

## **National Policy on Official Statistics**

## What is the issue?

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- Over the years, the demand for statistics has increased multi-fold, while the process of data collection and analysis has become very complex.
- Recently, Ministry of Statistics and Programme Implementation (MOSPI) proposed the development of a new "National Policy on Official Statistics".
- This is significant as it comes in the midst of declining trust of the masses in official statistics due to the proliferation of post-truths (fake news).  $\n$

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## What are the proposed institutional reforms in statistics?

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- $\bullet$  As trust in official statistics is vital for democracy, public trust needs to be won through competent and honest institutional mechanisms. \n
- In this context, the proposed policy envisions addressing statistical aspects like complexity, ethics, quality, documentation and data retention.

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- "Sample surveys" forms the bedrock of Indian statistical system and the instructions for surveying are dealt in a detailed and explicit manner.
- **Specialisation** Increasing need for statistics in diverse areas is pressuring our statisticians to seek assistance of scholars from multiple disciplines.
- Notably, National Sample Survey (NSS) switched over to a new set of codes in 2009 for data collection involving industrial labourers.
- These change made it difficult to differentiate between farmers and farm

managers and shopkeepers and sales managers via occupational codes alone.

- $\bullet$  This resulted in the exclusion of a large chunk of the Indian workforce in the unorganised sector from our statistical analysis. \n
- The problem arose mainly due to our statisticians merely aping models followed in industrialised societies, without contextualising it for India.
- This fumble could've easily been avoided had there been a sociologist with knowledge on 'occupational studies' on board.
- Reliability How surveys are designed and questions are developed has evolved into a science that in itself needs specialists.  $\$
- $\bullet$  Notably, RBI has adopted an inflation-targeting approach that relies on data on inflation expectations of individuals (which is highly unreliable). \n
- Such an absurd approach to data is what is driving our policy, which calls for a serious rethink on our data collection modules.
- **Honesty** Data collection is increasingly being done by contractors and forprofit organisations, which has raised honesty related concerns.
- $\bullet$  Supervising them and ensuring their honesty remains challenging despite the commissioning of some technology based monitoring mythologies. \n
- $\bullet$  This aspect has reiterated the fact that there is no substitute for empathy and personal truthfulness, which needs to be culturally ingrained in organisations. \n
- **Decentralisation** Currently, statistical systems are largely centralised at the ministerial levels in the central and state governments.
- Instead of this, creating a data ecosystem that harnesses the energy of diverse institutions innovatively should be considered.
- Statistics needs to get internalised into the fabric of our institutions even at the lowest level and the higher-ups should merely collate the data points.  $\n$

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## **Source: The Hindu**

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