Syllabus subtopic: Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

Prelims and Mains focus: about the new committee formed by MoSPI: its structure and mandate

News: Faced with increasing questions about the credibility of official economic data and the abrupt shelving of official reports, the Ministry of Statistics and Programme Implementation (MoSPI) has made a move to overhaul the system for reviewing statistics related to economic activity.

Background

- The credibility of India’s statistical systems has been questioned over the last few years due to delay in the release of back series data for the new Gross Domestic Product (GDP) series (2011-12 base year) and more recently due to withholding of release of the employment and consumption expenditure surveys.

- In March, citing risk to national and global reputation of India’s statistical bodies due to political interference, 108 economists and social scientists in a joint statement had appealed to all economists and statisticians to raise their voice against “the tendency to suppress uncomfortable data”

About the move by MoSPI

- It has constituted a broad-based 28-member “Standing Committee on Economic Statistics” (SCES) headed by India’s first Chief Statistician, Pronab Sen, which includes three academicians who had, earlier in March this year, signed a joint statement of 108 economists and social scientists that flagged concerns over “political interference” in influencing statistical data in the country.

- The new, broad-based panel, which has a sweeping mandate to review key data sets that track economic activity and labour force participation trends, will have representatives from the United Nations, Reserve Bank of
India, Finance Ministry, NITI Aayog, two industry chambers, Tata Trust, and economists and statisticians from several educational institutions.

**Mandate of the newly formed committee**

- The new Standing Committee on Economic Statistics, with 10 non-official members and 16 official members, has been mandated to review the framework for economic indicators pertaining to the industrial sector, the services sector and the labour force statistics.

- This new panel, which is slated to meet for the first time on January 7 next year, will effectively subsume four existing committees — the Standing Committee on Labour Force Statistics (SCLFS), Standing Committee on Services Sector (SCSS), Standing Committee on Industrial Statistics (SCIS) and the Standing Committee on Services Sector and Unincorporated Sector Enterprises (SCSSUSE).

- The new committee has been tasked with looking into datasets such as the Periodic Labour Force Survey, the Annual Survey of Industries, the Annual Survey of Services Sector Enterprises, the Annual Survey of Unorganised Sector Enterprises, Time Use Survey, Index of Service Production, Index of Industrial Production, Economic Census and other surveys or statistics brought before it.

- The purpose of the committee is to ensure that there are no cross-cutting decisions across the various committees which by virtue of dealing with economic activity indicators have common linkages. The committee has been constituted to ensure there is convergence about decision making process so that quality of data is improved.

- The new panel will also work on developing survey methodology including sampling frame, design, oversee the finalisation of the reports of the surveys, and conduct pilot surveys, if necessary, before finalising schedules for data collection.

- The committee will also study the availability and compilation of related
administrative statistics and identify data gaps, if any, and then suggest appropriate strategy.

- Sub-committees, comprising subject experts, may also be constituted by the standing committee to look after particular subject areas.

Other panel regarding statistics

Prior to the formation of this new panel, the Advisory Committee on National Accounts Statistics (ACNAS) — which has the mandate to review the database and advice on data collection related to national accounts statistics — is the only other panel under MoSPI that has such wide representation.