the census of one of the countries in Eastern Europe. One of the main problems we had was the wish of that government to use the result of this census to update its population register.

It appeared in the discussion that this was an instrumentalization of the statistical census for administrative purposes and according to international practices this would be possible only under very strong conditions and full guarantees for the protection of the fundamental rights of individuals. So, I think, here the relation between a census and a population register is very inaccurate from this fundamental point of view.

#### The Nordic model as a dream

Having said that I can tell you that a dream of any Swiss statistician is to be Nordic but this remains simply a dream.

We have good population registers at the level of cantons but you cannot use them for statistical purposes. Because simply, you can not sample accurately by using these as the basis. We use other basis for sampling rather than the population registers.

Switzerland is not a disorganized country, Swiss people are relatively disciplined. The people have good relations with the administration and they react normally to the request of information from the other administration. Even in these very stable and good circumstances our population registers cannot be used for statistical purposes.

I just wish to point out these different elements because I do not think it is a question of principles. It is a question of opportunity. Why go in a direction which is problematic from the political point of view, from the point of view of international recommendations and from the point of view of the usefulness of our investment?

Let other people making the institution building make proposals about registers or administrative purposes. Let the statisticians remain in the framework of what is possible, useful and effective in statistics.

#### Mr. Ramesh Chander Statistical Advisor World Bank

#### On the three S-words

I have no intention to repeat the arguments that have been so eloquently presented both by panelists and by speakers who have preceded me.

I think at this stage of development, noting the capacity and the potential capacity that will be put in place in the near term, we need to bear in mind first of all the issue of priorities.

Having settled that issue and that can only be decided after due consultation with the major users within the territory, there is then the question of examining the feasibility of how you go about implement that, remembering all the time the three S-words:

- simplicity
- sustainability and
- a step by step approach.

# Dr. Rita Giaqaman Director, Community Health Department Bir Zeit University

I would like to shift the discussion a little bit to cover a conceptual angle. (Yes, I am not a statistician. I am a clinical social scientist) and include also in it some methodological considerations.

As you know in the Palestinian context, the absolute key for collecting statistics at the moment is to formulate appropriate policies that are crucial for peace. There is a triad: peace links to economic development and links to social human development as well. The formula is inseparable. Unlike what many international agencies are doing at the moment in this country, the focus cannot and should not be only at the economic link because there is no trickle down effect that takes place. In any case, to me there are two main problems that I identify as crucial.

#### What trends? What indicators?

The first one is: what are the trends that we study. It links to priority but it is a bit more complicated than just priority. What are these trends and why are we studying them? The second one is what type of indicators do we use to study these trends?

I would like to argue along with the Bureau of Statistics that, yes, we must hurry because we need these data. And yes! what we must do is gain international accreditation as quickly as possible. But I would also produce a counter argument.

I would like to say that we need to think very carefully because we Palestinians have other than the universal problematics with generating statistics. We also have ones that are specific to the Palestinian context. To give you an example of what I am trying to say I should deal with health which is my area and women which is my new area.

#### On health concepts and measurement

In health I am referring back to the Masterplan. We see hospital beds as an indicator of accessibility. False!! not only specifically for the Palestinian case but universally.

Accessibility is about distance. It is about cost and it is about appropriate methods for surveys. If we study accessibility of health services we must study primary health care as said in the World Health Organization's standards.

So why are we collecting statistics about hospitals and hospital beds? I am not suggesting that its not important. I am only saying that they are not indicators of accessibility of health services. We must think before we do.

The second thing is mortality data. Yes, mortality data are important, but cause of death classifications are problematic as we all know. Because often, in 99.9 per cent of all cases, causes of death are registered as one cause. Those of us who are working in health know that the causes of death are multiple.

When we know that somebody died from cancer there is no way for any of us as people to use the cause of death statistics to find out why is that cancer occurring and why at such a high rate in that country. So surely mortality statistics are not sufficient.. We need to back them up with different types of surveys and morbidity statistics.

Those are crucial. We should not only worry about those who are dead. We must also worry about those who are surviving.

When it comes to morbidity statistics we must remember that there is an epidemiological transition. Today we do not only suffer from third world diseases such as diarrhea, etc. We also suffer from modern day diseases such as diabetes, hypertension, cancer and heart diseases.

When it comes to other problems in health, the focus is on maternal and child health, Why do we omit 50 per cent of Palestinian women when we talk about ever married women, who are between ages 15 - 49? If the average life expectancy of Palestinian women is 70 then this is only 50 per cent of the women population.

Why are we zeroing in on maternal and child health, reproductive health? Women's health is the priority and the problem is not merely a problem of priorities but is a conceptual problem. In this country as elsewhere the focus is on reproduction at a time when for all sorts of reasons in this social transition we have all sorts of roles, political, economic, cultural and academic that get omitted, so certainly there is a conceptual problem and certainly there is a priority problem.

I just have this feeling that this is donor led because, for instance, Unicef focuses on the mother and child health. But, should we as Palestinians and should the Central Bureau do the same?

#### On women's issues

When it comes to women, women are a big problem for statistics. Every time we ask statisticians: How do you account for the non-remunerated work of women the answer is, yes, but we have to get international accreditation and, yes, it is very difficult to estimate. It is very difficult to develop indicators for women's non-remunerated work.

My point is that this is very dangerous, not only for women but for the economy as a whole. You can go back to social science literature on women and the economy to show that when you do not account for women's work outside the market you are

likely to analyze trends in the economy that can lead you to a disaster. We have so much literature about this to the point that we must stress that - difficult or not - we have to do something to acknowledge women's work outside the labor market.

That is why I have also some question marks about employment and unemployment concepts. Because those really need to be conceptually redefined.

#### My recommendations

Now, finally, I know all too well that it is very easy to criticize. So what I would like to do is to come up with recommendations after this criticism. I think that it is really important that we have a Central Bureau of Statistics and it is really important that we have this debate today, but we have hardly had any time to discuss real issues. I have three recommendations:

We must think very carefully, you and us, before we move. We need to go together to develop indicators. Statisticians alone cannot develop indicators. They have to develop them with the experts in the field. Educators have experts on women and so on. We must create teams combining statisticians with experts in the field.

Disaggregate the data, whatever you do. Male/female must be part of any census or survey what ever.

The third and perhaps the most important recommendation is that we must have a follow up of this meeting. We need to really touch the heart of the problem. I would say that these discussions must take place within smaller workshops or groups that could meet in an on-going fashion until we solve the huge problems that we have in terms of statistical methodologies and analysis.

# Mr. Gosta Guteland Deputy Director-General Statistics Sweden

We are very anxious to have a population register in Sweden and in the other Nordic countries and also to have it with a good quality. We are also aware of all problems to have that quality. For the moment we are missing about 40 000 people in our register and we do not know exactly what to do to correct it. The problems are there all the time. What I wanted to say now very briefly is that there are some conditions that have to be fulfilled before you start population register work.

#### On conditions for registers

One is that there must be many users. It is not enough to have a register system just for statistical purposes. It does not work. It becomes too expensive. It is not cost-efficient.

Another condition is that a lot of ministries and other partners have to work together and use the same classifications, the same register. They must have some common identification for each individual. And then the question is: who will convince them to cooperate? Is it the Central Bureau of Statistics or is it someone else?

The third condition is that people in general accept the register. And I can say from Sweden that there are some people, perhaps not many, who are afraid of the system. They think that the register can be used against them. But today I think there are many more people who say: we want to have a good register because we do not want the authorities to have wrong information about me. They want to have correct information.

They do not want to be mixed up with someone else in hospital records, in social insurance, in the mail or in the bank. The one possibility to get that is to have a unique identification in a common basic register.

It is very important to have good quality in the register. We are very concerned with the 40,000 missing in the register, although that is less than half a per cent of the population.

One way to reach good quality is to have many users and many updating procedures. For instance, when the tax authorities send out information to all households with the tax statements or when the voter cards are mailed to all citizens, you can see if there are many returns. So, if such mail is returned to sender, you can use that for corrections and to create a better quality in the register. There must be effective and inexpensive procedures to update the register.

But my general point is that it is not just to create these registers. There are a lot of conditions that must be fulfilled and we are all aware of that.

# Ms. Fatheya Nassru Ministry of Education Palestinian National Authority

I would like to make a very short comment on what I have heard this afternoon. I think that the Palestinian Central Bureau of Statistics is doing is a very good job. So far they have been making those workshops that Dr. Giaqaman was talking about and thinking before doing. They are doing it. Thinking as a group. They keep on generating ideas from many. However, the start is always difficult. The points of awareness that I would like to raise are the following.

#### On mixing registration and statistics

First that we should not mix between registration, population and administrative records on the one hand, and statistics on the other hand. Because if we work on these

two issues as one interdependent kind, we may lose track on facts at the factual level as compared with the application on the other level. That's one.

I think it is very important to get facts as facts regardless of how are we going to use them. We need to know the population. It is a point of awareness. This is a first point of awareness.

#### On the need for Palestinian authenticity

The second point is that the tools of collecting data have to be developed with an understanding of authenticity, based on the needs of the indigenous people. Here we are talking about the Palestinian people and therefore our tools have to be authentic, original. To meet the needs we should have visualized them before we develop these tools.

I think the statistics bureau is trying to do this as much as possible, though it sounds like they are translating certain tools from here and there. I think it is important to do our own job, on our own merits, on our own needs, with our own vision for the transformation process. This is my second point on awareness.

#### "Anything in haste is a waste"

The third point on awareness, which is also the final point, is to remember a very important slogan "anything in haste is a waste". Thinking, lots of reflection, building capabilities have to precede the functionality because the price we are going to pay for the errors at the establishment level would be very heavy.

I am not recommending anything in haste for these two years to have all the data we want. I feel more comfortable to have well established tools and processes and lots of thinking before we go into the field. And even when we go to the field we consider it as a trial kind of process rather than as established tools of collecting data at any level for whatever reason. Because the love for your tool may hinder you from developing the tools. So consider it a baby to be growing over time and knock out all the previous biases.

Any administrative record, for example, is built on administrative policy. The administrative records of the Israeli occupation are definitely not suitable for the administrative record for the Palestinian Authority on its own land conceptually speaking. It might be useful, but this is not what we want. We have to examine what we want first and then to refuse what we want to refuse and to get what we want to get.

#### Concluding remarks and rejoinders

# Mr. Farhad Mehran Director, Bureau of Statistics International Labor Organization

#### On misunderstandings

One comment regarding the so called misunderstanding. I think there was a careful reading of the Masterplan. I discussed the matter of putting the emphasis right. Our disagreement, I think, is on what to emphasize rather than on the actual trade-off between the instruments.

#### On unemployment definitions

I think I have to say one thing concerning a statement made by Ms. Rita Giaqaman concerning the doubts that she had regarding employment and unemployment definitions and their coverage of women's unremunerated activities. I think international standards do cover the unremunerated activities of women and women's underemployment, of course, to some extent. In fact surveys often do not cover it according to the standards, however. So it is a question of application of standards rather than standards themselves.

# Mr. Jean-Louis Bodin Director, Department International Relations and Co-operation INSEE, France

#### On population registers

One short comment to Sten Johansson. Not only am I convinced that it is possible to make good statistics without a population register but also that it is possible to make good administration without a population register.

In France we have no population register... (Protesting in the audience)...No, no, no, we have just personal identification numbers without current addresses. It is not a population register. And the tax administration is not allowed to use the PIN, the personal identification number.

And the tax administration in France is doing its job...(Chairman Zeuthen whispers a word: well???)... Well, not too well but well.

I would prefer to retain one comment from the floor, which seems to me important. Because of the lack of human and financial resources, it is very important now, it is time now to make priorities. And I think it is the most important message for our Palestinian friends.

# Mr. William Seltzer Former Director-General United Nations Statistics Division

#### On population registers

Just three comments: First, if you look around the world you will find the dried skeletons of failed population registration schemes in country after country in the developing world. A key issue is motivation to do the registration and to keep it up to date, and unless you got the motivation it is just a waste of time and effort because it will not fly.

Second, Mr. Zeuthen and Mr. Johansson have reminded us that the first population censuses in Denmark and Sweden were taken in the seventeenhundreds. On the basis of this information I would restate the Nordic model to read: Wait at least two centuries to make use of population register for statistical work!! (Laughter in the audience)

(Chairman: No Mr. Johansson, you cannot have the floor for a rejoinder!)

Thirdly, I think I played some significant role in involving Sten Johansson in this process that started with the first international conference which was held at the UN Statistical Division in New York. I am very pleased and gratified with the kind of role he has played. I think we are all involved in a complementary effort. And I am sure if there is a disagreement on one thing or another, maybe it is not a disagreement, maybe it is just a matter of terminology and words and phrases.

But I think from what I see overall in the Masterplan, and as I see the overall development of the Palestinian Central Bureau of Statistics, the role of the complementary skills of Mr. Johansson and of others who worked with the staff and the Director-General of the PCBS, remarkable progress has been made. I am sure that with his influence and the influence of others, this kind of intelligent development that is going on will continue. Thank you!!

#### Mr. Labeeb Abdunnur Chief of Statistics Division ESCWA

#### On population registers

I think it is very dangerous for a central bureau of statistics to be involved in data collection that scares people. And a population register or anything for the purpose of taxation is something they should stay away from. Let those who want to, do it!

The statistics bureau can make use of it later if it is useful to them, but let them not get involved in it, because this is going to affect all their future work with the population.

So they should stay away from any thing that scares the population. That includes population registers and maybe administrative records in fact.

They should concentrate on building their capabilities now. This is what they need to be doing in preparation for what important statistics is to be done in the near and far future, including the population census.

And I should paraphrase what Mr. Chander said: they have to tread carefully and climb up the ladder step by step and build up their system block by block.

# Dr. Marwan Khawaja Deputy Director-General and Director of the Population and Social Statistics Division Palestine Central Bureau of Statistics

I want to thank the discussants and commentators for their interventions. Thank you very much. I think we have had a very lively and interesting discussion.

#### On the implicit Anglo-American model

After this discussion, it seems to me that we came up with only one model in the discussion, whether you call it the Scandinavian or the Nordic model. But there was in fact another model implicit in the discussion which is the Anglo-American Model (if you want to call it that way) which is the dominant model.

#### On misunderstandings

I just want to emphasize three or four points. I do think that there is a misunderstanding of what is stated in the Masterplan and I think that there is misunderstanding in fact of what I said in the discussion.

The controversy concerning the population register, although anticipated, is a little bit inconsistent with what is written.

#### On the population register

There is in fact, this is the point I want to make, there is in fact a population register. We are not advocating the creation of a new register, I do want to emphasise this point.

This existing population register has been used for statistical purposes by the ICBS, and in fact as Professor Johansson has mentioned, the coverage of births is quite good. We think it is almost complete.

That has to do with the circumstances in which we live. There is an ID number for every one living in the Occupied Territories. It has to do with political reasons, you

know, there are sanctions for not registering births and for delays in showing your ID card. You have to carry your ID to go around.

In any case there is such a system. It is really different from Jordan and some other Arab countries in the region. The situation here is quite different, I think. So the first point I wanted to emphasize is that what is advocated is to *improve* the register, not to create a new one. It is not for the Central Bureau of Statistics to involve itself in maintaining the register. This is not what we are saying. What we are really saying is that we will play a role in *promoting* the improved population register.

In fact the PNA has adopted this Masterplan and work is being undertaken to improve the register.

#### Census planning has started

The second issue which I want to emphasize (I think I mentioned this) is that census planning is under way. We have been working on it. So it is not as Mr. Abdunnur said, if the census is high priority why don't you start working on it. We have four full time staff members working in the census for three months now. We were trying very hard to increase staffing for the census but it is underway. We are in fact giving it the highest priority.

#### On gender issues

The third point has to do with health statistics and gender statistics, that Dr. Giaqaman commented on. I did forget to mention the fact that we actually have made a plan for a Demographic and Health Survey in collaboration with Macro International. This is by now a classic survey that has been done in many countries, more than 50 I think and in some countries more than once. The emphasis is on child and maternal health. Financing for this survey is not available, and I think, unfortunately it cannot be undertaken in the short run.

However, we are planning a survey in collaboration with Unicef that is basically a health survey. It is in the planning stage right now. We do not really yet have an agreement with Unicef to do it, but we have established a user/producer group in this sector, and the instruments and the output of this survey will be specified very soon. I hope it will cover many of the concerns that Dr. Giagaman raised.

For gender statistics, I believe that we are very conscious about making all of our statistics available by gender. This is a point I actually forgot to mention. There are no available gender statistics right now. I think the organizational setup of the PCBS reflects the fact that the PCBS is a gender conscious institution. I think we should be proud of that even at the managerial level. It is not perfect but I think it is rather unique in that regard.

#### On PCBS as a public service organization

My final point has to do with the Dr. Nassru's comments. I do want to emphasise the fact that we are in charge of producing official statistics, and we are very sensitive to producing statistics conforming to international standards.

There are actually very established standards concerning quality control and standards for how to do things. But we are, of course, trying to adapt these standards to the local conditions. That is why we make sure that a user group is established and we take their recommendations very seriously.

We are very aware of the fact we are a public institution. This institution is not owned by me or by any employee at PCBS. It is there for the public. We are a service organization, and we try to make sure that every sector in the society is represented, every concern, I would say, every relevant party is represented in these user groups.

#### The Second International Conference on Developing Palestinian Official Statistics April 25, 1995

### Opening Ceremony at Al-Najah University

Introduction by

Dr. Hasan Abu-Libdeh

Director-General Palestinian Central Bureau of Statistics

Welcoming Address by

**Dr. Munther Salah**President of Al-Najah University

#### Dr. Hasan Abu-Libdeh

#### Director-General Palestinian Central Bureau of Statistics

#### Dear Colleagues!

This is for me a moving moment that I am speaking to you here at Al-Najah university in Nablus, the capital of the north of the West Bank and the economic capital of our country. I am speaking to you from a place which is very linked to the roots of the people. We call this Al-Najah university, the university of the people.

I am honored this morning to introduce to you somebody who has been very influential in terms of our academic achievements, somebody who has been associated with the Palestinian national movement for so long and who has been very instrumental in many ideas that became textbook procedures for the PLO.

Dr. Munther Salah has been in this position of President of Al-Najah University twice. The first time he was heading the university was in the 1980s. He was then deported by the Israelis. We now are fortunate to have him again in this position.

This part of the country, the North area, represents at least 50 percent of the population of the West Bank. This is why this university was some kind of a magic solution to a very critical shortage of educational opportunities for the country. From day one, when it opened, it was the largest university of the West Bank.

I am honored to welcome Dr. Munther Salah who will open today's conference.

### Welcoming Address

### Dr. Munther Salah President of Al-Najah University

#### Ladies and gentlemen!

It is my great honor to welcome you at Al-Najah National University to start your second day of "the Second International Conference on Developing Palestinian Official Statistics" which includes the third and fourth sessions. The two topics that will be treated today are of significant importance to build our own statistical system, especially that which deals with the field work and data processing.

Statistics has been developed as a way of making sense of collections of observations. It aims, particularly to help us avoid jumping to conclusions and to be cautious about the extent to which we can generalize from our always limited experience.

#### On the four different meanings of "statistics"

It is known that the word "statistics" is used in at least four different senses. First of all, it can indicate very broadly, a whole subject or discipline, and everything that gets studied or practiced in its name.

Secondly, and more specifically, the term may refer to the methods used to collect or process or interpret quantitative data. Thirdly, the term may be applied to collections of data gathered by these methods. And fourthly, it may refer to certain specially calculated figures that somehow characterize such a collection of data.

Thus, to illustrate the four meanings in turn, a researcher in a firm's statistics department may use statistics (statistical methods) to gather and interpret statistics (data) about the revenue from sales of a new product, and may summarize his findings by quoting the statistics of average sales per thousand population in various towns and range from town to town.

The second meaning of those mentioned earlier: statistics as a set of methods of inquiry should be emphasized. It is these methods that enable us to think statistically, a very powerful way to think about a variety of situations that involve measurements or observations of quantities.

Three important items concerning the second meaning should be dealt with carefully.

- Accuracy of collected data
- Appropriate methodology of processing
- The right approach of interpretation.

Otherwise, we will be following the well known statement made by Disraeli when he said: "there are three kinds of lies: the ordinary lies, the damned lies and statistics".

Ladies and gentlemen, there is no doubt that you are addressing and discussing a very important and vital subject that affects all sectors of our society.

I wish you all success and we are looking forward to hearing your findings and recommendations that we hope will be implemented.

Thank you and good luck to you all.

#### **Session 3**

#### Chairman: Mr. Thomas Linehan

Former Director General Statistics Ireland

### System of Economic Statistics: The Textbook Approach

### Introduction by

#### Mr. Nabil Dabour

Subject Matter Officer for National Accounts Economic Statistics Division, PCBS

#### **Discussants:**

#### Mr. Mahinder Gill

#### **Professor Hans Zeuthen**

Assistant Director, Statistics DepartmentFormer Director General International Monetary Fund Statistics Denmark

#### Mr. Heinrich Lutzel

Mr. William Tyler

Director, National Accounts Division Statistics Germany Lead Economist World Bank

#### Some highlights from the discussion

#### On the textbook approach

"I think this textbook approach is good. I like it. I like to have national account system as a framework for economic statistics."

"There is nothing wrong with it. In the longer term, common sense indicates that that's the way to go. But I would question the premise that you can, in the next year or two, launch sector specific surveys covering a large number of sectors."

#### On national accounts

"..please, do not believe that National Accounts *is* economic statistics. National Accounts can be computed only if you have a system of economic statistics. Your first step would be to build a system of economic statistics, then you can make National Accounts estimates."

#### On business registers

"..business registers, when they exist, are a wonderful tool for statisticians...But one difficulty .. is the updating of the registers .. the updating process must be a continuous process. Stopping for one year hurts statistics. After that it is very difficult to use the register."

"Does PCBS need to do a business register? Why not let another institution do it? I don't think it requires statisticians."

#### On agricultural statistics

"In my mind it is a mistake to postpone putting annual surveys in place until there is an agricultural census."

"..do not repeat the mistakes of Europe and have too much agricultural statistics compared with service statistics."

#### Select quotation from chairman Linehan:

Though we don't know what we measure, yet we publish it with pleasure.... And we hide our mortal terror of a quite substantial error...

#### Invited discussants

# Mr. Mahinder Gill Assistant Director, Statistics Department International Monetary Fund

#### On National Accounts coverage

The main strategy of economic statistics is, as Nabil just told us, to adopt the system of National Accounts as the framework for economic statistics and I can just endorse that strategy not only for Palestine but for all countries, given its very articulated accounting structure. It serves as a powerful tool for indicating gaps in basic statistics.

We heard from Nabil that an Establishment Census is completed and that there are now plans to undertake a series of benchmark surveys. In the case of manufacturing there are always problems of getting measurement of activities in the informal sector. Some combination of labor force survey and other data will be used to get some idea of the scale of these activities to get the totality of manufacturing output.

Construction is another notoriously difficult area. One might consider inserting a question in the construction survey to identify the construction activity undertaken by the establishments in the construction trade for the public sector and the private sector to follow infrastructure developments.

Then again there is always the problem of own-account construction activity in the informal sector. Perhaps some sample studies would be useful to look at input-output relationship to see if the coverage of construction activities is complete in order to generate the relevant information.

The Masterplan is not detailed about estimates of other sectors in the economy. For the time being there will be continuation of existing statistics in agriculture in terms of production, acreage, yield rates and prices, intermediate inputs and so on.

There is information available on private non-profit institutions, particularly those financed by UNWRA. One should make arrangements to obtain that information.

Trade or commerce is another difficult area. One should try to get some information on the trade margins in order to estimate the output of distributed trade and then do some sample surveys to look at the cost structure to derive value added.

As to the coverage of National Accounts we heard from Nabil today that there are plans to look at expenditure categories of GDP, household consumption, government final consumption and other final demand components. The Expenditure and consumption survey would certainly be useful in deriving household consumption estimates but pending the availability of the survey results, one may consider using a

combination of approaches such as commodity flow, whatever the limitations are with import data and production data from agriculture and manufacturing.

#### **Balance of payments**

In the area of balance of payments, I recommend a cooperative arrangement for sharing data with the Israeli Central Bureau of Statistics. Such arrangements to share data are increasingly common in many parts of the world. In the Palestinian case where the main problem is with regard to trade with Israel one might consider the development of a survey of the major exporters and importers and exchange information in the first instance to cross-check with Israeli estimates and then later on if estimates are robust, to develop one's own statistics.

In addition, I should mention that it is always easier to get information on the supplier side than on the purchaser side because of the number of importers involved.

With regard to other components of balance of payments, employee compensation is an important issue. There will have to be some arrangement to use the data from the labor force survey or in conjunction with the Israeli labor exchange to get an idea of number of employed, wage rates and so on, to understand what are the employee compensations and also to determine some estimate of expenditure in Israel to fill in the gap in balance of payments as far as services are concerned.

A major element in the balance of payments in the future will be transfers and aid flows. Arrangements with PECDAR or whatever agency will be responsible for the receipts of foreign aid will be needed to arrive at good estimates not only of balance of payments but also of disposable income.

#### Government finance

Government finance is an area that will be of great importance right now. The urgency of developing statistics is going to be fairly important. As the Monetary Authority is being established and fully functioning you will need to look at other components of balance of payments from the standpoint of banking flows and foreign direct investment flows. One must build into the registers or whatever frame is used characteristics of equity participation to differentiate between direct and non-direct investment flows from the standpoint of compiling the pertinent items in the balance of payments.

I should mention in the case of government finance that it is very important to decide on institutional responsibilities right from the beginning. My personal view is that a joint undertaking is very useful where the statisticians of PCBS have an interest in using the information for compiling the relevant flows in the National Accounts. One could compile government finance data in such a way that the relevant estimates can be fed into the national accounting context. There may be a case for burden sharing.

For the same reason, it may be useful for PCBS to get involved with the emerging Palestinian Monetary Authority from the standpoint of design to look at the relevant concepts what of their statistics will be useful for the National Accounts. I am thinking here not only of the balance sheet information but also information on property income flows, operational income of banks and other financial institutions that may come into being.

I was gratified to hear of the high priority given to a Household Expenditure and Consumption Survey by the PCBS. This will provide very important information for updating the weighting structure for the Consumer Price Index as well as provide item sample for developing a system for price collection.

#### On priorities

Having said all this, a question that arises in my mind is what the time horizon is for generating or having this information. Against that background, what plans have been made to meet the immediate needs of policy makers who are crying for data in many fields. This is why we, when we first came here, thought in terms of a short run strategy and a strategy for the longer term. If the short term solution of using existing methodology is rejected what are then the alternative ways of satisfying the immediate needs of policy makers pending the availability of results from the new inquiries?

In this context one has to remember that even in the most developed countries there will be gaps and limitations in methodology. There will always be the need for a combination of ingenuity, estimation, guestimation and whatever you will call it. This is part of the state of art of National Accounts compilation.

#### Professor Hans Zeuthen Former Director General Statistics Denmark

Coming from the outside, I really have found this to be a very useful exercise. When you have to explain your own system you get lots of new insights. It becomes a two-way exchange of opinions that is really very helpful.

Then I also want to say a few positive words about the chosen strategy. I think it is a good one. It is very ambitious but I think you also feel this is important. It is better to be half the right way than beginning half of something you have to give up and do something else.

#### On relations to respondents

My first remark will be on the relationship with respondents. This relationship is very important. You need to ask questions the respondents understand not only language

wise. You can only get reliable information on those things that the respondents have reliable information about themselves. You also need to spend time and energy to find out how to do this. Phrase questions carefully and stay extremely close to book-keeping.

Don't be afraid to use administrative data. The obvious reason is that all statistical institutions use existing information. Another reason is that you always get better information when there is engagement in giving the information and in producing the figures.

If respondents think: This is just bureaucracy and it does not matter what I answer, they will not really think. Very often it is better to have biased figures than thoughtless figures. After a while this will also be the only choice you have. Don't be afraid of using administrative data, for instance from the tax authority, if you can get it. It is not ideal. But an ideal survey where nobody is really interested is not that ideal.

#### On business registers

A business register is a good thing but there are very, very heavy problems with updating. It is impossible to run good surveys without having a good business register. The use of registers must be seen in a historic perspective. It is a historical fact that registers have been used for a long time in the Nordic countries. But it is also a historical fact that registers have been used in Israel as well, whether you like it or not, this is part of your history. This also explains why you find it a natural thing to do.

The alternative to business registers is to use area surveys. In the short run it may work. But in the long run, if something is really is going to happen in the Palestinian economy, that's not going to serve your purpose. If you really want to know what is happening in the different branches of manufacturing, this can not be captured by area surveys.

How do think that you will be able update the business register? There is one principle I can recommend: Open your arms, take all opportunities and use everything you can lay your hands on, including for instance, the yellow pages in the phone book. All kinds of administrations should use the business register. The more users you get the greater opportunities there will be to improve the quality of the register. The register needs to be used as much as possible.

You will not be able to afford to do a new establishment census every two or three years so you have to use all other possible techniques to use all available information. Your textbook approach is good but you need to find out how the updating should be arranged to maintain good quality.

#### **On National Accounts**

A few words about National Accounts. I completely share the views of the previous speaker that we should not talk too loudly about National Accounts. National Accounts are not an objective, purely arithmetic manipulation with primary data. You cannot construct National Accounts without getting your fingers dirty. This is a fact of life.

National Accounts are a powerful tool and they are needed for the international community. I think we have to be humble about it. May be it is not so understandable outside the Nordic countries where we say: The ice is thin, when you move out there. You have to be cautious.

The labor force survey is needed to determine if National Accounts are proper and not crazy. Something is wrong, if there is not a good correspondence between the labor force numbers and the numbers on employment from your business register.

And the same is the case with household consumption. If there is one level of consumption in that survey and you have a very different level from other sources, then something is fundamentally wrong. It is very good to get this kind of information.

#### On revisions

My final remark is that I am convinced that you will also make decisions that are almost as stupid as the ones we have made in other countries. Take note of them on a piece of paper and put it in your drawer or as a footnote to your table. Then after some years, when there is an occasion to make a major revision, pull out all those notes and make the corrections. Make immediate revisions only when the mistake is a major catastrophe, but let your users know all the other things through footnotes.

Particularly with the many special problems in the Palestinian economy, there are many problems with producing statistics on foreign trade, balance of payment, but I think my time is out. Thank you, Mr. Chairman.

# Mr. Heinrich Lutzel Director of the National Accounts Division Statistics Germany

#### **On National Accounts**

I wanted to say the same thing as Zeuthen on National Accounts. I have to add him on my list of national accountants from now on. What he said about National Accounts and economic statistics is the truth.

I think this textbook approach is good. I like it. I like to have national account system as a framework for economic statistics. But, please, do not believe that National

Accounts is economic statistics. National Accounts can be computed only if you have a system of economic statistics. Your first step would be to build a system of economic statistics, then you can make National Accounts estimates.

I fully agree that we cannot use National Accounts terms in questionnaires. It is stupid to try to ask what is your value added. Don't try to ask questions that respondents cannot answer.

#### Influence the rules for bookkeeping!

Remember that rules which were used in other countries do not necessarily apply in Palestine. This is a good opportunity for statistics. There are not yet any established bookkeeping rules in Palestine. It is a chance for statistics to influence these rules. Work out such rules for economic and business purposes. When the government finance statistics are developed, there is a chance to develop classifications on how to prepare those budgets and this, naturally, is a good chance for you. Then you can get good statistics.

Economic statistics can serve administrative purposes. These rules should be worked out so that they can be taken over for administrative purposes. For statistics in Palestine, there is a chance to establish classifications and influence how data bases are constructed and how registration is done.

#### On the business register

The business register (with addresses) is important not only for statistical, but also for administrative purposes. The value added tax for the government requires addresses of businesses.

The statistical register of establishments should *not* be made available for tax and police purposes. The statistics file should be protected by confidentiality. There should be a public business register file for those other administrative purposes.

Tax can be part of the statistical register but the statistical register with quantity information cannot be part of the tax register.

The ID numbers of every enterprise should be used for safe identification. The enterprise should know its ID number and use it for all statistics reports. The number should also be used in the social security system, for instance, and by the tax authority.

#### On annual statistics

Now some final remarks on economic statistics. I think the establishment census you have taken is the real starting point and it is necessary to have such a starting point so that we know what is the hundred percent. If we sample we must know what is one

hundred percent or we cannot take a sample of five per cent. So the census should be used as a starting point for the register.

The next step is annual statistics which can be taken as a sample survey but it is good to have the upper part with the big enterprises as a total count. Sample can be taken for the small enterprises.

What should be the content of these annual surveys? I think mainly the income and outlay of enterprises. What do they earn? What do they purchase for intermediate consumption, for fixed capital formation? I use the National Accounts terms for you to better understand, not that they can be used in questionnaires. Income paid to the employees is an important expenditure type. On the other side, turnover from own-produced products, turnover from traded products, all this should be put together in this annual questionnaire.

There is a danger for these questionnaires. In annual questionnaires, many people will want to contribute to the types of questions asked. You need to concentrate on the main points and the purpose of the inquiry. Make such questionnaires as simple as possible. The answers become more reliable. The computation of statistics is easier when figures are reliable. The best statistics are reliable but also available in time for users when they need them.

In addition to annual statistics, you require a number of quarterly or monthly statistics on production and on prices. But let me add one point on annual statistics. For Palestine, foreign trade statistics will be difficult to compile. We should ask in the annual surveys which part of output is sold to other countries or the rest of the world as we say in National Accounts and Israel is part of the rest of the world. Foreign trade statistics with respect to Israel will be very difficult to produce as long as there is no customs system between the two.

And I think you should also ask about production prices. Normally in production statistics, quantities are asked for as a measure of the real development of output. The quality of products changes rapidly so quantity measures cannot be used. I prefer the depreciation approach, taking figures in current prices and deflate them with appropriate price indexes. And to get these appropriate price indexes you should ask information on the price developments of the main products produced within the establishment. This is also extremely important for National Accounts.

#### On preparing National Accounts

National Accounts results, to my experience, are important only as growth rates in real terms. This is the information the economy and the governments want to have and want to use. Real growth rates are the important things.

How to prepare National Accounts? The new SNA 93 is so comprehensive, I am sure that no country in the world within the next 30 years can prepare all the tables in the system. So we must concentrate on the Palestinian needs and priorities. What should be the priorities. I think production accounts should be the most important and should

be the first, that is, gross value added by branches, including agriculture and government. The Master Plan gives the tools with the census and the series of annual inquiries and possibly quarterly surveys later. These inquiries give information to compute gross value added. Then we have the GDP from the origin side.

Expenditure side of GDP is difficult to compute here. You need external trade statistics, including deliveries between Palestine and Israel. You need household consumption estimates. It is not enough to have an Expenditure and Consumption Survey to prepare such figures.. Normally there is an underestimation of 15 to 25 percent of expenditure. This is normal in Germany and in other countries. So you must introduce a commodity flow approach or some other means. In Germany we take trade statistics as the main source for estimating household consumption.

Government consumption is extremely difficult. Foreign trade, I already mentioned. Fixed capital formation, yes, this should be possible in the first step already so that you can combine fixed capital formation and production statistics. The way it will be introduced depends on which country technical assistance will come from. If it comes from Norway or France it will start with input-output, I'm sure. If it comes from United Kingdom, USA or Germany it will start with production side and expenditure side.

What is important, try to make a step by step introduction of the SNA. Try to make only what is possible, try to have reliable basic statistics, before you make very vague estimates for National Accounts.

# Mr. William Tyler Lead Economist, Middle East Department World Bank

When I was here last in November 1994 it was still PBS and it had only four staff. I am very impressed indeed with the enormous progress made so far and very impressed by the Masterplan and all other tasks accomplished by the institution.

At that time there were a number of questions asked: the legal status, centralized bureau or not, confidentiality, overall philosophy, how much to build a perfect system or be pragmatic and build upon the existing Israeli data whatever their flaws.

Most of those questions are now behind the institution but there are new issues that need to be addressed. I want to discuss three of those issues. I want to give the perspective of a user and an economist and discuss three areas: priorities, dissemination and the independence of PCBS.

#### On priorities

With respect to priorities, I think it was Clausevitz who said that war is too important to be left to the generals. I would like to paraphrase that by saying: Statistics are too important to be left to statisticians.

I was very impressed when Dr. Hasan yesterday talked about the users and clearly identified them in his presentation. The PNA is the number one user because they are the policy makers. The advisory council is important in determining priorities and it should be broadened.

The Palestine situation is very different from the situation in most other countries. The problems are very different from countries with well developed economies and statistical systems. There are a number of important choices ahead that confront the policy makers of PNA and they will have to rely very heavily on analysis based on statistics provided by PCBS. Let me just mention four problems in passing that will have to be discussed and positions being developed by the PNA in order to be negotiated with Israeli authorities. And I don't need to remind you that the Israeli government consists of very able, sophisticated negotiators.

#### Four basic issues for the PNA

First, which trading arrangements will evolve between now and the final arrangements with a Palestinian state. Will Palestine want a customs union with Israel? Will it want a customs union with Jordan instead? Or a free trade area with Israel? or with Jordan? Free trade or heavy protection? Which will be best for Palestine?

Second, what monetary arrangements should there be? There is a substantial increase in the financial system in Palestine, from two to ten banks with local branches increasing from 8 to 40. You have established a Palestinian Monetary Authority. What are the type of banks and provisions? What is the currency unit? And what about a PMA evolving into a Central Bank?

Third, there need to be fiscal arrangements that must be negotiated with the Israelis. A Ministry of Finance has been established. Some revenue sharing must come about. There are problems fiscally in terms of generating revenues and of controlling expenditures and tax revenues.

And fourth and finally: A very sensitive area are the labor arrangements with the Israelis: You need to work things out with the Israelis. Will Palestine want to restrict such labor? Well, you know that Israel is restricting Palestinian workers from working inside Israel.

To adequately analyze those four issues you will need a macro economic framework. What are the impact of these arrangements on the growth of the Palestinian economy? We must analyze these questions and collect the required data. PCBS must play an important role here. There are heavy inputs of data.

There is recently established a Palestinian institute for economic analysis, known by the acronym of its Arabic name, MAS. It is a nascent institution, designed to analyze some of these questions and to assist PNA to form its negotiating positions vis-a-vis the Israelis. But that requires analysis which in turn requires heavy input of data.

The Master Plan has some high priorities. PCBS must sort out where the emphasis will be, especially since technical capabilities are limited. If I were the PCBS manager, I would continuously ask: (1) Is PCBS spreading its resources too thinly? (2) Are my priorities right?

#### On dissemination

Second, I now come to the question of dissemination: PCBS will ultimately be judged on the quality and the credibility of the data it produces and also on how it disseminates the data that it produces. You need to make information available to the PNA and to research on a regular and timely basis. It does not only entail distributing printed data but also data in machine readable form. There will be researchers that want to use the primary data sets that come from the Expenditure and Consumption survey.

Then you get into the question of confidentiality: How will you deal with that? Confidentiality must be protected and you must provide data analysis services. It is easy to say, however, that this data is confidential, and we can't release them. You can easily fall in this trap. It is important to strike that balance and continually think about that balance.

Although it is very important to learn best practice from the developed countries, important lessons can be learned from developing countries, such as Jordan. Their statistical system is good and it was put together by the Palestinians. You need to learn from countries which are more prone to make mistakes. In that context I can relate some personal experiences and in that context throw some light on the question that was raised yesterday on having research capability in the statistical agency.

#### On research capacity

One risk with having a research capability at the same place as statistics production like the National Accounts and price statistics is that dissemination is slower. This is because researchers normally will want to have the first crack at the data. This is based on my own experience from working in such a place in Brazil for some years.

Indeed, data is power, policy makers are reluctant to disseminate. The lesson for PCBS is, I think, that it has more than enough of high priority tasks. There is an institution, MAS, that has been established to analyze data. There are adequate opportunities for PCBS to make a major contribution without getting into data analysis itself.

Our excuse for deferring dissemination was either confidentiality or "we are still working on the data, they are not final yet".

#### On independence

Finally something about independence. My own institution in Brazil was subjected to substantial political interference. It was set up as an independent institution, but it was financially dependent on the government. This exposed it to political pressure.

It is very important to design into the system the independence of the Central Bureau of Statistics. Now, how that can be best done is difficult. A law has already been passed. Maybe there is some additional scope in the executive regulations of that law. A high level of political consensus is needed for establishing the independence of PCBS. It will get tough, I suspect, at points. Certainly it takes courage also to secure independence in the future.

#### **Chairman Linehan:**

The difficulties you mentioned of confidentiality because of the small number of establishments in certain industries, reminds me of the attempt we had to explain this to visitors of the country. I had to put it in the form that was sometimes misunderstood.

We spend half of our time in collecting information -. and the other half to making sure that nobody can get at it!

#### Floor interventions

Mr. Erwin Wartenberg
GTZ consultant on economic statistics
Bundesamt fur Statistik, Germany

#### On the establishment census

The Establishment Census started last year in September 1994 by developing tools for a real establishment census. Our enumerators went through the streets and filled out questionnaires for each establishment (in all stories of buildings) they recognized as establishments. If there were some household activities we could not recognize as economic establishments, I am sorry, these could not be included. They will be left to be enumerated in the Population Census later.

This census was carried out in Gaza, in West Bank and now also in Jerusalem. It was a very comprehensive census, even better than the one that was conducted in Lebanon. Here we included all activities according to ISIC, thus not only the private sector establishments but also the public sector including schools, hospitals etc.

We had expected to be able to release tables for the conference. But unfortunately there are still some problems of confidentiality with small numbers of establishments in some cells. I prefer to be very careful. Confidentiality is to be a quality label for the statistical office.

To give an idea of the volume of the survey, we collected data for 60,000 establishments in the private sector, in addition to 3,000 - 4,000 establishments in the public, non-profit sector. We already issued a press release. The final results will be presented in a press conference within a couple of weeks as soon as the file is clean and all problems of coding are solved.

We collected employment on a very detailed level. That means for owners, unpaid family workers, and other employees, and respectively for male and female. We found out that average size is very low; in manufacturing 4.6; in trade where we have 57 percent of all establishments in the private sector, average size is around 3 persons per establishment.

That in turn also has some influence on the way we make our sampling. We compile already a table by size class. We have only 37 establishments with more than 100 employees. A very low rate indeed! In the smallest size, 1-4 employed, we have more than 50,000 out of the 58,000 total.

When we design the sample for the yearly surveys for which we already have questionnaires for manufacturing, for construction, for internal trade and for other services, we think of starting total enumeration by the size of 5, if the budget permits it and then use sampling for the smaller establishments with less than 5. A total of 7,500 establishments will be enough to give representative results for the private sector.

#### Mr. Odell Larson Officer In Charge, Statistics Division Food and Agricultural Organization

#### On agricultural statistics

My comments at this point in the program may be a little premature since I am only addressing one sector within this whole area of economic statistics, and that is agriculture. I do have some concerns when I see a country where according to the Masterplan 40 percent of GDP is agriculture and an even larger percent of employment and where 70 percent of the population is rural. Apparently agriculture has been put on the back-burner in this Masterplan.

In my mind it is a mistake to postpone putting annual surveys in place until there is an agricultural census. A statistical agency with limited resources must learn to walk before it can learn to run. I recommend that we begin with small sample surveys in the agricultural arena before doing the agricultural census, starting small working to the large.

I know that many of you will say that you cannot have sample surveys before you have a sampling frame. I would contend that methodologies do exist now for developing sampling frames to be used in sample surveys for agriculture production, for both crops and livestock, namely area frame sampling, which can be combined with list frames or registers in order to take advantage of the efficiencies of both data collection systems. It is often referred to as multiple frame sampling.

FAO recently has held an international expert consultation on this particular subject and we will soon publish a handbook with case studies from many developing countries that have incorporated this methodology in their agricultural data collection systems.

I would like to make a couple of other comments. First, when you do your population census, be sure to include some screening questions to identify those households that are involved in agriculture. This can help you build your frame, evaluate your registers and to improve your list of agricultural holders.

Second, just as a point of information, FAO does have the responsibility within the UN system for the development of the world census of agricultural program, which includes recommendations for the conduct of the census, the items to be included, the official classification systems to be used, the organization to be used etc.

The documents for the 2000 world census of agriculture round which takes in the years from 1996 to 2005 are now in draft form. It is being evaluated by many of the member countries and will be published later this year.

FAO has also developed a handbook for economic accounts for agriculture to be used by countries who are developing their agricultural sector input into the system of National Accounts. This handbook is currently being evaluated and verified by the UN statistical office in New York to check its harmonization with the 1993 system of National Accounts. Also this handbook will be published later this year.

Mr. Ramesh Chander Statistical Advisor World Bank

#### On the UNSTAT/World bank proposal

My first remark concerns the reference to the UNSTAT- World Bank approach. Neither the Masterplan document nor the presentation this morning gave any specifics

concerning that proposal. And the impression is that this animal that was proposed is unique. I like to submit, Mr. Chairman, that the proposal was not unique. It was based on the three s's that I stated yesterday: Simplicity, Sustainability; and a Step-by-step approach.

The proposal basically suggested that in the immediate term, and by that I mean the next year or two, there was a need for National Accounts and that need could be met by continuing with whatever basic series were available and putting them together to come up with some estimates.

In the medium term, as capacity was being developed, and we all realize that it will take time to develop that capacity, we felt that a series of sector specific surveys were not really practical in the short term.

We suggested instead, that all establishments that had an employment size above whatever cut-off you decide, should be surveyed. And given that this economy has large amounts of production which are generated in the household sector, we thought the only practical way of measuring that output was through an integrated Income and Expenditure Survey.

Those were the proposals, Mr. Chairman, and they are in no sense deviating from the standard approach.

#### On the textbook approach

Allow me a few words on the so called textbook approach. There is nothing wrong with it. In the longer term, common sense indicates that that's the way to go. But I would question the premise that you can, in the next year or two, launch sector specific surveys covering a large number of sectors. This indeed, I don't think is feasible because of the resource questions and the whole issue of sustainability.

#### On the informal sector

I also feel that in the Palestinian economy, a large part of production takes place at the household level. The establishment census did not capture those activities at all. They merely captured those establishments that could be identified visibly. For instance, if there are activities such as basket weaving or carpet making in the backyard, those activities were certainly not captured in the establishment census. That could be significant both in terms of employment and in terms of income generation. I am, therefore, questioning whether the approach that is being suggested, the so called textbook approach, is really going to give you the results that you need..

Mr. Svein Longva

Director-General, Statistics Norway

I think all discussants stressed the step-by-step approach and the issue of sustainability. I certainly agree with that. I think it is very necessary not to have too high ambitions at this stage and not overdoing it in the beginning. You must move smoothly in the beginning.

I want to echo what Lutzel has just said, that economic statistics is not identical with National Accounts. Back home I was asked in a discussion recently: Why do you need all these statistics since they are already in the National Accounts.

So it may be that we are somehow overselling National Accounts and not stressing the necessity of having a sound foundation for the National Accounts calculations.

#### On the need for short term indicators

I am a little worried by the lack of a timetable for the construction of short term indicators and also medium term indicators, for instance, the time table for the consumer price index, which I am sure should be a first priority.

#### On boundary problems

I would also like to stress the boundary problems with other agencies that should be settled as soon as possible. The maintenance and updating of the business register depends on the relationship with the tax agency and also how they are going to use it. If the register is not used by others and even maintained by others you will have to repeat the census every two years or so. Otherwise, it will be out of date very soon.

Another area where this boundary problem is important is in foreign trade statistics. And also in agricultural statistics as the main sector that has been left out at the moment. You need to make good contacts with the Ministry of Agriculture and also other research groups in the area. Do not try to cover the area yourself. Try to utilize others' information.

#### On financial flow statistics

Finally, I would like to stress the necessity to have something in the area of financial flows: Palestine will depend on foreign aid for a long time. The inflow of financial means must be kept in track. If you are not doing it, someone else must do it. And there may be contradiction between what you are doing on the domestic economy and what someone else does on the international economy.

You need to get into discussions with your monetary authority as soon as possible and establish a division of labor there and include in your balance of payments statistics also the financial flows.

### Mr. Jean-Louis Bodin Director of Department for International Relations and Co-operation INSEE, France

#### On the business register

Yesterday afternoon, I expressed doubts about the population register considered as one of the main components of a system for population statistics. On the contrary, I would like to say that business registers, when they exist, are a wonderful tool for statisticians.

But one difficulty in the management of business registers is the updating of the registers. I fully agree with Mr. Zeuthen. I must insist on the fact that the updating process must be a continuous process. Stopping for one year hurts statistics. After that it is very difficult to use the register.

In this way I believe that the inventory that was done last year which is very interesting and gives lots of information about businesses in Gaza and West Bank is not the first step in establishing the register. Because if I have understood correctly, there is no updating process yet. And very soon it will be very difficult to go from this inventory to a real register.

I have one specific question to Nabil Dabour. I like very much the textbook approach and I think that it is pragmatic. But what about the informal sector that Ramesh Chander talked about? How does it contribute to the economy? Are there any plans to investigate the informal sector? There is nothing in the Masterplan about the informal sector.

# Ms. Abla Nashashibi Manager, Population & Development Unit & Financia Statistics Ministry of Finance

#### On registers

I cannot deny the importance of the business register. But is it a must that the PCBS carry out this task knowing that there are so many other specialized surveys that need to be carried out. We need the data so badly. We cannot get one single readable indicator from the statistical abstracts. Why don't we let other governmental institutions do this work and hit the main target, that is, the specialized surveys. Does PCBS need to do a business register? Why not let another institution do it? I don't think it requires statisticians.

Again in relation to yesterday's discussion, the civil registration should not just be carried out by PCBS. At the moment this is only administrative work. Let us use the PCBS staff and resources for getting information for policy makers, for the

government ministries, for researchers, for universities. People are really hungry for data. So, please, give us the specialized surveys that we need so badly

# Dr. Hasan Abu-Libdeh Director-General Palestinian Central Bureau of Statistics

#### On registers

It seems to me that there is one theme that was misunderstood today and yesterday. The problem the PCBS is facing is that it is supposed to fulfill its functions by using some existing infrastructure. But the option we resorted to is that when the needed infrastructure was not there, we created it. This is exactly what we did with the business, register.

We are not advocating at all the maintenance of any of the registers. What we are advocating is that we will be using heavily the three central registers but this does not mean that we have to create these registers or maintain them. For the business register, creating it was the only choice we had.

We have to carry out an economic statistics program with surveys and when we do that we have to be sure that they are representative. We had no choice but to go into a census, one, to create a sampling frame, and two, as a service to other ministries, to create a business register. This register will be handed over and we will be users of that register like any other user.

# Mr. Erwin Wartenberg GTZ consultant on economic statistics Bundesamt fur Statistik, Germany

#### On informal sector

I would like to give some clarification on household production and informal sector. In the establishment survey, we went much further than in other countries. I will give some examples. If we saw someone weaving some baskets and we saw the baskets, we would go to him with our questionnaire. This case will be included.

But if someone is making a basket on the fifth floor of a house and we cannot see him, then this activity is not included.

When we were in Gaza we had one example which was very interesting. We saw some people drinking coffee on a bench. There was no sign. We thought that it was a coffee shop. When we approached the place we found out that the owner also changed money. Furthermore, he was also involved in car repair. In this case, we had enormous difficulties in defining the main activity of this establishment.

### Mr. Khalid Islaih Subject matter officer for balance of payments Division of Economic Statistics in PCBS

#### On balance of payment

Mainly, I would like to make some comments on what Mr. Gill and others have said about balance of payments statistics and the rest of the world account.

Concerning the labor compensation, we will be using estimates from the Labor Force Survey that will start soon and also some other information.

Furthermore, we are planning for a workshop on balance of payments statistics where participants will be the key governmental institutions of the Palestinian National Authority to develop working contacts with them. Also we would invite the key non-governmental organizations like UNWRA and other foreign NGOs.

Concerning the financial inflow to the Remaining West Bank and Gaza we will develop a relationship with the Palestinian Monetary Authority. Unfortunately, they are still in the phase where they are preparing their plans and activities for the future.

So those are the plans for our balance of payments statistics.

#### Concluding remarks and rejoinders

### Mr. William Tyler Lead Economist, Middle East Department World Bank

#### On training

One question that came up yesterday and briefly touched today was the one on sustainability and the question of priorities put in a time context. There is a trade off between output now and output in the future. And I see output in the future being very much a function of investment in the staff.

After all that has been said, including the eloquent plea for data now and that all these series are important straight away, I think it is very important to worry about what will happen when the donor support dries up in the not so distant future, especially when that support is tied to particular products and series.

I think it is particularly important to focus on training your staff. That has its costs in addition to financial costs in terms of giving up possible output now. But I think it is very important to focus on that question.

My final point is that this is a rather auspicious occasion in the sense that there are many institutions present here who can provide some support. This is an opportunity to enlist help from such a diversified group as ourselves.

### Mr. Heinrich Lutzel Director of the National Accounts Division Statistics Germany

#### On good statistics and quick fixes

I want to react to Mr. Chander's proposal. I think I can do this because I have known him for so long. In his intervention he said that the Masterplan is a good thing for the long run. And I agree. The Masterplan as presented is the right way. But National Accounts estimates, even very crude guestimates, are needed now in addition. This is true. But who should prepare these very weak estimates? With the statistical base available, this should not be the task of the official statistical office at this particular time. The national statistical office should not be involved in this kind of work. This can better be done by researchers at universities. When estimates can be better based the statistical office should take over the work. This is the normal way.

#### On the establishment census

The next question raised, is an Establishment Census really necessary. I think that you will all agree that a census of establishments has the highest priority. You started with the census. This is right for developing your economic statistics.

A census is necessary for sampling. I have my doubts if samples should be taken if the frame is not clear. The usefulness of samples is limited if you do not know the total.

#### On priorities

In my opinion, the highest priority statistics are the agricultural statistics, price statistics, foreign trade statistics, and balance of payments statistics. But making priorities is not easy. Palestinians can conduct a statistical activity only if there is a donor to finance the project. If they had a budget and could make their own priorities, I am sure they would have started with agricultural statistics. Money are important!

Nonetheless, it is very important to prepare plans for statistics that are essential even if there was no sponsorship for that activity.

#### Professor Hans Zeuthen Former Director-General Statistics Denmark

#### On registers

About business registers, we also had the idea that somebody else should do it. But we found that they were not sufficiently interested to do it with the quality necessary for statistical use. A register is a necessary infrastructure for good quality statistics for the reasons already given. It would be even more difficult in a country like this to find some other authority who is able to do it and who is willing to give it sufficient resources.

Some resources you can get by selling addresses from the registers. This will give you some income and that is when you get strong feedback from customers. When they find errors, they will be angry and call you up. This is a very important feedback to improve quality.

#### On agricultural statistics

Yet, in agricultural statistics, do not repeat the mistakes of Europe and have too much agricultural statistics compared with service statistics.

#### On good statistics and quick fixes

On this question of shaky estimates in the short run, I do not have strong opinions. To do it if you have national account estimates for the previous year is not so difficult. You don't need years for that, you rather need weeks. If you have to do the estimates over a gap of more than one year, it becomes very difficult.

### Mr. Mahinder Gill Assistant Director Statistics Department, IMF

#### On agricultural statistics

Mr. Larson mentioned agriculture. Of course, agriculture needs to be thought of in the context of developing National Accounts. Data collection may be done in the Ministry of Agriculture as long as you get the data needed in a timely fashion. Even in the Israeli National Accounts, the agricultural sector was among the strongest in data quality. This data collection can continue for the time being, now reporting to the PNA without the PCBS involving itself in data collection. An agricultural census can be considered later on.

#### On financial flows

Mr. Longva mentioned the need for developing financial flows. The point is well taken and I think we mentioned this in our recommendations to PCBS when we were looking at the whole gamut of economic statistics. What we felt is right now for current account the capital transfers part is going to be the major element of aid flows in terms of investment, loans and the like. This probably will come in an incremental fashion in the next few years.

And when the institions are in place with the Monetary Authority one would want to consider developing some estimates of banking flows. If the situation becomes stable in the future with large foreign investment flows one would need to take that into account. Registers will be needed to identify which are the branches, subsidiaries etc. with big foreign investment flows. This will remain a longer term objective in the context of balance of payments.

#### On household consumption estimates

There is certainly a need for a Household Income and Consumption Survey apart from updating and producing a better weighted sysem for the the CPI, the PPI, for deflation purposes. But pending the availability of such results I would submit that one would need to explore the possibility of developing, perhaps, commodity flow method - in the first instance to develop some household consumption estimates.

#### On government finance statistics

Then again building in government finance: The public sector is going to grow. Itt will be the focal point of development planning. A lot of public investment is going to take place. We will need this information for the analysis of published accounts without having to do specialized surveys. They naturally feed into the the building up of national accounts.

It is the art of looking at all relevant sources. Even with the best efforts of doing sample surveys we would need to be doing qualitative checks to see if the coverage is good enough. We will always be having to do cross-checking, comparing with other sources in order to develop the best estimates for national accounts

### Mr. Nabil Dabour Subject Matter Office for National Accounts PCBS

I think nothing is left for me to comment on. I would like to thank all the discussants for their valuable comments and also for other interventions. And I like to emphasize the point that we are at the PCBS sharing the common sense that we need to proceed step-by-step and according to our resources and priorities.

**Chairman Linehan:** Given everything that we have heard, I think you will all appreciate the reason why this little quotation strikes a chord with all national accountants.

Though we don't know what we measure, yet we publish it with pleasure.... And we hide our mortal terror of a quite substantial error...

### **Session 4**

#### Chairman:

#### Mr. Arthur Norton

Chief, Population Division US Bureau of Census

# PCBS' Experiences So Far: Field Work & Data Processing

### Introductions by

Mr. Afif Abdul Aziz Mr. Omar Al Souss

Director Director

Field Work Division Information Systems Division

PCBS PCBS

#### **Discussants:**

Mr. Gosta Guteland Mr. Willem de Vries

Deputy Director General Deputy Director General Statistics Sweden Statistics Netherlands

Mr. Hussein Sayed

Statistical Advisor UNFPA

### Some highlights from the discussion

#### On data processing:

"..your data processing system is.. an interesting case. It is different from ours... if we were to completely rewrite our process, we might come up with something like that."

"I wonder what the use of three really separate computer networks really is for.. why not have one standardised network..with standardised software.. for everybody?"

#### On computer assisted interviewing

"We are aware of its existence; We are aware of its relevance; We were lucky to get a presentation when we visited..the United States, but it is not something that we are thinking of right now."

#### On regional offices

"I was told that there will nine offices in the future. This will be again a very important factor in planning any census activities in the future."

"A possible function of regional offices could be to maintain the business register because I don't see ... any other agency taking over the business register."

"Please remember that every office that you establish adds to your costs: maintenance, staff etc... I urge a certain amount of caution."

#### On field work organization

"I can say that it is not a new solution. You have not invented a new wheel. The question is more: 'Is this wheel good enough?... . If you choose one organisation now, you will reorganise it in three or four years."

"I don't think that PCBS should have permanent interviewers that can be used in every topical survey. I think it is very important to diversify the interviewers for each survey depending on the qualifications required for each survey."

#### On quality control

"And then the most rude question of all, but still I would ask it very carefully, this response rate - are you sure? How do you know they are not making it up?"

"I want to stress that quality control should not be left at the field stage, it should start from the very beginning and be planned all the way to comparing estimates for consistency. It is a complete package."

#### On costs

..the figures for the establishment census are very high compared to; i.e. Jordan \$1.00 per interview, in Syria, \$0.50 per interview.

#### Invited discussants

### Mr. Gosta Guteland Deputy Director General Statistics Sweden

Let me first say that I am happy to be here again. Last time was in August 1994. Since then a lot of work has been done that is both impressive and promising. As Sten Johansson said yesterday Statistics Sweden started in 1749 and I cannot say that we have finished our development work. There are still lots of things to do. You can continue for many years with the development of your office.

#### On business process re-engineering

It is very popular these days to talk about business process re-engineering. The idea is to start with a blank sheet and to rewrite the production process for a given item. One sometimes finds that is quite possible to do things in a quite different way. And for us coming from countries with rather developed statistics, it is always interesting to see what type of solutions will be chosen in countries that we visit.

#### On data processing

The only thing I can say now about your data processing system is that it is an interesting case. It is different from ours. I think that if we were to completely rewrite our process, we might come up with something like that. But we do not have that opportunity.

#### On field work

But I will first of all talk about the field work. I can say that it is of course not a new solution. You have not invented a new wheel. The question is more: 'Is this wheel good enough?'. I think that there are some things that you have to look upon and be very careful about, both in the short run and also in the longer run.

In the short run it is now difficult to give priority to the right survey. This year there are three big surveys planned. The Demographic Survey is just about to start. In September a Labour Force Survey will start and as we have suggested, in October there will be an Expenditure and Consumption Survey. That is perhaps too much in one year if you do not have a very trained interview staff. It is very important to know when these surveys will start.

If the Demographic Survey starts now you will then have trained and experienced field workers for the next surveys. But then the question is if you really can have both start in the autumn. You can also discuss of course if it is clever to have two different

surveys; if you can mix them. Personally I do not think that it is a good idea to mix them and have a combined survey because this Expenditure and Consumption Survey is so complicated that I think it is quite enough to have one questionnaire about that.

#### On field work organization

But there are some other things also to think about for the future. If you choose one organisation now, you will reorganise it in three or four years. I can say that in Sweden we have been forced to reorganise almost every year. We had five years ago 200 interviewers and they were all employed on a permanent basis. Today we have only 125 on a permanent basis and the rest are on a more temporary ad hoc and part time basis. The reason is that there are changes all the time.

The labour market has changed. Five years ago we had a lot of difficulties to get interviewers. With high unemployment it is easier so that is why we can employ people in the way we do now. I suppose there will be changes also here in the future. For the moment it is easy to recruit in this way.

We have the technical development. In Sweden we have today about 85 per cent of all interviews computer assisted, both those that are done in the field and those that are done by telephone. If you compare the situation in Sweden and the situation in Palestine, you can see, of course, that the differences are very large. You pay about 2 dollars per interview and we pay in spite of all our modern equipment about 20 dollars. So it is very expensive. The need to use new techniques is very high but the need to reduce costs is higher in our case but needed in your case too. For the longer term future you may also need to use the modern computer assisted techniques.

#### On quality control

One important thing to notice is the need to control quality. It is very interesting to hear that the response rate is so high here. I hope that this will continue also with the coming surveys, particularly with the Expenditure and Consumption Survey. In most countries they have many problems with that kind of survey because it is so demanding on respondent time and commitment. There are also many other things to think about besides the response rate; for example, training is very important and it is very important to develop different manuals for the supervisors and the interviewers.

We have made a report together with the PCBS about the Expenditure and Consumption Survey. There are some pages about how to train interviewers and what to think about. I think it is very useful to have these kind of manuals for every survey that you will perform. There are, of course, many other things to think about to reach a high quality in surveys.

### Mr. Willem de Vries Deputy Director General Statistics Netherlands

Like Mr. Guteland I am also glad to be back in Palestine. My first experience with Palestinian statistics was in July last year when I was invited by the German government to write part of the Masterplan, the part on economic statistics. Before I went to Jerusalem I was briefed by the IMF, by my friend Mr. Chander of the World Bank and of course also by Sten Johansson. And I was also informed on the textbook approach by our friend Mr. Wartenberg.

#### The holy spirit of the textbook approach

Anyway, I spent a week in Jerusalem and in Ramallah and I talked with some people. I must say I had great sympathy for the approach suggested by the World Bank, making a distinction between the short term and the long term needs. But it did not fly and finally the textbook approach was taken. I think Mr. Wartenberg deserves credit for that. I would even call him the holy spirit of the textbook approach. I think there is room in this holy land for more than one holy spirit.

#### On PCBS staff needs

One of the other things I did was to make an estimate of the staff needs of the PCBS for the future. I concluded that taking into account the size of the country, the statistical program and the ambitions and so on, a PCBS would need about 200 people. I did not meet Dr. Abu-Libdeh and Dr. Khawaja but they told me that they were very shocked by that number. However, now there are 72 employees. The growth of the PCBS is on schedule so maybe I was not too much mistaken with my 200.

Of course, you staff needs depends a lot on the methods you use. One of the things I have doubts about is whether it is really necessary to have a large number of data entry staff. I think you see a tendency in all statistical offices in the world that the data entry process and the data editing process are integrated. There are nice computer programs available to achieve that. In the longer run, except of course for a population census or an establishment census, you will no longer need a large number of separate data entry staff. In that respect I am taking data collection, and data processing and computerisation in one stroke so to speak.

#### On standardizing software

I wonder what the use of really separate computer networks really is. I mean why not have one standardised network, working with standardised software available for everybody? When I was here a year ago I noticed that the PCBS was collecting all the software they could get. I think that is fairly normal when you start, but I also think it

unwise for the future. I think you should standardise your software as much as possible.

I noticed that there were two or three different word processing packages around so that people could not communicate with each other. When I was here I had to integrate text in MS Word and MS Word Perfect and I did not know either of them so it was a hopeless job. I had a third software package myself so it was a complete mess.

That sort of situation should be avoided. It is far better for internal communication to have a very restricted number of software packages.

#### On data collection

Now as to data collection, in the household sector you need interviewers. And you will need to get information from registers as much as possible and as soon as they exist. I wonder whether CAPI is really a worthwhile technique here in Palestine. at least for the next couple of years or so. It is probably not cost-effective. So I think it should not be a high priority to develop CAPI-procedures.

As to data collection from businesses, the normal procedure in most countries is to collect information by mail. I do not know whether that would work here, probably not or not too well. So you may need a field staff to do that.

#### On regional offices

That brings me back to a topic we discussed yesterday, namely the idea of having regional offices. Perhaps setting up some system of regional offices in the major cities could reduce your transport costs. Moreover, I think that other functions regional offices could serve might be to make PCBS visible in the region, to provide information to regional and local users etc.

I wonder by the way why you cannot give any publicity to your surveys. They are perfectly legal, I assume, and there are regional and local newspapers. It is only a question.

#### On updating the business register

A possible function of regional offices could be to maintain the business register because I don't see that in the near future there would be any other agency taking over the business register. I agree with everyone that it is not the ideal task for a statistical office but as long as there is no other agency to do it and as long as you need these registers for your short term surveys there is no other solution but to do it yourself. And I think that could be very well done by your regional offices because there are no really complex businesses here in Palestine.

I think that experience shows you need about one person per 10,000 business units, that would mean some 10 persons permanently to keep up to date the business register, taking into account scale advantages, in other words roughly 2 per regional office.

#### On training

I was pleased to hear that you do not have any difficulties in finding qualified staff. However, I think this will change as the economy becomes more developed. You will face competition from other agencies and the private sector, particularly since your staff is well trained. They will be in high demand on the market and you will have labour turn-over. Nevertheless, I think that should not stop you from giving very much attention to training because experience shows that access to training is a strong selling point for statistical offices.

Finally, I would like to make a critical remark. We have received a vast amount of documentation about legislation etc., but so far I have not seen any statistics. So I would really urge you to start publishing and I was happy to hear that the results of the establishment survey are about to be published in a couple of weeks.

#### Mr. Hussein Sayed Statistical Advisor UNFPA

I think my comments can be divided into two parts. The first one is on the lessons learned from the experiences we have been presented with and the second is on special issues for consideration in the future.

#### On lessons learned

If I talk about the first one, the lessons learned, the presentation of data collection operations currently carried out concentrated on the provision of stock data at various levels: community, establishment, schools. The only additional thing to be carried out also is the Demographic Survey. Although the list would give the impression of priority for the population area, there are a lot of surveys that are prepared in other fields like the Labour Force Survey, the Expenditure and Consumption Survey, the surveys of manufacturing and construction etc.. There is a wide range of field work activity that are planned to be carried out in the near future.

The quality of data collected in these types of survey will be heavily dependent on the management of the field work and how the data are collected. However one point should be mentioned and taken into consideration: the age of the PCBS. I think the record that was presented is very impressive, especially since the initiation of such organised activities requested the building up of the needed infrastructure, in some

cases starting from scratch. The implementation of such activities was only possible because the PCBS is well aware of the prerequisites to implement these field activities.

However, to benefit from such record carried out up till now it might be interesting to discuss the lessons learned within the field work organisation. As was rightly pointed out before, the wheel was not invented again but it might be customised and adapted to the local conditions here in Palestine to be able to achieve what they have done.

#### On adapting standards

I think if we are talking about the lessons the first one is the need to specify the concepts, the standards and the procedures that will be adapted in Palestine. This is very important because whatever we start with, we have to define the standards and concepts that will be adapted. That has very clear implications on the quality of data later collected.

PCBS can always depend on the experiences of other countries because no one will start from scratch at this point. But there should always be reconsideration of the standards and concepts to be customised and adapted to Palestinian conditions. And quality control measures should be identified and built into the process from the beginning because there is always a tendency to ignore quality control measures and this not only at the field level. I think quality control should be built into the whole range of the process.

#### On cartographic activities

Secondly, for the preparatory activities of field work it is very important to prepare these activities based on sound and well established techniques. We heard about the cartographic activities. There we have a very good example of what can be achieved in a very short period. I was fortunate to visit the field work during the implementation of the Establishment Survey in the Gaza strip. I was very impressed by the level of mapping that was used in that process.

Actually one very good example of how work can be accumulated is what was done with mapping activities in the PCBS. Throughout, maps were either updated or redrawn to be used for several purposes but especially for the Establishment Census and the Demographic Survey. These maps are prepared both on the basis of geographic and statistical basis up to the block level. This will be an asset in any future comprehensive activities. If priority is given to the census then this will be a very good step.

So I think there is a positive achievement that came out from this experience and actually this is not related to one activity only, it cuts across all field work activities.

#### On centralization and decentralization

The second point that I would like you to consider is organisational structure. The organisation of regional offices was rightly mentioned when we talked yesterday about centralisation and decentralisation.

I was very happy today to see in the data processing presentation the proper concept of the relationship between centralisation and decentralisation. Actually, planning and standards and all the activities that need to be carried out at central level will remain centralised, but the implementation will be decentralised. This is very important not only for the data processing activities but also for the data collection. As I mentioned yesterday, we have to establish a very important sense of ownership for the people at the regional level to be using this data.

If I remember correctly, up till now there are five regional offices, but I was told that there will nine offices in the future. This will be again a very important factor in planning any census activities in the future.

The third point to be considered here is the logistics including the procedures and communication systems which are essential to cope with the inherited difficulties that were mentioned by Mr. Aziz. It is very important to identify the logistics that will be implemented for the field work operations. With this I mean the procedures for reporting and communication and achieving control over all the field work operation.

#### On field work staff

With regard to the field work staff - there are two approaches to be considered here: one is to have a permanent roster of staff that will be used in collecting data in different areas.

The second approach is to have a core of supervisors while depending on specially recruited field work operators to collect the data depending on the qualification required for each topic or special survey. I felt that PCBS is inclined towards the latter case which I personally support.

I don't think that PCBS should have permanent interviewers that can be used in every topical survey. I think it is very important to diversify the interviewers for each survey depending on the qualifications required for each survey. This will affect also the organisational structure of the field work operation within PCBS. It might be important to concentrate on establishing rosters of different potential interviewers that can be used in different topics. But that will not prevent PCBS from having a permanent supervisory level that can be used in all field work operations.

#### On training

A very important step in that area is the training program. I think that training is very important for quality of data, but we have to consider the benefits of centralised or decentralised training. The main factor in that area is the problem of standardisation, if we carry out decentralised training. I think decentralised training can be used but it

should be standardised and it should be done in a proper way. I think that the new technology now available will allow us to carry out standardised training programs at decentralised locations. This should be built in as a basic idea within the data collection process.

However, one important issue is that training does not guarantee a seat for everyone participating in that training. There is a trend that everyone who is trained will participate in the field work. Evaluation should accompany each training process and this should be an integral part of the quality control package that should be adopted at all levels.

#### On field work organization

The fourth point for consideration is field work activities and several examples were presented. I don't take what was presented here as representing a model to be followed in each case because the examples might be relevant only to one activity. We have to build in our minds that the field work organisation is flexible and that it should be adopted and customised to the topical survey.

However, I think the organisation of the field work should reflect certain factors: management principles and control, including lines of authority and span of management, motivation and proper systems for remuneration. It is very important to link the system of remuneration to the productivity of the work. Quality control in the data collection process should include very clear editing procedures at the field level.

#### On cost effectiveness

Thirdly, on cost effectiveness. I would say the figures for the establishment census are very high compared to others carried out in other parts of the Arab region; i.e. Jordan \$1.00 per interview, in Syria, \$0.50 per interview so there is a huge range of potential for reducing the amount of money that is included in this operation.

I think these are the basic lessons learned from the experience.

#### On lessons for the future

Moving to the second area, lessons learned for the future: I think firstly, there is a need to establish a permanent function for updating maps. This is a very important step that needs to be built in within PCBS. The second is consideration for establishing a master sample. This will again depend on the priorities. Up till now what was established is area master sampling. But to what extent will this continue in the future? We might consider refocusing our attention in that area.

My fourth point is that there is always an easy inclination to use the latest technology available. We will always try to use computer assisted devices, but to what extent

this is tested and valid in the environment within our community is very important; what are the implications of such technology on the rapport between the interviewer and the interviewee? Before embarking on such highly sophisticated technology it is important to examine their social implications and to what extent these factors can be used.

Another point is the cost factor. I think there is a huge room for reducing the costs of these activities. I think organising of field work activities and maximising the usage of resources will also reduce the cost.

Finally, the last thing to be achieved is the translation of all these activities into integrated information systems to be used in the future by all users.

#### Floor interventions

# Dr. Hasan Abu Libdeh Director General Palestinian Central Bureau of Statistics

It's amazing that Hussein Sayed seems to have information from inside the PCBS organisation. In your intervention you have very accurately pinpointed many of the ideas that have been in the making within the PCBS. And I really admire your thoughts in this regard because they have exactly reflected what we have been doing. Whether wrong or right that is something else.

Let me clarify that first of all that I should apologise to Mr. de Vries and to the rest of you. I am the one who decided not to distribute statistics as an output of the PCBS. We do have some things that we did produce and we did market to the public but I did not want to overwhelm you with that much quantitative information. I promise that tomorrow I will provide you with a little bit of our production in population and economic statistics.

#### On computer assisted data collection

As far as the CAPI issue, it has never been a priority, only an option. Moving towards computer assisted techniques has several limitations that are beyond our own capabilities and we will not even be able to control or contribute to overcoming these problems. For example, in the area of telephone interviewing, it is almost impossible. In the Gaza Strip, there are 13,000 telephone lines, in West Bank 59,000 telephone lines, and looking at the number of households, this makes it almost impossible.

So on computer assisted interviewing: We are aware of its existence; We are aware of its relevance; We were lucky to get a presentation when we visited our friends in the United States, but it is not something that we are thinking of right now.

What comes out of this is that we have to be able to present ourselves in a sustainable way. The only option for us to do that is to strengthen our own capacity and go for capacity building in a harmonised manner. This way we can make sure that whoever is producing statistics to be used as official statistics, will at least converge towards the same standards. This is why establishing a training centre or program is becoming higher and higher on our priority list.

#### On the response rate

For the response rates, I think, if I understand my own society correctly, the non-response rate can only increase. We have to remember that we are working in the midst of very difficult conditions. We are working in the West Bank which is controlled by the Israelis. We have several cases in our past where a lot of crimes have been convicted under the cover of field work and statistics related stuff. People are not used yet to the concept of having a National Authority who will by the end of the day, though collecting taxes, will produce some services. my expectation is that although we have very high response rates so far, the non-response rate will only increase.

## Fatheya Nassru Ministry of Education Palestinian National Authority

#### On staff psychology

First remark - I keep on urging you to put your wings in the right direction before flying and reminding you that the challenge is very high, energy should not be drained, reflection could keep it to continue in a steady state. This is very important to me as a Palestinian. I keep on thinking about it, because I am a psychologist. I recall several times I've heard you saying how many hours you have spent in the office etc. This to me is a potential for draining your creativity and I want your creativity to have a steady state.

Secondly, the necessity to trust your own inner resources rather than be complicated by the academic technicalities of how to do it. Know-how is not only a matter of an itemised list of how to do it, like standardised terms. Know-how requires you to feel. You have to be in touch with what you are doing. Therefore for field work, I believe you should give it a chance to flow in terms of the general direction of standardised available procedures, but don't tie yourself to these standardised directions. Rather flow into the feel of what is happening in the area, rather than meeting the standardised tests outside here and there.

Lastly, concerning procedures. I see that there is a step missing in the procedures mentioned earlier. There is a group of procedures that should precede all these procedures and that is conceptual analysis. Somebody should attend to the conceptual frames on the basis of which these implementation procedures for the information system should take place.

#### Steinar Tamsfos Statistician FAFO, Norway

Allow me to speak as an associate of the PCBS. I would like to add some comments on the master sample and field work experiences.

#### On constructing the master sample

Right now we have a master sample ready designed and ready to be implemented in the field. It is a very complicated or complex sample design. The mathematical probabilistic structure is not very favourable. The various formulas are not very nice, but it is a design which is one of the only options possible.

The main difficulties we are facing in this area is the lack of reliable information. We have maps which have been rapidly updated, just before the design or during the process of the design. It is a complex structure, and I would wish we could revise it during the course of implementing new surveys all the time.

We have tried to make the Master sample flexible in the sense that it is a stratified design district wise, and it also consists of two separate and equivalent sub-samples. The design is made for a maximum sample size of say, 15-20,000 households. But it is subdivided to make it more efficient in small sample surveys. It is also designed for a rotating sample scheme for the labour force repetitive surveys.

It is ready to be implemented, but due to the lack of a sample frame on the household level, we are expecting to face a lot of problems or inaccuracies. We have done some field tests and the results were as expected. But we have prepared some emergency action to be undertaken during the field work in case things are really bad.

#### On the need for confidence building

One thing I would like to mention here which I am not sure all the representatives of the European offices of statistics are aware of is that this area is rather different from European areas. I have been doing field surveys with FAFO in 1991-92. I think that there is something that even Palestinians underestimate and that is confidence building.

When local people see someone coming around with maps or forms to fill in, they think you are either from the tax authorities or somebody who will come to demolish your house the next day. So there is a basic lack of confidence in any authority approaching your house.

People are generally very hospitable. You are allowed to enter the house. You may get a high response rate, but this is not the same as good data quality. People would not tell you the truth about what they have in the house. Please be aware of it, and

please don't underestimate this. For PCBS coming out now in the field, it is very important to have a good reputation from the very beginning. People here oppose even Palestinian authorities so to have a basic grass roots confidence is one of the basic fundaments for a good start.

#### Mr. William Seltzer Former Director General UN Statistical Office

#### On cartographic capacity

First of all, I am very pleased to hear about all this development on the cartographic side. I think it would be nice to have a lot of statistics output, as Mr. de Vries said, but to have a cartographic base seems to me more important now because it will be the generator for a flow of data in the future and not just a one time shot at some numbers. Of course, there will be problems in keeping the frame up to date in term of the maps, but I think it is important not just for the population based work, but for the economic based work as well.

Until you are really sure that you have a system of keeping your business register up to date, I would certainly like to see some kind of area probability sample to check the quality of your business register, to find out what the level of uncovered units are so that you can calibrate what is happening on the economic systems side.

#### On sampling capacity

I am pleased to hear that there is a sampling capability within the PCBS, but I did not quite see it on the organisation chart. I am not quite sure from what I have just heard if the sampling capability is one within the PCBS or is one that is in the form of technical co-operation. Technical co-operation is important but in the long run I think that it is essential in terms of institution building to have one or two good people who know sampling and are able to handle the complexities.

One thing that troubled me a little bit but this may have just been in the presentation. There was some reference to an integrated data bank in the singular. I guess my experience has been that when people try to get one single data base, it might less well suit a variety of different kinds of uses and also get very expensive. I would rather see an integrated system of data bases, using common classifications and units. Maybe that is what you really have in mind, and if so, that is great.

#### On training

Most large countries decentralise training because they have no other way of handling it. If it takes you four days to travel from the capital to some outlying place, then obviously you decentralise field control. Today you would clearly decentralise the field training in Gaza. I guess I could see a fair amount of coming back and forth within the West Bank, it doesn't seem that large a geographic area. I know some smaller countries have used centralised training to ensure that they do have common understanding by everyone.

#### On regional offices

Please remember that every office that you establish adds to your costs: maintenance, staff etc. It is one thing to have temporary regional offices for a population census, when you have to mount a very large operation but for your on-going survey work, I would urge a certain amount of caution.

#### On response rates

Finally, I guess I agree with Mr. Tamsfos, the previous speaker. There is a very common experience in developing countries of having high response rates compared to that of developed countries. The problem is often in quality, not just because people are deliberately reluctant to tell the truth, but sometimes because your searching out some kind of standardised responses poses some problems to people whose lives do not quite fit in with the conceptual schemes you are using for the interview.

# Prof. Hans Zeuthen Former Director General Statistics Denmark

#### Some rude questions

I was just thinking, what would I do if I was Director-General here. Of course, I would be nice most of the time but I would also be rude now and then. I must be very brief, so point one: This talk about culture, maybe you are sure about what it takes, but how expensive is it? Is it better to take another technique- please make some calculations.

Point two: Are there private interviewers, what are their costs? What are the costs in the neighbouring countries, we were told about it.

And then the most rude question of all, but still I would ask it very carefully, this response rate - are you sure? How do you know they are not making it up? It is a success to come home with a lot of good answers; it is not a success saying, I asked seven persons today and five of them did not say anything at all.

That some interviews are made up by some interviewers is at least to me the moral standard in our country. In Denmark, we know of interviewers who tell you they made an interview but actually they had not. Maybe such evil persons also exist outside Denmark?

#### Dr. Labeeb Abdunnur Chief Statistical Advisor ESCWA

#### On ESCWA seminars

I want to come to the point on publicity raised by Mr. de Vries and later on also commented on by Mr. Seltzer. Of course, publicity is very important, especially getting the message to the users of the results of the surveys. I assume that PCBS before embarking on a survey, sits with the users of the survey to discuss what is to be collected and how it is to be collected and so on. But something that is also very useful as far as better communication and interaction between users and producers of statistics and also for the sake of publicity, is having something after the survey results are out.

In our household survey project in ESCWA, we started something with the countries and it proved very useful and now they are applying it without our assistance. At the end of the survey, the statistics department organises a seminar to which they invite all people who they think would be interested in the results of the survey; the users, researchers etc. They present to them the whole experience: how they conducted the survey, what problems they faced, the results they were able to get, where they were successful, where they were not very successful, some analysis of the results. This would be a well prepared seminar with papers presented even before the time of the seminar and then a whole discussion of this process takes place.

When they do the survey next time, they take into consideration all the discussion and the comments that rose during the seminar and they perform the survey the next time better than the first time by avoiding all the problems and by including the comments of all the users. I think this should be an established practice the PCBS may benefit from. It is a good communication, it is also a source of archiving and documentation of the experience itself, because the documentation is very important for the future. So I would recommend that something like this be established on a continuous basis,

#### On using UN and ESCWA advice

Actually the UN and ESCWA are always willing to assist in this any time you conduct a survey. We would be very happy to assist not only in the early stages but also in the later stages like the seminar after the survey.

I think the PCBS should feel very strongly about asking for the assistance of the UN in all the surveys that they conduct because there is a lot of experience that they can gain and technical assistance they can use while in preparing and conducting these surveys.

I remember the first census in the Yemen Arab Republic was conducted with the assistance of the UN. The chief technical adviser that was responsible for the census later became a member of ESCWA. He was telling us of an experience during that first census when they wanted to go into the field to interview people.

Those of you who know Northern Yemen know the difficulty of the topology of the country. At that time in Yemen there were not many cars, so there was a problem how would the interviewers climb these high hills etc. The adviser recommended that they rent donkeys. So they went ahead and rented donkeys. These interviewers then went on their donkeys and people used to see them and say "Oh, here come the UN donkeys!" I think PCBS can also make use of the UN donkeys anytime!

# Mr. Farhad Mehran Director, Bureau of Statistics International Labour Organisation

#### On quality control

The chart we have seen here rightly so was designed to put quality control procedures for the input process because it is a day for field work. Of course, Dr. Abu Libdeh will not forget the quality control on the output process.

For example during this session this morning I could hear about the economic census. There are some data now on the number of workers in various enterprises, some 60,000 establishments with numbers on employment, I think. One of the jobs for the person who will be doing the labour force survey will be to redesign the labour force questionnaire slightly so that we can to some extent compare the data from the labour force survey on certain sectors with the establishment census. At least we get an order of magnitude matching at the aggregate level. As it is designed now, we can not do that so there should be some changes.

I think this is a useful procedure to link various surveys which seems to be unrelated. To do so would give confidence to the statistician that there may be something right. This kind of reconciliation process may still may not be a full quality control procedure, but it gives some confidence and you feel better when you publish the data that the two sources of data match to some extent.

#### Concluding remarks and rejoinders

# Mr. Afif Abdul Aziz Director of Field Work Division Palestinian Central Bureau of Statistics

#### On field staff

I would like to say that all field workers and supervisors are recruited or appointed in their own districts because they are familiar with traditions and places and all aspects. I just want to emphasise this comment.

# Mr. Omar Al Souss Director of Information Systems Division Palestinian Central Bureau of Statistics

#### On data entry

I want to clarify some comments. The first comment concerns the number of data entry staff PCBS will employ. For now, we have only one permanent data entry staff. All the other 16 are not permanent. By the first of May, we will have four permanent staff. We are employing data entry personnel according to the projects. Of course, we will have a core of permanent data entry staff, but the rest will be employed according to projects.

The other dimension of this issue concerns the use of latest technology in the field of data entry. The dimension which I take care of here is the rate of unemployment in our society. I think this will affect us in taking the decision in using the latest technology in minimising the number of staff in the data entry field.

On standardisation of software, we are working hard to standardise our software. More than 90 per cent of the PCBS staff are using MS products for office automation.

#### On networking

Regarding computer networks, the question was why three different networks? In fact there are three networks integrated into one network. In any terminal of any of those networks, you can switch between one network and the other. We are backing this concept because in producing the publications, we are training the direct user to take care of the publication themselves. By doing this we are minimising the cost of the expensive technical staff. If we are going to produce the publication of different surveys using the staff, then we are doing the wrong thing. We are trying to train the direct user to use Microsoft products in order to have very high quality publications.

We have the three networks for three objectives, - simplicity, confidentiality and response time. Particularly for the population census, a lot of temporary data entry

staff will be employed and in that time, we have to keep the best response time of our machines. The first two networks, one for office automation and the other for system development are going to run under Pentium servers. They are small networks and they are dedicated to certain objectives.

Regarding the integrated data bank - we call them data banks and not data base, and I agree with the comment that it is a collection of integrated data bases.

The last comment is to Mr. Mehran about redesigning the coming survey taking into consideration the previous one. It is a good comment and we will take note in the coming survey to make the double check and to be sure that our published numbers will be as correct and consistent as possible.

#### Mr. Hussein Sayed Statistical Advisor UNFPA

#### On quality control

When we talk about quality control, I would like to stress that we are talking about a package: it is not only related to field work, it should cover all the steps starting from the planning process. I want to stress that quality control should not be left at the field stage, it should start from the very beginning and be planned all the way to comparing estimates for consistency. It is a complete package.

The second point is that we should not pay too much attention to the high response rate because this does not reflect anything if we take into consideration what I said previously about the quality of the data. There is a very important aspect which was mentioned by our colleague from FAFO, which is the time needed to convince the respondent to provide the information. In January, when we were designing the census document, that factor was actually given a lot of attention, because there is a serious confidentiality problem about even meeting the people as was mentioned.

I think the importance lies not with the high response rate, but to ensure that data quality will be good and to minimise the time needed for convincing the people to cooperate in a proper way. I think this is a very important aspect and this also has implications on the cost of the interviewing process. So here I would stress again the publicity aspect and the publicity should be using wide instruments.

#### On master sample

I think this master sample is sufficient for the current purpose but should be revised if additional data becomes available. What worries me a little bit is that I am always considering the field work as a controlled process. If there will be a lot of deviation between the design and what will happen in the field, then we lose control in that sense and that will leave room for de-standardisation.

#### On standardization

The last thing of worry to me is that someone from the floor talked about the non-importance of standardisation. This is a very dangerous comment. Standardisation is a basic requirement of the data collection process; Standardisation of concepts, of procedures, of everything. This is not something to be left to the interviewers to deal with as they would like. We would like to eliminate the impact of the interviewer in that process. Standardisation is not a luxury; It is a must!

**Chairman:** I will allow one rejoinder - to this last point only.

Fatheya Nassru
Ministry of Education
Palestinian National Authority

I would like to make a comment on standardisation - in the sense of having the same terms, pattern, consistency etc. I accept that. My remark concerned standardised, ready made charters for implementation. I stressed the importance of being non-directional in the sense that you are open to what is coming from the field. But of course, the terminology, and how to do it etc. is always standardised.

### The Second International Conference on Developing Palestinian Official Statistics April 26, 1995

### Opening Ceremony at Bir Zeit University

Introduction by

Dr. Hasan Abu-Libdeh
Director-General
Palestinian Central Bureau of Statistics

Welcoming Address by

Dr Hanna Nasser

President of Bir Zeit University

### Introduction by Dr. Hasan Abu-Libdeh

### Director-General Palestinian Central Bureau of Statistics

#### Good morning Ladies and gentlemen!

I think today, contrary to the previous two days, most of us at PCBS are going to have a very special occasion, simply because most of us were born and grew up in this university.

This morning, you are sitting in a lecture hall that has been used for all sorts of elections, therefore, I think, to us it represents an element of democracy. I remember being party to elections which were held for the union of Bir Zeit University employees, students, teachers etc.

This morning, we are sitting in a university which will go down in history as the place where it all started. Looking back at the early seventies and eighties, and even today, Bir Zeit University has been known for its central leading role in leadership creation.

I can tell you that when the Madrid conference started, and contrary to the general knowledge, the negotiations were between Israel and Bir Zeit University, because most of the delegate members were from Bir Zeit University, including myself.

I am very honored to be speaking from a podium where I personally did my undergraduate studies, and where I am still on leave for the PLO from Bir Zeit University.

This morning, I am introducing to you a person who has been very central in promoting education, and promoting national causes, Dr. Hanna Nasser. I met him in the beginning when it was Bir Zeit College. He used to play soccer (or football) with us. Then in 1974, he was deported for being an active leader in working against the occupation. Since then he has been assuming several positions in the PLO executive committee and Palestine National Council etc.

Dr. Hanna Nasser has been very instrumental in putting this university into the working. And I am very honored to have him open today's session.

## **Welcoming Address**

by

## Dr Hanna Nasser President of Bir Zeit University

Thank you, Hasan, for your very kind words. Yes, we are very proud of our colleagues, who have been, sort of, kidnapped by the Palestinian National Authority. But, I think that is really part of the responsibilities of the university, and we look forward to continued cooperation with both the PLO and the various organizations that are under the headings of the PLO.

Let me say that I am very pleased to welcome this distinguished gathering to Birzeit University and to extend the University's support for this important initiative of the Palestinian Central Bureau of Statistics. Promoting scholarly cooperation between international and local experts and academics has been a key element of Bir Zeit University's mission. We recognize that while our problems may be particular to Palestine, the solutions require developing our national capacity to utilize and to contribute to global knowledge systems. It is thus appropriate that a university today is an actual "hall of nations", and the language of statistics predominates over all our local dialects.

### On institution building against all odds

As a person not specialized in statistics, I hesitate to comment on a topic on which you are all so much expert. I, however, have a few comments on the topic of today's session: "institution building against all odds". Here, the experience of Palestinian universities may be quite relevant. I am not sure whether the survival and development of these universities over the past decades of military occupation constituted a statistical improbability. However, I do know that we confronted enormous obstacles that are probably known to all of you.

Some of these obstacles still remain. Indeed, our present situation has its own difficulties. We in the West Bank are still experiencing military occupation while anticipating self-government. This is a volatile mixture which should not be allowed to continue, particularly when accompanied by continued Israeli settlement and continued Israeli army presence and activity. However, we are clearly on the threshold of a new era - an era which requires new capabilities, which you are addressing today in one important aspect. For the Palestinian universities, our main challenge can now be identified as developmental, educational and capacity building in the fullest sense, i.e. developing a nation and a prosperous economy.

I am quite certain that the newly founded Palestinian Central Bureau of Statistics faces similar challenges. Within this framework, one should note that the establishment of Palestinian authority in Gaza and Jericho in July 1994, and the transfer of powers in November 1994 in the West Bank in five civil spheres (education, health, social welfare, tourism and taxation) have created an "instant"

need for a wide range of professional skills. Among these needs, one of the most pressing is clearly reliable statistical information as the basis of any sound public planning.

## There are no instant experts

However, as we all know, there are no instant experts and solutions. Fortunately, local academics, well aware of this need, have been working for several years on planning and preparation for what today is the Palestinian Central Bureau of Statistics. The survival and development of Palestinian higher education also was an important factor in diminishing the "brain drain" and developing local academic and research capacity that could contribute to the Bureau.

In other words, we can improve the odds by serious and sustained investment in education and research. As you discuss strategies for immediate capacity building in statistics, whether in strengthening human resources, designing systems or developing technical infrastructure, Palestinian higher education and the education system as a whole, has a complimentary and long-term role to play. This role could include improving the education of mathematics and statistics in schools and universities, supporting policy-oriented statistical research, or identifying and investigating the social and economic questions that statistical information can help to answer.

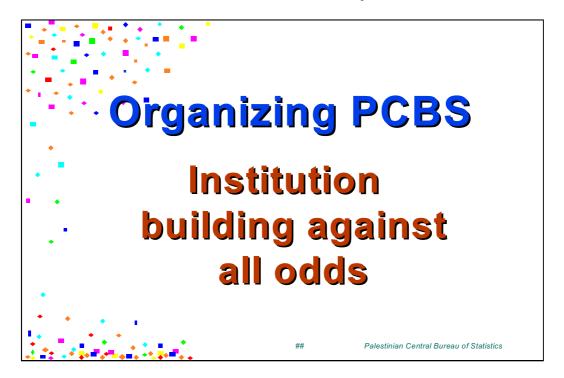
As the numerous ecological, political and economic crises on our globe should tell us, sustainable development is an integrated and interdependent process. The international cooperation and scholarly exchange evident in this room today is perhaps one indicator that this process does not necessarily have to take place "against all odds". As a person involved in education, I must believe that knowledge, skills and human endeavor can change the course of play. I am sure that as statisticians you will agree with me.

Once again, and on behalf of Bir Zeit University, I do welcome you and wish you a productive and successful conference.

## **Session 5**

## Chairman: Dr. Hasan Abu-Libdeh

Director General Palestinian Central Bureau of Statistics



## Introduction by

## Ms. Rida Baidas

Director, Human Resources Development Programme Palestinian Central Bureau of Statistics

## **Discussants:**

Mr. Fernando de Esteban

Director, Eurostat

Mr. Salvatore Favazza Statistician, ISTAT, Italy

## Mr. Raul Suarez de Miguel

Head, International Affairs Department Statistics Switzerland

Some highlights from the discussion

## On Mediterranean cooperation

"A Conference organized by the EU Statistical Office will examine the key needs of the national statistical systems of the Mediterranean countries in order to define priority areas for co-operation"

"..training could be one of the more important components in the future Meditterenean regional programme of statistical co-operation which I just mentioned"

## On organizational issues

"Someone needs to talk about the need to maintain the creativity, the imaginativeness, the capacity for flexibility of your people"

## On ways to finance activities:

"the PCBS will have some powerful tools to be sold to the market... specific tabulations of the data available to PCBS... the computer center facilities... the interviewer network .. might be sold at market prices."

"One list should include basic needs that PCBS has to satisfy anyway and then, second, a list of projects.. not necessarily according to any rank order but according to the specialties of the various donor organisations."

## On training

"In matters of training I think you should have a bigger vision... why not think in a regional perspective? Why not link the training question to the general development of the Palestinian educational infrastructure?"

"..training should be done in ..cooperation with universities. However, universities are more inclined to give the theoretical training. They do not have the practical capabilities. It is only in cooperation with a statistical bureau that they can start training in applied statistics"

#### On cost reduction

"I think your insistence on the problem of costs.. is ..a little exaggerated.. you have full right to make mistakes.."

"..it is a luxury to be able to make mistakes. This is against accountability.. Don't ever take this attitude because it will create a lot of trouble in the future.

#### On holy spirits

"I have a theological problem with two and now three holy spirits. I will very much prefer that you identify the father, the son and the holy spirit of the statistical system."

### Invited discussants

# Mr. Fernando de Esteban Director of Eurostat

It is a great pleasure for me to be here in this beautiful university representing the Commission of the European Union.

The Commission of the European Union, and particularly Eurostat, accepted, with pleasure, your kind invitation to take part in this conference and we consider this important for the development and strengthening of the Palestinian Central Bureau of Statistics, in order to obtain viable and up-to-date statistics in the West Bank and Gaza.

There are several reasons why we consider the development of statistical information important. I will mention only two of them here. First of all, it is clear that in order to develop any economic or social policy, it is necessary to have a deep knowledge of the existing situation. Secondly, and perhaps even more important, the transperency in the field of statistical information is a powerful encouragement to the development of democracy.

We are committed, of course, to continue also in the future, as we did in the past, our involvement in contributing to the development of the Palestinian Central Bureau of Statistics.

#### On EU Mediterranean policy

In order to explain where our resources will come from and how our programme of assistance will be structured, I would like to go one step backward and explain the latest political developments as regards the new Mediterranean policy of the European Union, which will have profound implications for the development of statistics in the twelve countries of the Mediterranean.

The Essen summit in December 1994 was a critical watershed in the Mediterranean policy of the European Union. The conclusions of the Essen summit specifies that:

"The Council agrees that an important element of a future Euro-Mediterranean Partnership would be to start with a process of progressive establishment of free trade between the region as a whole and the European Union as proposed by the Commission in its Communication. In fostering such a zone, regional cooperation will be a key factor. The Council agrees that such a progressive development should be supported by substantial additional financial aid."

Considerable financial assistance will be committed in order to implement the future Meditteranean policy. It is foreseen that the final figure will approach 5 billion ECU, even if the final decision will be taken only at the next European Union summit which will be held in Cannes in June 1995.

Moreover, it is worth to note that the Council has recommended that "the European Union should convoke in the second half of 1995 an Euro-Mediterranean ministerial conference."

The Conference will be held in Barcelona at the end of November 1995 and it will be organized by the Spanish presidency.

#### Given therefore:

- the new interest for the Mediterranean and the decision to establish a future Mediterranean policy;
- the substantial financial aid which we will be committed to support this policy,
- the importance attributed to regional co-operation,
- the conference which will be organized at the end of November 1995 by the Spanish Presidency
- and the new interest by the Commission for projects on statistical co-operation, there is an important Eurostat proposal.

## On Mediterranean statistical cooperation

EUROSTAT launched the proposal to organise a seminar on statistical cooperation. The seminar could be organized in Luxembourg, Italy, or Spain after the Euro-Mediterranean ministerial conference in Barcelona in December 1995 or January 1996. The objectives of the seminar will be:

- to examine the key needs of each country;
- to define which could be the priority areas for co-operation,
- to examine the willingness of each participant to take part in a regional programme of statistical co-operation,
- to give a mandate, if necessary, to Eurostat and a task force, to establish a strategy for building up a programme of statistical co-operation with statistical offices of Mediterranean countries.

It is worth noting that the proposal to organize such a seminar was viewed favorably by the Commission, which agreed to treat it as one of the priority actions that will be approved during the Barcelona conference. It is likely that the text (still under discussion) of the declaration that will be signed by the Ministries of Foreign Affairs in Barcelona, will highlight the importance that the parties give to comprehensive upto-date statistical information, as well as the need for a cooperation between the EU statistical Office, the Member States Statistical Offices and the Statistical Offices of Mediterannean countries, in particular for harmonizing methodology and exchanging data. It is also likely that the Barcelona declaration will mention the importance of organising a conference that will examine the key needs of the national statistical systems of the Mediterranean countries in order to define priority areas for co-operation."

In the last weeks, we have prepared a questionnaire on statistical co-operation which will be shortly submitted to the PCBS and to the other 11 statistical offices of the region.

A working document (to be prepared on the basis of the replies to the questionnaire) will be drafted and will constitute a useful basis for discussion during the seminar.

In the months ahead, preliminary discussions and contacts will be made with all the Mediterannean countries in order to associate them from the beginning on the reflection on how to build up a statistical co-operation programme and on the main goals to be achieved.

## On training

More specifically, the issue of training which was mentioned as an overall priority by Ms. Baidas, I would like to say that training could be one of the more important components in the future Meditterenean regional programme of statistical cooperation which I just mentioned.

In fact, we are studying the possibility of building up a specific CESD programme for Mediterranean countries and in particular a "TES" programme. I believe that many of you attending this conference are laready familiar with the TES courses for statisticians (TES means Training of European Statisticians). In the past, these courses were organised for Western European statisticians. Later the possibility to participate in this meeting was extended also to Eastern European statisticians. Specialised courses were organised in Eastern European countries.

In the framework of the regional statistical programme for Meditteranean countries, I think that the possibility of setting up some specific TES courses targeted for statisticians from Meditterenean countries should be carefully explored and this is what we are going to do in the months ahead. In the same framework, we could also examine the possibility of some sort of training arrangement, as far as training is concerned, between the PCBS and Eurostat or some of the statistical offices of the countries of the European Union. More specifically, some statisticians from PCBS could be trained on selected topics in Europe or perhaps European statisticians could undertake short or medium term missions to the PCBS in order to provide technical assistance.

Finally, I would like to add that we also could explore together the possibility of allowing statisticians from PCBS to participate in the training courses that are provided by the Munich centre. These courses are taught in English and French and are targeted for statisticians from Asian and African countries.

So, I would like to conclude my intention stating that it is our hope to work very closely in the months ahead, with the PCBS, in the development of a multi-annual programme of statistical co-operation and in defining with us the priority sectors for co-operation.

# Mr. Salvatore Favazza Statistician ISTAT, Italy

Being a discussant for this session, there are two issues that worry me mostly the first of which is the responsibility to discuss resource availability and organization problems. Those are two powerful bottlenecks for all the plans and strategies discussed so far in this conference. But I am mostly worried that you are asking me, an Italian, to accomplish this task, probably because of our high skills on organization issues!

Being our second national characteristic to very synthetic I, of course, prepared a speech for half an hour, but because of the short time we have, I will drop most of the things going straight to the three main points Ms. Baidas raised, starting with the organization problems.

## The idea of a survey unit

Reading the organizational chart of the PCBS as presented in the Masterplan and by Ms. Baidas, I feel the need to introduce and highlight as a staff office a kind of survey unit.

By this I mean a group of statisticians with methodological skills that can support the experts of the different sectors in planning the surveys, drafting the questionnaires, designing the sampling frame, applying the statistical inference methodologies, developing the data editing rules and the quality controls needed and preparing the tabulation plan with respect for confidentiality requirements and needs. I think this survey unit is a very important key element in an institute that has to face lack of resources.

#### On relations with donors

As regards relationships with donors I think two main issues are important. One issue is that appointing a project coordinator who should work in such a close link with the survey unit could satisfy two major donors needs.

On the one hand, it would provide a guarantee for the management of the project with the project coordinator as a reference for the donor. On the other hand, the survey unit at the same time can guarantee the integration of the project within the framework of the statistical system established for the PCBS.

The second issue in relation to donors is that is important is to have a clear list of priorities. But since the implementation on priorities relies also on the availability of human and financial resources, I think such a list should be presented in two main groups.

One list should include basic needs that PCBS has to satisfy anyway and then, second, a list of projects, parts of which can be agreed upon with individual donors, not necessarily according to any rank order but according to the specialties of the various donor organisations.

I think this would be the best way to relate to the donors trying to meet also their needs.

## On ways to reduce costs

The second question Ms. Baidas raised concerns costs. Several pieces of advice have been given, particularly yesterday when we discussed field work organization. I would like to add only a few comments.

The first concerns the use of multi-purpose tools. It has been discussed to use this tool, especially to satisfy the wide needs for social statistics. The use of the labor force survey as a pivot survey for the system of social statistics seems to me reasonable in the context of scarce resources. Of course, we all know that it is better to have a labor force survey, a household budget survey and all the other specialized surveys. For example, at ISTAT we use a multi-purpose survey to get statistics for all the parallel social sectors that we need to get information on, such as time use and to estimate the informal sector.

A second comment is on the population census. As has been said, it is a powerful tool for several reasons, particularly to update the population register and to provide a sampling frame. But it is also a very heavy task to be carried out in terms of organization, time and financial resources.

However, a complete census is not required to get this basic information. Also a simple counting of population, meaning a very simple questionnaire with very basic information such as age, sex, marital status could be enough at the beginning to satisfy such priority needs. And it could be an opportunity to update and upgrade the existing cartography or to prepare a cartographic unit that is also very important for running sample surveys because you might need to use area sampling techniques not only in agriculture but also for social statistics surveys.

Regarding personnel costs, I will not go into the administrative problems you face in recruiting personnel because these are very linked to national laws and even cultural habits. One possibility to reduce cost is that you may consider having not only permanent staff at the PCBS but also making extensive use of fixed term contracts or fellowships or even volunteers. Young graduate people who are willing to learn our profession can come to work in your projects. This might also be a different way to select people for recruitment. After a period, when they have worked with you, you will be better able to judge whether this person should be recruited as a permanent staff or not.

## On selling services to get income for PCBS

The last recommendation on this side regards services. After establishing the basic tools to carry out its own activities, the PCBS will have some powerful tools to be sold to the market.

A first one could be specific tabulations of the data available to PCBS. The private sector or other sectors of your Authority might require you to produce specific information from the surveys you carried out. And this might be sold at market prices or you might have a list of different prices according to the users. For examle universities or other public sector could get very cheap prices while the private sector has to pay market price, of course, given the respect for confidentiality and provided that you already disseminated the basic information.

Another service that could be sold is the computer center facilities. Most probably you are going to have one of the most powerful computer centers within the West Bank and Gaza. So this facility, besides serving your own needs, might be also used by private firms, or donors or other people interested in having such a facility here.

Last but not least, soon you will have an interviewer network available and the skills to design sample frames. Soon also the economic system of Palestine will be developed enough so that enterprises, banks and foreign investors will need to undertake surveys for marketing purposes. The PCBS could offer the interviewer network and the computer facilities at market price to them.

## On training

The last point is on training. Mr. de Esteban already provided you with information on the opportunities the EU is preparing for the Mediterranean countries, including the PCBS. The only thing I would like to add, since training is a such a priority need, is the possibility that each project you are undertaking should have several training components for PCBS staff and for others.

One very effective way to practice on the job training that we have experimented with in other cooperation projects with other countries, is to include training in the pilot surveys in the workplan. With your pilot surveys you normally do not intend to get results but to verify the different steps to carry out the survey and to train people to carry out such activities. To explicitly use the pilots for more extensive training is an idea you may consider.

Mr. Raul Suarez de Miguel Head, International Affairs Department Statistics Switzerland

As requested and as the time is going fast, I will reduce my discussion to some very Latin and very Mediterranean comments on organizational and human development issues.

Ms Rida Baidas pointed out a number of topics that needed to be further discussed in a very detailed manner but I think now there is only time to point out a number of issues.

## On your right to make mistakes

My first point is a very general one. It is important to say that you have full right to make mistakes. I repeat, a full right to make mistakes. You are developing a new statistical system, please, do not use the way in which we usually judge our current problems on human development issues.

I think your insistence, today and yesterday on the problem of costs, and a number of other problems, is in my opinion a little exaggerated. Just start to use money and other resources in concrete projects. When you have finished to spend the first part of money then you can see if there are ways to improve the management and the control procedures.

I can say what I think is the opinion of many in this room. You should consider that you have a full right to make mistakes. And nobody will judge you if you start now with programs and projects or procedures that will be extremely costly and then you rectify your procedures.

## On maintaining creativity and flexibility

My second point deals with the human capital and the human development you have here. I think we can characterise your human capital in two ways: First we have the impression that your human capital is very commmitted, very enthusiastic, very patriotic. This is very important for you and for Palestine.

You have also a human capital that is very highly educated and very aware of the future problems you will encounter. This is an exceptional situation for people like me at least who has visited periodically different countries where we normally do not meet and talk to staff as qualified as yours.

You have identified needs for cost-efficiency, organization and for training. Someone needs to talk about the need to maintain the creativity, the imaginativeness, the capacity for flexibility of your people. All you can think and do in terms of organization should in my opinion also serve to maintain your actual capacity to be flexible, creative and effective in the short run.

#### On work in technical committees

You have chosen the cooperative approach which seemed to you to be the best adapted to your human resources. I find your description of your technical

committees very interesting but I think you should also take into account one element of the contract approach.

A technical committeee is a way of managing projects also in Switzerland and other countries. It is important that the cooperative approach has a documented procedure. As you have the full right to make mistakes, the importance of a mistake or an error is that you can learn from it. But you can only learn from your errors and mistakes if you have documented the procedure of work which led to a mistake.

In your technical committees it is very important that you don't burden them with bureaucratic procedures. But it is important that you have a clear definition of duties in written form, a clear distribution of tasks in written form and that you have periodically at times a short report on the ongoing work, problems encountered and results reached.

### Think big on training!

And my last point is on the training center. I will make here two surprising comments for you perhaps: I think this is the second impressive university we visited in two days. As we understood it, the Palestinian people is investing heavily in its educational infrastructure. Why do you not link the training question to the general development of the Palestinian educational infrastructure?

Yesterday, I had the occasion to talk to responsible people at the Al-Najah national university. They explained to me that they are now developing an institute for public administration. My first point is that you have here a rare occasion to include within the program for this institute, where the future responsible people of your administration will be educated, some general training of statistics.

It is very important that the future institutions take into account the needs and importance of statistics and this you can do by including your training in statistics within the general educational framework.

My second point: During the last three days we have been telling you that you are doing too many things, you should have strict priorities, etc. In matters of training I think you should have a bigger vision. If you wish to have sustainable development and a real multiplier effect, why not think in a regional perspective?

I mean this training is a need also for Jordan, for Syria, for Lebanon. I think a number of European countries will fully support a big project of this nature, not in terms of a big institute but in terms of a big objective like this. I think here your qualified staff, your special situation, your educational context could serve as a basis for a regional training development.

Of course what I am saying may appear a little strange for political or other reasons. But as we are working in a very technical field, it could be interpreted as a good wish signal for the different parties in the region.

### Floor interventions

## Mr. William Seltzer Former Director-General UN Statistical Division

## On your unique financing situation

I think this was an excellent presentation and an excellent discussion. I think among the problems almost unique to the PCBS is the lack of secure financing. Most of the other factors that Ms. Baidas mentioned did occur in most developing countries when they were newly independent for a variety of political and other reasons. But they always started out with a power to tax and the power to have some revenue internally, even if it was small. I think this is special and unique and you can point to that.

And, on the same token, it is important that as soon as it is possible to get some Palestinian revenue, that some gets allocated to PCBS if only to establish this as a precedent for the future.

## Plan for high personnel turnover!

You have an excellent staff. I think it is inevitable that you will have high labor turnover over the course of the time to come. It happens in developed countries. It happens in developing countries. You have to plan for that. That is the price of success.

You can do so by training more people than you need at the moment. You can do it with a kind of redundancy, that each in your staff knows something about more tasks than their own. Or you can do it by extensive sharing of information so that there are no unique geniuses who have all their information for themselves in their own drawer, that they share it. So if or when they leave someone else can take over their tasks.

## On organization

And finally, this question of organization. In the UN Handbook of Statistical Organisation it is pointed out that there are two broad ways of organizing a statistical office: by subject matter or by function. Many offices are a mixture of the two.

You have relied very heavily on organization by subject matter. I guess I am sympathetic with the long term view of having this survey unit as suggested by Mr. Favazza. But I am not quite sure if it pays to establish it today.

However, particularly on the technical side of sampling, I think you may have a problem. And I guess that you may even notionally have this technical unit on your organization chart. Maybe someone suitable will sit in one of your subject matter units but he will have a joint appointment as your chief sampling expert. And so he could be in both capacities and he will be recognized within the other subject matter divisions as the key person to rely on and to sign on for sample designs.

## Mr. Dieter Katterman Senior Planning Officer GTZ, Germany

I was very impressed by the presentation made by Ms. Baidas because she raised a lot of issues that were in my mind those last days and she also made it apparent that there is a sense of cost awareness from the start. I want to make a few suggestions on these lines and I join with Mr. Favazza who made some comments along these lines.

#### On recurrent costs

First of all in terms of recurrent costs, I would also suggest that you have in mind what you build up now and what consequences this might have for the future. With Mr. Favazza, there was a suggestion of thinking about temporary contracts, there was a suggestion of selling services and things like that.

I think you should try to be very realistic in terms of what will be the revenue of the Palestine state that will have to be pulled out of someone's pockets here. You should be very modest in building up obligations now which will continue into the future. This is in terms of staff, in term of salaries and institutions too.

One suggestion was to make use of the university capacity that you have. I also would think that a training center should be making use of these other resources that you have and I think it is a good idea to think about this European initiative at a regional level, since you already do have a lot of cooperation with the Jordanian statistics bureau.

## On handling aid

Another point concerns investment costs. I think it is very tempting to make use of all the aid that is offered but again this is very demanding in terms of absorptive capacity. You will have a lot of missions to host. I think you should do everything to avoid wasting your human resources on that kind of business. Everybody knows other development administrations and knows how often they are overburdened by managing aid alone. I think you should do everything to avoid that kind of costs.

There is a certain danger of having people come from all ends of the world and suggesting to you things that you have already discussed with others. I think the best way is to exchange information among all these people. Don't have five visits of different people to talk about a production index, for example. Try to make transparent what you already have agreed to with some of them so that even in the investment phase everything is done to avoid costs.

# Mr. Jean-Louis Bodin Director of International Affairs and Cooperation INSEE, France

As with the previous speakers, I am also very impressed by the quality of the presentation this morning. I would like to state my agreement with Mr. Suarez de Miguel on the importance of human resources. I am sure that in the long term, the human resources are the most important problem. Of cource, the lack of financial resources is also a problem but the good managers will find financial resources, but financial resources will not go to bad management.

## On training

I would like to make a comment on the basis for organisation and training. You have made the choice for a centralized organization and I am sure you are right but as it is provided by Article 8 of the law, all the ministries may also have some statistical activities. And I think it is very important that the training center concerns both the PCBS management but also the management of the statistical activities in the ministries.

I am sure that you must go far to have a role as coordinator of the work done by various ministries in the statistical area. Probably one unit in your organization must have in its duties the official coordination of statistical activities and the same unit may also have the secretariat of the advisory council. The advisory council is also a way to coordinate the full statistical system.

One last comment, I like very much the idea presented by Mr. Suarez on the regionalisation of the training center for at least one reason. You are not the only country in this region where a statistical system is starting from scratch. One other country has the same problem, of course in a very different political context. I am thinking of Lebanon. Statistical activities there are for the time being also starting from scratch. They have not had a statistical system for the past 25 years, since the war started actually. It might be a good idea to join the efforts of at least these two countries to train the human resources.

Mr. Vladimir Drjuchin
Chief, Management & Planning
UN Statistics Division

#### On organization

I have two comments. First of all on organization structure. I think everybody recognizes that the organisational structure is a living organism. It is not a constant structure. The structure now being in place in PCBS should be viewed as an interim

structure which may be proper for the next two or three years at which point it will be necessary to evaluate the function of PCBS. And such evaluation may lead to modification of the structure, of course.

For example, while the responsibility for the population and housing census for the present may be placed in the population and social statistics division, the conduct of the census will be an enormous task and may require the establishment of a separate division. Similarly, a separate computing division may be needed at a later point in time when data management assumes a more significant role.

We clearly understand why there is some lack of relationships now between users and producers of statistics and it may also influence the structure because based on future user demands you may also consider how to restructure the organisation.

## On PCBS success in the first phase

For my second comment, I hope you allow me to go back to January 1994 and the first conference of this type in New York and to recall the very detailed specification for creating the Masterplan for your office which we developed in the UN Statistical Division. That document, which I do not think was widely distributed, specifically indicated the necessity of phasing the development of the statistical office of Palestine.

And looking now at the document I am very pleased to see that the first phase, we called the short term phase, you have almost completed. If you look at all the objectives we indicated you have done a great job. I really appreciate that in such a short period of time and with such severe resource constraints you have managed to do such a great job.

#### The first holy spirit

And my last comment is not substantive but concerned with appreciation. We distinguished during the discussions of these last days two holy spirits of this conference. I cannot miss the opportunity to remind the conference that the initial holy spirit of the then PBS is the former Senior Advisor to the Under Secretary-General, Director of the UN Statistical Division and formerly my boss, Mr. William Seltzer.

He acually initiated the idea in New York in December 1993 at a meeting presided by UNDP when he proposed to hold a conference in New York and to start to expose the PBS people to the international statistical community.

Chairman Abu-Libdeh. I hope that Mr. Seltzer goes to registration for this new title!

## Mr. Labeeb Abdunnur Chief, Statistics Division ESCWA

### On organization

I only want to repeat what was said before that organisation is a continuing process. It goes on. It does not stop. We do not have the luxury of imagining the best organisational structure that has already been experienced by some countries who have already a long experience, financial resources, human resources, adequate facilities etc. You do not have that luxury.

You have to start with what you have. You have to use those resources in the best manner, in the least bureaucratic manner, in the least costly manner and then when things develop you will change your structure and your organisation.

### On training

As far as training is concerned I am very pleased with the proposal that training should really be done in conjunction and cooperation with universities. However, we should be aware that universities are more inclined to give the theoretical training. They do not have the practical capabilities. It is only in cooperation with a statistical bureau that they can start training in applied statistics.

One of the things you can do with universities is that they can have courses where the students go to the Bureau of Statistics and work there for a semester or for a couple of months. You can use them on the surveys that you are conducting. They work with you. They get credit for what they do and the university counts them for that. In this way you can make use of them and they can also get the practical side of statistics.

Also I am very happy to hear that there is a proposal to have a regional training facility. That is something that I really feel the need for as one who is working in the region. And we will also in ESCWA be happy to cooperate in this endeavor.

# Dr. Hussein Sayed Regional Statistical Advisor UNFPA

## On organization

I wanted to say that there is a difference between what one might call the permanent structure and the ad hoc organisational structure that will be created for certain

purposes like the census. The census will not be one part of a specific unit. It will be an umbrella project that will be involving many units.

And the survey unit should be an interdisciplinary unit within the organization, because if we want to establish a highly technically competent survey unit it will be very costly. It will involve a lot of techical people. By carrying this out as an interdisciplinary activity instead we will actually achieve better cost effectiveness.

#### About mistakes as luxuries

My second poin is related also to costs. We are talking about the costs and how to reduce them. And then we are talking about the possibility of making mistakes.

I would say that in developing countries, it is a luxury to be able to make mistakes. This is against accountability, this is against a lot of factors pushed by donors. So based on previous experience, you have to avoid the possibility of making mistakes, you have to minimize the possibilities. Don't ever take this attitude because it will create a lot of trouble in the future.

#### A census issue

Also with regard to the cost issues, we are talking about how to minimise costs by using multi-purpose activities. So in that context, if you are going to carry out a census, should it be limited to certain topics or should it be enlarged to cover the basic required data by users? Again this is a very important point to be discussed from the cost point of view, not only from the resources point of view.

## On training

My final comment is with regards to training. Going through the list that was presented by Ms. Rida Baidas, the analysis part was not clear in that list. To create the ability to carry out analysis is very important within your activities. I think it should be part of your program.

In the training program also, I think we should have programs in the short term, in the medium term and in the long term. In dealing with each of these you have different options.

In the short term program you might borrow expert people from other disciplines to be trained and introduced to the statistical field. But you have to build also a long term training program and in that context I think the regional option is important. It is relevant not only for the four countries that were mentioned but throughout the Arab region. However, there are a lot of regional facilities that can be used in that sense. There are ESCWA facilities, there is the Cairo Demographic Center. There are a lot of other facilities that can be used.

## Concluding remarks and rejoinders

## Mr. Fernando de Esteban Director, Eurostat

## On training

Only two ideas. The first is the training center. Probably it is better to develop this idea in cooperation with the universities.

My second opinion is that a regional center is a good idea too. But I propose that you introduce this idea in the meeting that we are going to have with the other Mediterranean countries in December 1995.

# Mr. Salvatore Favazza Statistician ISTAT, Italy

### On survey unit

I agree with Mr. Seltzer that the tasks of the survey unit I described are for the long term purposes. What is important is that a survey unit as a staff office is present in the organizational chart of the PCBS.

I also agree that the first task is to have the capability to manage the sampling. So among all those tasks I mentioned this should be the first task.

## Mr. Raoul Suarez de Miguel Head, International Affairs Department Statistics Switzerland

## On holy spirits

First of all I have a theological problem with two and now three holy spirits. I will very much prefer that you identify the father, the son and the holy spirit of the statistical system. But it is a question of cultural and religious preferences.

## On the right to make mistakes

I am not inviting you to chaos, disorder, mistakes and expenditure. But, please, please, do remember that your main task is to develop your statistical systems and to do statistics.

Do not concentrate your job on thinking how to reduce costs, how to control and how to manage. Your main task is not to bureaucratize the rationalisation.

Do your work and then rationalize when you have done your work. It is impossible in a single country to take into account the lessons of other countries. You should grow yourselves. And exactly as for anyone of us, the best learning is on the basis of our own experience. So I am not inviting you to the chaos, Mr. Chairman!

# Ms. Rida Baidas Director, Human Resource DevelopmentProgramme Palestinian Central Bureau of Statistics

There is no time, so I just would like to thank the discussants for their interventions and and also for the interventions from the floor. Thank you!

## **Closing Remarks**

by
Dr. Hasan Abu-Libdeh
Director-General
Palestinian Central Bureau of Statistics

Ladies and gentlemen, Dear colleagues!

Of course, all of you have been to conferences on many occasions. And for some of you, this might be just an additional conference. But believe me, this is a very special moment for me and for all my colleagues at PCBS.

## On PCBS as a success story

Considering our age and contrary to our advisors I can brag and say: I think we did wonderfully and we all deserve the credit, from the janitor to the Director-General. All of them did very well. I would like to state for the record that I am very proud of my colleagues. I extend my sincerest thanks to everyone of them for making it all possible.

I also like to remember when I and my ex-colleague, Mr. Salim Zougbi, who is not with us today went to to New York in January 1994 to be received by Mr. Seltzer and his colleagues and by most of you in a very brotherly fashion.

During the last three days we have been discussing various issues pertaining to the development of Palestinian official statistics. We are very realistic. We are not sending you home with any written texts or resolutions or agreements of any binding kind. But I do hope that we are sending you home with a very clear message that we are an institution that means business and that we are an institution that has chosen one option: success.

This is a success story and I hope that everyone of you who is convinced that it is a success story will go home and talk about it. It is very important for many to know that there is progress in Palestine, that there are good news also and tremendous effort exerted to overcome difficulties.

## **Lessons from sessions**

On the first day we have benefitted a lot from your direct and indirect assessment of what we did to develop our theoretical and legal framework for official statistics. We will take into consideration all your comments concerning our statistics law and we will present our Authority with a new version based on what we have learned from you and what you have shared with us.

As far as the population and social statistics is concerned we have listened to various opinions and concerns about the way to go. Administrative records and registers are

not in any way meant to be a replacement for censuses and surveys. A combination is going to be our path.

We are also not suggesting in any way that we will be assigning ourselves or accept to be assigned as the sole authority to maintain any of these registers. But as we said in one these sessions, when there is no infrastructure we have had to create it.....

(There was a break because Dr. Hasan was called to the telephone by President Arafat)

I do apologize. I do not think it has ever happened to any of you but it happens in our country very often. And when the President is on the line, I think that one should, at least in my case, I have no choice but to go and answer the telephone.

As I was saying we think that administrative records can be used as they have been used in many countries in a cost-effective way. So adminstrative records are not meant to be in any way a replacement for censuses and surveys.

As far as the third session goes, our understanding is that there was a clear endorsement of the textbook approach for economic statistics.

In the fourth session we have presented our experiences so far in building field work capacity and the computer and national information system. I think you were somewhat impressed by our achievements. But let me assure you that we will be taking the cost issues and the sustainability issues very, very seriously.

In today's session I believe that there was a unanimous endorsement of the idea of creating some kind of training capacity. We will be looking very seriously and in a very pragmatic way into the ways and means of establishing this capacity, whether as a program or as an institute; whether to link it to the universities or other local institutions and including also the regional aspect.

### What is the next phase?

Today we mark the end of this second international conference on developing Palestinian official statistics. I would like to declare two things:

First, in my opinion the first phase of the Masterplan is over. The second phase which represents detailed programs for various fields will be worked out. And I really hope to be able to share with you, no later than the end of this year, our ideas concerning how to go about in various sectors.

Second, I would like to declare that the Palestinian Central Bureau of Statistics is going to sponsor the efforts of creating a Palestinian Statistical Association. In two week's time we will call on all Palestinian statisticians and those who are interested in statistics for a plenary meeting to elect a transitional team to carry over this endeavor. And I do hope that a Palestinian Statistical Association will be able to place itself on the international statistical map in due time.

Thank you very much for attending this conference and I wish you a very successful trip to Gaza and a successful trip back home.

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