New Economic Statistics for Sustainable Development

Michael Smedes, UN Statistics Division

Asia-Pacific Economic Statistics Week
New Economics for Sustainable Development

Need economic policies that support the 2030 Agenda and SDG goals

UN has established a Network of Economists to provide leadership

We also need new economic measurement to support this policy development and implementation
Managing Global Trends to Achieve SDGs

- Technological breakthroughs
- Environmental degradation, climate change and resource scarcity
- Demographic and social change
- Rapid Urbanisation
- Shift in global economic power
- Inequality

- Technology for climate adaptation and mitigation, health care, education, digital and global trade, data, food security, digital access, ICT infrastructure
- Ecosystem degradation, deforestation, decline in biodiversity, water scarcity, energy use, unsustainable production and consumption, food security, corporate sustainability
- Population growth, ageing, migration, gender inequality, poverty and hunger, employment, retirement, healthcare
- Government services (health, education, housing, transport, etc.), infrastructure
- Industry, Trade and Investment, Taxes and finance, Public and corporate governance
- Economic growth and productive employment, social protection, education and health care
Broadening from Outputs to Outcomes
UNSC: The Future of Economic Statistics

The March 2019 UNSC meeting recognised a need for broad review of economic statistics driven by:

- an urgent update to address the economic, social and environmental nexus if we are to truly depict and attain the 2030 Agenda of leaving no one behind, and having meaningful SDGs
- an urgent need for an institutional update whereby statistical agencies are transforming from principal producers of statistics to stewards of an evolving and complex data landscape
- the urgent need to revisit and transform some of our long held practices to meet the needs of policy makers and citizens

With the aim of ensuring a relevant, responsive and robust system of economic measurement
Urgent update to address the economic, social and environmental nexus if we are to truly depict and attain the 2030 Agenda of leaving no one behind, and having meaningful SDGs. This requires statistical agencies to:

• Maintain a coherent and consistent system of economic measures, including macroeconomic, business, trade and price statistics

• Better capture the impact of digitalization and globalization on production, consumption, employment, investment and financial flows.

• Move beyond GDP to include broader measures of progress including subjective measures of well-being such as life satisfaction, trust, economic insecurity, as well as measures of inequality in earnings, income, consumption and wealth and opportunity.

• Advance measurement of economic, natural, human and social capital.
Institutional update

Urgent need for an institutional update whereby statistical agencies are transforming from principal producers of statistics to stewards of an evolving and complex data landscape.

This requires statistical agencies to:

• Institutionalize ongoing dialogue between economists and statisticians to set strategic directions

• Increase the use of alternative and big data and their integration with survey and administrative data sources to provide more detailed and timely statistics and analysis

• Increase collaboration and develop partnerships with stakeholders including the private sector and academia
Transform practices of update to be responsive to emerging data needs. This requires statistical agencies to:

- Devise more flexible and more responsive procedures for standard setting, which now take decades to develop and implement.
- Take calculated risks in releasing experimental “good enough or fit for purpose” standards and related statistics and indicators that can be iterative and be implemented quickly.
- Seek a country led and more integrated governance structure building on a continuous dialogue between statisticians, economists and other users.
Macro Accounts – Coherent and Complete

1. NO POVERTY
2. NO HUNGER
3. GOOD HEALTH AND WELL-BEING
4. QUALITY EDUCATION
5. GENDER EQUALITY
6. CLEAN WATER AND SANITATION
7. PEACE, JUSTICE AND STRONG INSTITUTIONS
8. DECENT WORK AND ECONOMIC GROWTH
9. PRODUCTION AND INDUSTRY
10. REDUCED INEQUALITIES
11. SUSTAINABLE CITIES AND COMMUNITIES
12. CLIMATE ACTION
13. LIFE ON LAND
14. LIFE UNDERWATER
15. LIFE ON LAND
16. LIFE ON LAND

- Financial & Produced Capital (SNA)
- Human Capital
- Social Capital
- Environmental Capital (SEEA)
Microdata – Integrated and Accessible

Environment Data
- Water use
- Household energy consumption
- Wastewater

Geospatial
- Addresses
- Road networks
- Maps
- Logistics

Environmental Statistics
- Farming boundaries
- Housing density
- Land value

Productivity and innovation
- Skills
- Digitisation
- Structural change
- Sustainable economic growth
- Future growth opportunities

Industry
- Income
- Profit/loss
- Costs of production

Businesses
- Business characteristics
- Location
- Industry
- Business size
- Number of employees

Economic Data
- Grants
- Subsidies
- Research and development
- Concessions
- Incentives

Social Data
- Employment
- Earnings
- Occupation
- Income
- Employer
- Retirement
- Superannuation

Health and hospitals
- Hospital admissions
- Medicare services
- Health risk factors
- Outcomes

Travel and migration
- VISA type
- Interstate movements
- Employment outcomes

Census
- Demographics
- Indigenous communities
- Regional data

Families and households
- Troubled families
- Multi-family households

Payments
- Disability support
- Unemployment benefits
- Family/Tax benefits

Early childhood and childcare
- Preschool assessment
- Childcare attendance

Education
- Student assessment
- Attendance
- Participation
- Outcomes

Higher education and VET
- Enrolments
- Graduates

Earth Observations
- Land use data
- Deforestation

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia

Environment Data

Australia
Subjective Measures & Outcomes?
To take this review forward the UNSC established a Friends of the Chair Group on economic statistics

- Consisting of both economists and statisticians
- Consulting globally across regions and sectors

The Group has been tasked to undertake:

- an assessment on the efficiency, effectiveness and responsiveness of the governance of the current system
- a stock-take of existing initiatives and recommendations to take these forwards in an update of economic statistics
- progress issues of the statistical development that have already reached a high level of maturity
First meeting of the Friends of the Chair Group (FOCG) took place in late May

A series of regional consultation seminars through 2019

UN World Data Forum on Economic Statistics in January 2020

Report back to UNSC in March 2020

Enduring dialogue between the broader community of economists and statisticians

Increasing Experimentation - Undertaking pilot testing in countries for topics that are relevant, conceptually mature and practically feasible

Improving Responsiveness – Review of governance and standard setting arrangements to provide great flexibility and agility
Thank You