European Communities

EUROPEAN PARLIAMENT

Working Documents

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DOCUMENT 1-744/82

Report

drawn up on behalf of the Committee on Budgets on the reform of statistics in the Community

Rapporteur . Mr W. F. NEWTON DUNN

At its sitting of 8th April 1981, the European Parliament, in accordance with Article 47 of the Rules of Procedure, referred the Motion for a Resolution tabled by Mr GLINNE on behalf of the Socialist Group on the reform of statistics in the Community (Doc. 1-105/81) to the Committee on Budgets.

The Committee, at its meeting of 24th June 1981, decided to draw up a report and appointed Mr NEWTON DUNN as rapporteur.

The Committee considered the Draft Report at its meetings of 29/30 April and 29/30 September 1982. At the latter meeting the Draft Motion for a Resolution was unanimously adopted.

The following participated in the vote: Mr LANGE,
Chairman; Mrs BARBARELLA, Vice-Chairman; Mr NEWTON DUNN, rapporteur;
Mr ADONNINO; Mr ARNDT; Mr BARBAGLI; Mr BARBI; Mr BROK (deputizing
for Mr RYAN); Mr KELLETT BOWMAN; Mr LANGES; Mr ORLANDI; Mr SCHÖN;
Mr SIMONNET.

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The Committee on Budgets hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

on the reform of statistics in the Community

The European Parliament,

- A having considered the motion for a resolution tabled by one of its political groups (Doc. 1-105/81),
- B sensitive to the importance of statistical information to the Community institutions for the efficient execution of their work,
- .C aware of the role of the Statistical Office in providing information to the Community institutions,
- D having regard to the report of the Committee on Budgets (Doc. 1-744/82),
- 1. Recommends that all the Community Institutions should have equal access to the Statistical Office of the European Communities (SOEC) but that, on administrative matters, the SOEC should answer to the Commission; welcomes in this connection the commitments made by the Commission to provide an improved service to other users of Community statistics;
- 2. Asks that in future it shall be consulted for its opinion concerning each new Statistical Programme;
- 3. Recommends that the formation of separate statistical departments within other institutions be discouraged;

4. Asks that

- there shall be a greater degree of regional disaggregation of statistics in future so that separate statistical information is available for each European Parliament multi-member constituency,

- statistics from Mamber States be compiled on a uniform basis so that direct comparisons may be made,
- greater priority be given to printing and to dissemination of statistics,
- Members of the European Parliament should have access to the services of the Statistical Office;
- 5. Requests the Commission to make an assessment of future statistical needs in the Community and to report to Parliament during 1985 on whether the creation of an independent statistical office is necessary to meet these needs;
- 6. Instructs its President to forward this resolution to the Council and the Commission of the European Communities.

EXPLANATORY STATEMENT

1. The motion for a resolution (Doc. 1-105/81) proposed that the Statistical Office of the European Communities (SOEC) which is at present a Directorate-General of the Commission, should be transformed into a separate inter-institutional body which would be jointly administered by the other Community institutions.

What does the Statistical Office do?

2.1 The Statistical Office of the European Communities serves the largest trading block in the world. It collects and disseminates statistical information within the Member States and also conducts programmes relating to the major trading partners of the EEC and to those countries which have treaty links with the EEC, e.g. the ACP countries. There are few areas of world activity which do not concern the Statistical Office. It has a staff of 300 which has not grown for four years except for a small addition when Greece joined the European Community. It is one of the biggest users of computer time in the world. Many Community policies are based on needs revealed as a result of statistical surveys; the reliability of this information is crucially important to the operation of these policies.

The present administrative structure of the Statistical Office

2.2 SOEC is administered as a Directorate-General of the Commission responsible to a Commissioner. The head of the office ranks as a Director-General and all staff are Commission civil servants. The Statistical Office draws up statistical programmes which describe its proposals for developing its work over a period. The present programme is the fifth in a series begun It does not produce a new programme each year but an annual updating is discussed with the Directors-General of the ten National Statistical Institutes. The heads of the national statistical services consider the draft SOEC programme at one of their regular meetings and it is then finalised and after Commission approval forwarded to Council who may make suggestions. In practice, the Council representatives who examine the document are often the heads of the statistical service who have already approved it. In 1981, the programme was also sent for information to the European Parliament and to the Economic and Social Committee. While the regular meeting of heads of the statistical services approves the general guidelines of the Office's work, the detailed practical implementation of projects is worked out within a large number of working groups (90 or so each year), consisting of experts from each of the national statistical services.

- 3. Opinions concerning the provision of statistics were sought from the other Community institutions. Their written replies are given in full in the Annex.
- 4. The principal arguments in favour of creating a separate interinstitutional statistical body are:
- 4.1 The growth in the Communities' activities and in the consequent need for statistical information leads to the danger that separate statistical services of a significant size may spring up within each institution, so contributing to duplication of effort and unnecessary expense. Having one body would avoid this.
- 4.2 There have been suggestions that the present arrangement only partly satisfies the needs of some Community bodies other than the Commission. The opinion of the Economic and Social Committee supports this view.
- A separate inter-institutional body could be endowed with greater powers vis-a-vis the Member States in order to improve the collection and harmonisation of information.
- 4.4 A degree of independence based on forms of a supervisory council is enjoyed by the national statistical services in some Member States.
- 4.5 There are precedents to support the proposition;
- 4.5.1 The Office for Official Publications is a possible model. It is run by a Management Committee composed of representatives from each of the Community institutions.
- 4.5.2 The European Parliament adopted a resolution (the Kellett-Bowman report) on 18 June 1981 calling for a decentralised data processing agency for the Community to be controlled by a management group comprising the heads of administration of the Community institutions.
- 5. The principal arguments against the proposal are:
- A separate new body would be likely to increase Community expenditure on statistics as certain facilities, such as buildings, equipment and support staff, which the Statistical Office at present shares with the Commission, would have to be acquired. It is argued that such extra expense would be outweighed by savings from the elimination of statistical staff in other institutions. But financial costings to support this view were not produced.

During the present period of very high unemployment throughout the Community, there are uses for the Communities' limited financial resources which are more urgent than a reorganisation which could result in the employment of more officials and the acquisition of extra buildings and equipment.

- In its latest Fifth Statistical Programme 1982-1984, the Commission accepts that there have been shortcomings and states that "whereas EUROSTAT has hitherto devoted nearly all its resources to the primary role of providing a statistical service to the Commission, higher priority is now being given and will be given in future to provide an improved service to other users of Community statistics."
- 5.3 The danger of separate statistical services growing up inside each Community institution leading to wasteful duplication has not as yet materialised. The Court of Auditors employs one statistician and so does the Directorate for Research and Documentation of the European Parliament.
- 5.4 Opinions received from other Community institutions tended not to provide support for the proposal:
- 5.4.1 The European Investment Bank wrote: "Overall, the services offered by the SOEC are well tailored to the Bank's requirements."
- 5.4.2 The Court of Auditors indicated affirmatively that "les prestations fournies par l'Office Statistique correspondent effectivement aux besoins de la Cour."
- 5.4.3 The Directors-General of the National Statistical Offices wrote that: "The institutional status of EUROSTAT is not an effective constraint at present."

6. Desirable improvements in Community statistics

6.1 The European Parliament should be properly consulted for its opinion by the Council of Ministers concerning each new Statistical Programme, rather than merely being sent a copy for information as it is at present. But it should be noted by Members of the Parliament that the Statistical Programmes which are published by the Statistical Office are not legal documents and are not therefore susceptible to formal amendment by the European Parliament.

- 6.2 There should be a greater degree of regional disaggregation of Community statistics than exists at present. It is desirable to demonstrate more clearly the effects of Community policies in different regions. Separate statistics should therefore be made available for each European Parliament multi-member constituency.
- 6.3 There continues to be a need for more perfectly comparable data from the Member States.
- 6.4 It is desirable that the priority given to printing and to distribution of statistics should be greater than it has been so that statistics may be available as soon as possible after their collection and compilation.
- 6.5 It is desirable that Members of the European Parliament should have direct access to the Statistical Office without having to follow time-consuming formal procedures. This would enable Members to obtain assistance in composing their questions in order to extract the precise answers they require and it would improve the office's speed of response to Members' requirements.

- 7. The Community institutions were each asked four questions. These were:
- 7.1 a. to what extent do you currently make use of the services of SOEC?
- 7.2 b. do you find the Office responsive to your needs?
- 7.3 c. in which areas do you find your needs are not being met?
- 7.4 d. to what extent are these inadequacies the result of institutional factors?
- 8. The replies which were received in answer to these questions are set out below, as also is the opinion of the Directors-General of the National Statistical Offices.

ANNEX_I

COUNCIL OF THE

EUROPEAN COMMUNITIES

Brussels, 9 December 1981

THE SECRETARY-GENERAL

Dear Mr Newton Dunn,

Thank you for your letter of 23 October 1981 concerning the possible transformation of the Statistical Office.

I would draw your attention firstly to the fact that the General Secretariat of the Council make very little use of the services of the Statistical Office.

The only regular opportunity the Council has for assessing the work of the Statistical Office is at the time of the annual review of the remuneration of officials of the European Communities. It appears that the quality of the work done by the Office is recognized by the delegations and its representative enjoys unquestionable authority in the Working Party on the Staff Regulations.

It is not for me to comment on the transformation of the Office into an inter-institutional body as this possibility would have to be examined by the Council itself if such a proposal were put before it.

Yours sincerely,

(sgd.) Niels ERSBØLL Secretary-General Court of Auditors
of the
European Communities

The President

17 December 1981

Dear Mr Newton Dunn,

In your letter of 23 October 1981 you asked me to submit to you information on the use which the Court of Auditors makes of the services of the Statistical Office of the Communities.

The Court uses the statistics prepared by the Office for the purposes of audits or surveys it undertakes with a view to assessing the economic, technical and social impact of action taken by the European Communities; for these same reasons the Court sometimes quotes SOEC statistics in its reports. As examples in this connection, I would mention our work on auditing the European Agricultural Guidance and Guarantee Fund (EAGGF), the European Development Fund (EDF), the Social Fund or own resources.

Furthermore, when it comes to assessing the effectiveness of Community financial aid, budgetary data are often inadequate or difficult to interpret. It is therefore very useful to view such data side by side with other information such as economic, demographic or social statistics. For this same reason the various audit departments of the Court make use of the services of the Statistical Office of the Communities.

You also asked me whether the services provided by the Statistical Office are well suited to the Court's requirements. To date the answer is yes. However, the Court's requirements are likely to grow in the future. Our needs will in fact be conditioned by the nature of the work we shall have to perform and the audit methods used. The fact that the Court of Auditors is still a very young institution whose field of action has not yet been fully defined makes it all the more difficult to predict future developments.

Yours sincerely,

(sgd) Pierre LELONG

Mr W.F. NEWTON DUNN, MEP European Parliament

European Investment Bank

The President

Mr Newton Dunn Member of the European Parliament Kirchberg Plateau Luxembourg

Luxembourg, 30 November 1981

Ref. ET/81/GIR/mrs

Your Ref: your letter No. 00368035 of 23 October 1981

Dear Sir,

In your letter of 23 October 1981, you requested that the EIB submit to you by early December information on the use which it makes of the services of the Statistical Office of the European Communities (SOEC).

I have pleasure in offering the following comments.

The SOEC represents the Bank's main source of statistical information, supplying around 50% of all statistics provided by external sources and required for carrying out our work and studies. This can be attributed to the Office's foremost position regarding the substantial number of series of uniform statistics which it offers on all Community countries, other leading industrialised nations and the African, Caribbean and Pacific States. The SOEC also allows easy access to the most frequently used statistics, chiefly via the data transmission network. Moreover, scope for gleaning additional information through direct contacts with staff responsible for the various sectors is extremely valuable for the Bank as regards both obtaining specific data and assessing certain results.

There have even been instances of cooperation in using the SOEC's calculation facilities (e.g. evaluation using input/output matrices of the impact on employment of certain capital investment projects).

Overall, the services offered by the SOEC are well tailored to the Bank's requirements, as borne out by the high percentage of positive replies to requests for information. In certain fields, it is indeed desirable that ongoing improvements be made to statistics offered. Hence, as regards provision of regional data, one of the EIB's key requirements, the Bank is awaiting with great interest the results of work currently being conducted by the SOEC which should permit presentation of basic economic indicators with a greater degree of regional disaggregation than is possible at present.

These remarks, which have deliberately been confined to technical and practical aspects, i.e. the only considerations on which we are able to comment, will, I hope, assist you in your enquiries into reactions to the SOEC on the part of its users.

Yours faithfully,

(sgd.) Y. Le Portz

Court of Justice of the European Communities

Luxembourg

The President

Luxembourg, 12 November 1981

Dear Mr Newton Dunn,

Thank you for your letter of 21 October, in which you request, for the purposes of the report which you are drawing up for the Committee on Budgets of the European Parliament, the opinion of the Court on the setting up of an interinstitutional statistical office, which, like the Publications Office, could be used by all the institutions of the Community.

The Court of Justice, as an institution, has hitherto never felt the need to call on the services of the Statistical Office of the European Communities. Obviously it does draw on published statistics for its own information when such statistics are quoted by parties to a dispute.

In view of the foregoing it therefore considers it preferable as a judicial institution not to express an opinion on the possible reform of the Statistical Office while this problem is still being debated by the elected Assembly.

By contrast, there is frequent contact between the Court and the Publications Office. Indeed the Court makes continual use of the Office's services for the purposes of its own publications, the main example of which is the reports of cases before the Court.

Yours sincerely,

The President:

(sgd) J. MERTENS de WILMARS

CABINET OFFICE

Central Statistical Office

Great George Street, London swip 3AQ Telephone 01-233 6117

From the Director: Sir John Boreham, K.C.R.

4 December 1981

Dear Mr Newton Dunn,

When I wrote to you on 30 October I said that I would write to you again after the meeting of Directors General of National Statistical Offices. That meeting took place on 19-20 November and the possible resolution of the European Parliament was discussed with considerable interest.

The Directors General would like to know more about the specific consequences of changing EUROSTAT into an inter-institutional agency. Particularly important were the effects, if any, of such a change on:-

- 1) the work of EUROSTAT
- 2) the relations of EUROSTAT with the Institutions of the Community
- 3) the relations of EUROSTAT with National Statistical Offices.

Directors General would need to know more about these implications before expressing an opinion about the desirability of EUROSTAT becoming an inter-institutional agency. That knowledge should be provided by your report and the discussion of it in the European Parliament and elsewhere.

However Directors General felt that at present the effective constraints on even further improving the service provided to all the institutions of the Community are lack of resources, problems with new technology and the difficulties of greater harmonisation of statistical concepts, classifications and methods. Given these constraints the institutional status of EUROSTAT is not an effective constraint at present. Further, Directors General felt that whether or not EUROSTAT became an inter-institutional agency it is essential for the continued effectiveness of statistical work for the institutions of the Community, that EUROSTAT remains the sole link for statistical work between the institutions of the Community and the member states.

Finally it is EUROSTAT's role to co-ordinate all Community statistical work. The Directors General felt that EUROSTAT needs more effective power at present vis a vis the institutions of the Community to carry out this task. If EUROSTAT were converted into an inter-institutional agency this need for greater co-ordinating powers would probably be increased.

Yours sincerely,

(sgd.) JOHN BOREHAM

ECONOMIC AND SOCIAL COMMITTEE THE SECRETARY-GENERAL

Brussels, 11 December 1981

Subject: 'Reform of statistics in the Community'

Dear Mr Rapporteur,

After obtaining the necessary information within the Economic and Social Committee, I am pleased to answer the questions set out in your letter of 5 November 1981 concerning the use made by the Economic and Social Committee of the services of the Statistical Office of the European Communities and the proposal to transform the latter into an interinstitutional body.

(I.) For the purposes of preparing the work of the various sections and subcommittees of the Economic and Soical Committee, the rapporteurs and the general secretariat make constant use of the statistics published by the Statistical Office in the EUROSTAT series and in other Commission documents such as: 'European Economy' and supplement B, 'Economic Prospects - Business Survey Results'.

Since the Statistical Office is an administrative unit of the <u>Commission</u>, it is impossible to gain direct access to it to obtain statistics relating to the specific needs of the Economic and Social Committee. This situation prevents the Office from producing, for example, statistics required for opinions which the Economic and Social Committee draws up on the basis of its right of initiative.

(II.) The Statistical Office's documents largely meet the requirements of the Economic and Social Committee. Nonetheless we have noted a number of areas which might be looked at in the context of the reform of statistics in the Community now being examined by the European Parliament.

- (a) The rapporteurs for certain areas of activity such as regional policy are often confronted with the difficulty that in some of the tables which exist the data supplied by the Member States are not always comparable (e.g.: 'First periodic report on the economic and social situation of the regions of the Community' Doc. COM(80) 816 final). Greater authority should therefore be conferred on the Office so as to ensure that the Member States provide on time fully comparable data covering the same reference periods.
- (b) When drawing up some surveys and opinions the Economic and Social Committee noted that the Statistical Office's tables did not include figures for the new members of the Community (United Kingdom, Ireland and Denmark).
- (c) It was also noted that for certain reference periods which could have been used to show a development, for example the period 1960 to 1980, statistics were not available, so that developments could only be traced over a period of five years, which is inadequate.
- (d) Lastly, the data appearing in the Statistical Office's EUROSTAT series should be made accessible through the Community inter-institutional information system. (See opinions of Economic and Social Committee of 28 October 1981, Doc. CES 1070/81, and Doc. COM(81) 358 final of 6 July 1981, copies of which are attached.)
- (e) As regards the statistical series on 'unemployment' and 'External Trade', these are sent to the Economic and Social Committee with a slight delay. However, in general, the Office's documents reach us regularly and on time.
- (f) Furthermore, information requested is provided swiftly and documents are forwarded to us direct by the Office's staff, who are extremely cooperative.

(III.) In a number of instances where the Economic and Social Committee undertook major tasks on the basis of its own right of initiative such as our study 'The EEC's External Relations - Stocktaking and Consistency of Action', the opinion on 'Community Enlargement' and the opinion on 'the Prospects for the Community's Policies in the 1980's a pressing need was felt for ad hoc statistics relating to the basic problems under discussion.

There being no direct access to the Statistical Office, the secretariat of the Economic and Social Committee has had to 'process' certain existing SOEC statistics, which involved assigning staff to work for which they were poorly prepared, i.e. work which could have been done far more quickly and possibly more efficiently by the specialized statisticians of the Office.

(IV.)Clearly the cause of these working difficulties lies in the fact that the Economic and Social Committee has no direct access to the Statistical Office for the statistics, synopses and simulations it needs. In the long term the work of the Economic and Social Committee will oblige it to recruit statisticians, i.e. staff who would be completely superfluous if we had direct access to the Office.

(V.) Our answer is in the affirmative. Indeed it would be enough if, on the strength of its right of initiative, the secretariat of the Economic and Social Committee were able to instruct the Statistical Office to draw up certain surveys and documents, i.e. in those fields where statistics do not yet exist or do not exist in readily usable form.

(VI.)Our reaction to the suggestion that the Statistical Office be transformed into an inter-institutional body is therefore largely positive.

In our view it is important that each Community institution should have direct access to the Office in order to be able to obtain the particular statistics it needs(ad hoc tables and synopses, etc.).

It goes without saying that the Office's main role of providing general and specific data on economic and social integration in the Community by means of regular publications should not be called into question in connection with this attempt at restructuring.

Much like the Joint Publications Office of the European Communities the 'Joint Statistical Office' of the European Communities should:

- be directed by an inter-institutional steering committee
 with the task of providing it with the appropriate guidance;
- be allocated the necessary 'weighted' appropriation in the various budgets of the institutions as is the case with the Joint Publications Office;
- be supervised by a director-general specialized in the statistical field, who, as regards 'general statistics', would be subject to the instructions of the Commission and, as regards 'requirements of the other institutions', have to follow the guidelines set out by the steering committee.

for the purposes of liaison between the 'Joint Statistical Office' and the various institutions of the Communities a network of 'statistical agents' should be set up to pass on the daily requirements of the other institutions to the Office.

At first sight this restructuring would not seem to imply an immediate increase in appropriations for staff and operation. Should the statistical requirements of the institutions other than the Commission increase, the additional staff expenditure could be subject to a ceiling under such a system. Otherwise independent statistical departments would have to be set up in the other institutions on the lines of those of the European Parliament and the Economic and Social Committee, which would entail far higher expenditure than if an inter-institutional Statistical Office were set up.

In our view, economic considerations would therefore also seem to plead in favour of such a solution.

Yours sincerely,

(sgd) R. LOUET

MOTION FOR A RESOLUTION (Doc. 1-105/81)
tabled by Mr GLINNE, on behalf of the Socialist Group
pursuant to Rule 25 of the Rules of Procedure
on the reform of statistics in the Community

The European Parliament,

- having regard to the growing importance of economic and social statistics in European society today for the construction of the Community, democracy and social progress,
- whereas the work carried out by the Statistical Office of the European Communities since its foundation represents an achievement, but bearing in mind the gaps and the lack of adequate distribution and assistance in the use of statistical information by the various Community institutions,
- whereas the duties of the European Parliament require as thorough a knowledge of the actual economic and social situation in Europe as possible to enable it to exercise its rights of initiative and supervision in the construction of the Community,
- whereas this objective cannot be achieved, bearing in mind the role of statistical information, unless the European Parliament has real powers of guidance, orientation and control in the field of Community statistics,
- whereas the creation of rival statistical departments within the various institutions should be avoided and the sole means of achieving this is to allow the institutions to operate directly and on an equal footing within a common structure, thereby avoiding the wastage caused by the duplication of data supplied by the Member States and ensuring that the same sources are used,
- whereas these various factors make it necessary to reform Community statistics,
- 1. Proposes that the present Statistical Office of the European Communities be transformed into an interinstitutional body provided with the facilities required to promote and develop European statistics, under the joint administration of the Community institutions;
- Calls on its President to undertake whatever steps and negotiations are necessary for this project to be carried out;
- Decides to set up a working committee for this purpose.