CHAPTER III
STATISTICS AND NEW INITIATIVES

Modernisation and Computerisation in Data Collection and Transmission

3.1. As a part of its effort to take advantage of the developments in the Information and Communication Technology in survey activities, the National Sample Survey Organisation (NSSO) continued to implement the Plan Scheme "On-line Transmission of Survey Processing Centres and Modernisation of Methods of Data Collection" taken up during the 8 th Five Year Plan. Pen-up Computers for data collection was taken up during the 10th round of survey in the State of Harayana on an experimental basis. During the 54th round the use of Palm-Top Computers was tried in the States of Orissa and Maharashtra besides Haryana. The field back revealed that there were serious constraints both with regard to hardware and software features of Palm-Top system and therefore could not be replaced.

3.2. Based on the lessons learnt from the experimental implementation of Pen-Top computers, the hardware and software features were modified during the year. It included enhancement of hard disc capacity and RAM, installation of Modems and introduction of E-mail services. Efforts are also made to equip the Field Officers with Window based MS Office application software which is more common and user friendly. Proposals are now under consideration to use laptop computers on pilot basis after detailed planning.

3.3. With the aim to boost the on going programme of on-line transmission of survey data and modernisation of data collection system and also to enhance the use of computers in the day to day work, it has been decided to provide an additional Pentium machine to each of the field offices in a phased manner and other communication equipment like FAX Machine. So far 15 field offices have been provided with additional Pentium machines during the period under report and in the next three months 9 more machines will be provided to such offices.

3.4. The major challenge being faced today by the IT industry is that of Y2K bug. In order to make the computer system Y2K OK, all the Pentium machines, have been provided with Y2K Auto pass, a software module to make the system Y2K compliant.

3.5. The organisation is making all out efforts to make On-line transmission of data a reality. Towards the end, E-mail facility is being installed in different field offices. So far this facility has been provided in more than 120 offices. It is being used to fetch large extent for exchange of data by the communication among different offices.

3.6. Steps have also been taken to motivate and train the staff to make optimum use of Information Technology in their day-to-day work. During the period under reference, training courses were conducted at 36 locations to provide training to the staffofficers in the operation of windows based MS Office application software which includes Word, Excel & Power Point.

WORLD BANK PROJECT ON MODERNISATION OF INDIAN STATISTICAL SYSTEM AND DR. J. ROY COMMITTEE ON RESTRUCTURING OF NSSO.

3.7. The Ministry of Statistics and Programme Implementation is taking up a massive project for modernisation of Indian Statistical System with the World Bank assistance. The components relating to NSSO form the Tory share in the total cost of the project. As part of the Modernisation Project, a number of new activities are planned in the Organisation and these are expected to lead to rationalisation of survey programmes of the NSSO. The Project lays emphasis on Modernisation of methods of data collection in the field, its processing and dissemination besides institutional strengthening. Computer aided data collection is an important method of the activities envisaged under the Modernisation Programme. Pen-top computers are being used for this purpose.

3.8. Another important development during the year relates to submission of the Report by Dr. J. Roy Committee on Restructuring of National Sample Survey Organisation. The Committee has made wide ranging recommendations for improvement in the Organisation covering the entire spectrum of survey design, methodology, modernisation of data collection, processing and dissemination, expanded use of Information Technology, etc. Efforts are afoot to implement many of these recommendations as part of the World Bank Project on Modernisation of Indian Statistical System.

International Commitment to Special Data Dissemination)

3.9. The Government of India have subscribed to the Special Data Dissemination Standards (SDDS) of International Monetary Fund (IMF) on dissemination of economic and financial data w.e.f. 1.1.1997. The Ministry of Finance is the nodal Ministry to co-ordinate the SDDS related activities. The Ministry of Statistics and Programme Implementation has been made responsible for the coordination of real sector data category comprising Gross Domestic Product (GDP), Production Index, Prices and Labour Market. According to these commitments, India is required to : (i) introduce GDP estimates at current and constant prices at quarterly intervals with a lag not exceeding one quarter; (ii) compile and disseminate Index of Industrial Production (IIP) at monthly intervals with a lag not exceeding six weeks; (iii) compile and disseminate Consumer Price Index, employment, unemployment and wage rates at quarterly intervals with a lag not exceeding one quarter. Due to the intense efforts of the Ministry during the last one year, India has met all these requirements, with the exception of data category stated at (iv) above. For this data category, India has exercised the "as relevant" option, pending the introduction of quarterly surveys on employment and unemployment.

3.10. As per SDDS commitment quarterly GDP estimates for the quarter ending June 1999 were released as per advance release calendar on 30th June, 1999 and for the quarter of April-June,1999 were released on 30.9.1999. Similar estimates for the quarter July-September,1999 have been released on 31st December,1999.

HIGHLIGHTS

3.11. The 56th Round of NSS (July 2000-June 2001) will be devoted to Unorganised Manufacturing Sector. Preliminary work relating to the survey has already been initiated. The 55th Round of NSS (July, 1999-June, 2000) is devoted to the survey on Employment & Unemployment, Consumer Expenditure and Survey on Informal Non-agricultural Enterprises.

3.12 In the Employment and Unemployment survey, data are being collected on the nature and extent of employment, underemployment and unemployment situation prevailing in the country on the basis of Usual Principal and Subsidiary Status and Current Weekly Status approaches. In the Survey on Informal Non-agricultural Enterprises, information relating to the unorganised sector in the country is being collected. Results of these two surveys will be the first of its kind and will attempt at estimating a variety of parameters on two key aspects, viz., the share of the informal sector in the employment and the output of informal sector enterprises in the non-agricultural sectors of the economy. For the purpose of the survey, informal sector has been defined to consist of un-incorporated enterprises owned by individuals (sole proprietorships and partnerships).

3.13 Another distinguishing feature of the NSS50 round is the use of rotational sampling design in which half of the total sample units covered in a sub-round will be repeated in the next sub-round and the selected sample units will be retained for four consecutive sub-rounds. The rotational sampling design will provide a panel data which will be useful for measuring changes over time. The Survey on Informal Sector covers whole of the Indian Union excepting (a) Ladakh & Kargil districts of Jammu and Kashmir, (b) a few interior villages of Nagaland which do not have easy access, and (c) 195 villages of 4884 blocks which remain inaccessible throughout the year. In all, the survey will cover approximately 3,20,000 households and 2,50,000 small nonagricultural enterprises in about 10,284 PSUs, its rural-urban breakup being 6208 & 4076 respectively. The first sub-round of the survey covering 2011 PSUs has been completed and filled in schedules have been despatched to Data Processing Centres. The second sub-round is in progress during October-December, 1999.

3.14 The NSS 54th Round (Jan – June 1998) was devoted to the Survey on Common Property Resources, Sanitation and Hygiene and Services and the usual Household Consumer Expenditure enquiry. Data on common property resources were collected for the first time in NSS and based on the survey results five Reports have been prepared and released.

Special Enterprise Survey

3.15 In June 1998, the erstwhile Department of Statistics decided to launch a Special Enterprise Survey (SES) with a view to providing estimates of Value Added For Worker for the enterprises engaged in 14 identified non-agricultural activity categories, viz. unorganised manufacturing, repair services, wholesale trade, retail trade, hotels, restaurants, transport, health and medical services, education, scientific and technical services, business services, other services, construction, mining & quarrying and electricity. The survey covering 4200 PSUs was completed and filled in schedules for 4192 PSUs have been despatched to Data Processing Centres during April, 1999 to June, 1999.

3.16 The entire work relating to the Special Enterprise Survey was completed well in time and all schedules were despatched to the Data Processing Centres. All tables pertaining to all sub-rounds and combined tables have been generated during the year and provisional results based on sub-rounds 1, III & IV, and also for the entire round have been prepared.

Celebration of 50th Year of NSSO

3.17 In order to commemorate the Golden Jubilee of the formation of the NSSO, a Steering Group has been constituted by the Ministry of Statistics and Programme Implementation. The Group has decided to hold Seminars/Workshops on the following subjects: Data Quality, Role of Bureau of Census, World bank, ILO, UNDO, FAO,ESCAP and WHO etc. and some developed and developing countries are being invited. Decisions have also been taken about financial requirements and budgeting.

Setting up of National Statistical Commission

3.18 A National Statistical Commission has been set up with the approval of the Cabinet to examine the deficiencies existing in the system and to make recommendations for its improvement.

ECONOMIC TRENDS

Growth of the economy

3.19 The Gross Domestic Product (GDP) at constant (1993-94) prices registered a growth of 6.0 percent in 1998-99 as compared to 5.02 percent in 1997-98. The estimated per capita income in real terms showed a growth of 4.0 percent in 1998-99 as against 3.0 percent in 1997-98. The growth in the Industrial sector GDP at constant prices were 7.0 and 5.2 percent respectively, as per the advance estimates for 1999-2000, the GDP in real terms is expected to register a growth rate of 6 percent.

3.20 The rates of Gross Domestic Savings (GDS) and Gross Domestic Capital Formation (GDCF) in 1998-99 were 23.3 percent and 23.4 percent respectively as compared to 24.7 percent and 26.2 percent in 1997-98. The share of Private Final Consumption Expenditure (PFCE) at current prices in total GDP in real terms was at levels of 64.3 percent during the year 1997-98.

3.21. The pattern of saving, viz., by broad sectors of household private corporate and public sectors, has undergone a change during the period. The Household sector followed, thereafter, a major share in the total domestic saving. The share in 1998-99 was 82.7 percent compared to 8.4 percent in 1997-98. The relative share of private corporate sector has registered an increase from 15.4 per cent in 1993-94 to 17.1 percent in 1998-99 whereas the share of public sector has shown a decline from 3.8 percent in 1993-94 to 3.5 percent in 1998-99.

3.22 As regards Capital Formation by industry, it is observed that of constant (1993-94) prices, the share of agriculture in total Capital formation has declined from 5.4 percent in 1993-94 to 7.2 percent in 1998-99. The share of manufacturing has increased from 32.4 percent to 41.7 percent and that of other industries marginally declined from 59.2 percent to 45.1 percent.

Industrial Production

3.23 In order to capture the structural changes in the Industrial Sector, the Department has launched revised all-India Index of Industrial Production with base 1993-94, Recognising the significant growth of the unorganised manufacturing sector the weighting diagram of the revised series has taken into account the contribution of the unorganised sector also alongside the organised manufacturing sector, for the first time. The revised series has adopted NIC-1987 related 17 NIC 2010 being followed in 1998-99 series.

3.24 The current series of Index of Industrial Production (IIP) with base 1993-94 prepared by the Department is the most up-to-date indicator of industrial growth in the Indian economy. This series covers 562 items in the manufacturing sector, 15 items in the mining sector and 9 items in the electricity sector. The IIP for the month of April-December, 1999-2000 stood at 155.9, 156.2 and 151.1 with growth rates of 6.4, 10.1% respectively in the all-India Diff. The Index of Industrial Production is released every month in the form of Quick Estimates with a time-lag of less than 6 weeks as per the SDDS norms laid down by IMF. The estimates are also simultaneously being released as per use-based classification, viz., Basic goods, Capital Goods, Intermediate Goods, Consumer durables and non-durables. These estimates get revised subsequently on receipt of updated production data from the 21 different source agencies in each month. The Industries/Departments/ Industries/Sectoralise Offices, the major source of data being Ministry of Industry.

3.25 The industrial production registered growth of 8.4% during 1994-95, followed by a steep rise in the rate of growth to 12.8% during 1995-96. Thereafter the industrial growth declined to 5.8% in 1996-97 and then increased to 6.4% in 1997-98 but again declined to 4.0% in 1998-99.

3.26 As regards sector-wise growth, the trend in the manufacturing sector has been almost similar to that of the General index. The mining sector has witnessed an irregular growth pattern which fluctuated between 4.0% in 1995-96 and -2.0% in 1996-97. In the electricity sector, the rate of growth has shown a decline from 8.0% to 4.0% during the period 1994-97, and maintained the growth of almost 6.0% during the next two years.

3.27 During the first nine-months (April-December) of 1999-2000, the economy has performed moderately with an overall growth of 6.2%.The Electricity & Manufacturing sectors registered growth of 7.7% & 6.7% respectively, whereas in Mining sector the growth has been positive, the manufacturing sector has shown a growth of 10.1% during April-December, 1999-2000 as compared to a growth of 5.9% during the same period of 1998-99. The growth in the Manufacturing coupled with Electricity resulted in the overall improvement in the industrial growth of 6.2% in April-December, 1999-2000 as compared to the growth of 3.7% during the corresponding period of 1998-99.

3.28 The sector-wise annual trends during 1994-99 and monthly trends during April, 1998 to December, 1999 exhibited by the manufacturing sector alongwith the General Index of Industrial Production are depicted in Table 3 and Charts 1 & 2 respectively. The sector-wise annual growth rates during 1994-99 are depicted in Chart 3.

CHART 1

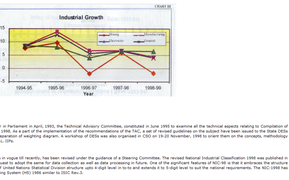


CHART 2

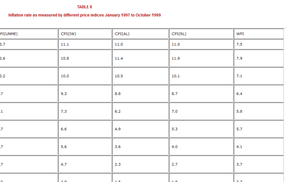
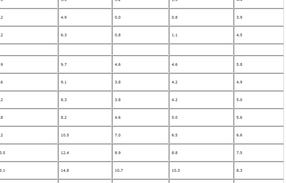


CHART 3



Compilation of State level Indices

3.29 In pursuance of the assurance given by the Prime Minister in Parliament in April, 1993, the Technical Advisory Committee, constituted in June 1995 to examine all the technical aspects relating to Compilation of Comparable State level IS,(i) CPIs, submitted its report in June, 1998. As a part of the implementation of the recommendations of the TAC, a set of revised guidelines on the subject have been issued to the State DESs for compilation of State level Indices. Based on these guidelines, the compilation of weighting diagram, in respect of DESs was also organised in CSO on 19-22 November, 1998 to orient them on the concepts, methodology and various issues involved with the compilation of comparable IIP.

Standardisation of Classification

3.30 National Industrial Classification 1987 (NIC-87), which was in vogue till recently, has been revised under the guidance of a Steering Committee. The revised National Industrial Classification 1998 was published in December, 1998 and was sent to all user agencies with the request to adopt the same for data collection and tabulation. The year of adoption of the new classification is left to the discretion of the agencies. The adoption of International Standard Industrial Classification 1990 Rev.3 and National Statistical Commission prescribed sectoral codes in eight level in lieu and extends it to 5-digit level to suit the national requirements. The NCO 1998 has also linkages with Harmonised Commodity Description and Coding System (HS) 1996 similar to ISIC Rev.3.

Prices

3.31 The annual inflation rates, computed as the percent variation in the index for the corresponding month of previous year, using the Consumer Price Index for Urban Non-Manual Employees CPI(UNME),CPI for Industrial Workers(CPIIW), CPI for Agricultural Labourers(CPIAL), CPI for Rural Labourers (CPIRL) and Wholesale Price Index (WPI) have varied between 2.4 to 15.3, 0.9 to 16.7, 0.6 to 16.2,0.8 to 17.4 and 2.5 to 9.6 respectively during January 1997 to October,1999. Table 32 and Chart 3V show comparison of annual inflation rates and the trends in the inflation rates depicted from these price indices respectively.

TABLE 4

Inflation rate as measured by different price indices January 1997 to October 1999

YEAR	MONTH	CPI(UNME)	CPI(IW)	CPI(AL)	CPI(RL)	WPI
1997	Jan.	10.7	11.1	11.0	11.0	7.5
	Feb.	10.6	10.8	11.4	11.9	7.9
	Mar.	10.2	10.0	10.5	10.1	7.1
	Apr.	9.7	9.3	8.8	8.7	6.4
	May.	8.1	7.3	6.2	7.0	5.8
	Jun.	7.7	6.6	4.9	5.3	5.7
	Jul.	5.7	5.6	3.6	4.0	4.1
	Aug.	5.7	4.7	2.3	2.7	3.7
	Sep.	6.0	4.9	1.5	1.9	3.7
	Oct.	5.9	5.3	1.2	1.5	4.4
	Nov.	5.2	4.9	0.0	0.8	3.9
	Dec.	4.2	4.3	0.8	1.1	4.5
1998	Jan.	7.9	6.7	4.6	4.6	5.8
	Feb.	7.6	9.1	3.8	4.2	4.9
	Mar.	7.2	8.3	3.8	4.2	5.0
	Apr.	7.8	8.2	4.6	5.0	5.9
	May.	9.2	10.5	7.0	6.5	6.6
	Jun.	10.5	12.4	8.9	8.8	7.5
	Jul.	13.1	14.8	10.7	10.3	8.3
	Aug.	12.7	15.0	11.8	11.4	8.3
	Sep.	13.0	16.3	12.9	12.9	8.6
	Oct.	14.5	18.6	15.6	15.5	8.3
	Nov.	15.5	19.7	16.7	17.4	8.1
	Dec.	12.4	15.3	15.1	14.6	6.3
1999	Jan.	9.3	5.4	9.1	5.7	4.7
	Feb.	8.6	8.6	8.8	8.4	5.3
	Mar.	9.0	8.9	8.8	8.4	5.0
	Apr.	7.9	8.4	8.1	7.6	4.3
	May.	7.5	7.7	8.0	7.9	3.8
	Jun.	6.1	5.3	6.7	6.7	3.1
	July.	4.2	3.2	5.2	5.2	5.2
	Aug.	4.5	3.1	5.1	4.8	2.2
	Sep.	3.8	2.1	4.4	4.0	2.0*
	Oct.	2.9	0.9	3.6	3.3	2.6*

• Based on provisional figure of WPI.

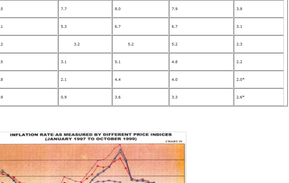



CHART 4V