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**STANDING COMMITTEE
ON FINANCE
(2004)**

FOURTEENTH LOK SABHA

MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION

**DEMANDS FOR GRANTS
(2004-2005)**

**[Action taken by the Government on the recommendations contained in
the Fourth Report of the Standing Committee on Finance on
Demands for Grants (2004-2005) of the Ministry of Statistics &
Programme Implementation]**

EIGHTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2004/Pausa, 1926 (Saka)

EIGHTH REPORT
STANDING COMMITTEE ON FINANCE
(2004)

(FOURTEENTH LOK SABHA)

MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION

DEMANDS FOR GRANTS
(2004-2005)

**[Action taken by the Government on the recommendations contained in
the Fourth Report of the Standing Committee on Finance on
Demands for Grants (2004-2005) of the Ministry of Statistics &
Programme Implementation]**

*Presented to Lok Sabha on 22 December, 2004
Laid in Rajya Sabha on 22 December, 2004*



LOK SABHA SECRETARIAT
NEW DELHI

December, 2004/Pausa, 1926 (Saka)

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COMPOSITION OF STANDING COMMITTEE ON FINANCE – 2004-2005

Maj. Gen (Retd.) B.C. Khanduri - Chairman

MEMBERS

LOK SABHA

2. Shri Jaswant Singh Bishnoi
3. Shri Gurudas Dasgupta
4. Shri Bhartruhari Mahtab
5. Shri Shyama Charan Gupt
6. Shri Gurudas Kamat
7. Shri A. Krishnaswamy
8. Shri Bir Singh Mahato
9. Dr. Rajesh Kumar Mishra
10. Shri Madhusudan Mistry
11. Shri Rupchand Pal
12. Shri Danve Raosaheb Patil
13. Shri Shrinivas D. Patil
14. Shri K.S. Rao
15. Shri Jyotiraditya Madhavrao Scindia
16. Shri Lakshman Seth
17. Shri G.M. Siddeshwara
18. Shri Ajit Singh
19. Shri M.A. Kharabela Swain
20. Shri Vijoy Krishna
21. Shri Magunta Sreenivasulu Reddy

RAJYA SABHA

22. Shri Murli Deora
23. Shri R.P. Goenka
24. Shri Jairam Ramesh
25. Shri M. Venkaiah Naidu
26. Shri Yashwant Sinha
27. Shri Chittabrata Mazumdar
28. Shri S.P.M. Syed Khan
29. Shri Amar Singh
30. Shri C. Ramachandraiah
31. Shri Mangani Lal Mandal

SECRETARIAT

1. Sh. P.D.T. Achary - Additional Secretary
2. Dr. (Smt.) P.K. Sandhu - Joint Secretary
3. Sh. R.K. Jain - Deputy Secretary
4. Sh. R.C. Kakkar - Under Secretary

INTRODUCTION

I, Chairman of the Standing Committee on Finance (2004-05) having been authorized by the Committee to submit the Report on their behalf present this Eighth Report on action taken by Government on the recommendations contained in the fourth Report of the Committee (Fourteenth Lok Sabha) on Demands for Grants (2004-2005) of the Ministry of Statistics & Programme Implementation.

2. The Report was presented to Lok Sabha/laid in Rajya Sabha on 20 August, 2004. The Government furnished the written replies indicating action taken on all the recommendations on 20 October, 2004. The draft action taken report was considered and adopted by the Committee at their sitting held on 20 December, 2004.

3. An analysis of action taken by Government on the recommendations contained in the fourth Report (Fourteenth Lok Sabha) of the Committee is given in the Appendix.

4. For facility of reference observations/recommendations of the Committee have been printed in thick type in the body of the Report.

NEW DELHI;
20 December, 2004
30 Agrahayana, 1926(Saka)

MAJ. GEN. (RETD.) B.C. KHANDURI,
Chairman,
Standing Committee on Finance

CHAPTER 1

REPORT

1 This Report of the Standing Committee on Finance deals with action taken by Government on the recommendations contained in their fourth Report (Fourteenth Lok Sabha) on Demands for Grants (2004-2005) of the Ministry of Statistics and Programme Implementation which was presented to Lok Sabha/laid in Rajya Sabha on 20 August, 2004.

2 The Report contained eight recommendations. Action taken notes have been received from the Government in respect of all the recommendations contained in the Report. These have been analysed and categorized as follows:

- (i) Recommendations/observations that have been accepted by the Government:

SL.Nos 1,3,6,7 & 8

(Total 5)

(Chapter II)

- (ii) Recommendations/observations which the Committee do not desire to pursue in view of Government's replies:

SL Nos. 5

(Total 1)

(Chapter III)

- (iii) Recommendations/observations in respect of which replies of Government have not been accepted by the Committee:

SL No. 2 & 4

(Total 2)

(Chapter IV)

- (iv) Recommendations/observations in respect of which final reply of the Government is still awaited:

Nil

(Chapter V)

3. The Committee desire that reply in respect of the recommendation contained in Chapter I of the Report may be furnished to them expeditiously.

4. The Committee will now deal with action taken by Government on one of their recommendations:

Recommendation (Sl. No. 2, Para Nos. 18 & 19)

5. The Committee were perturbed with the reply of the Government wherein they had stated that National Statistical Commission (NSC) would be set up through an administrative order instead of an Act of Parliament in pursuance of recommendations of Rangarajan Commission. They recalled that during 13th Lok Sabha, a Bill for constituting the National Statistical Commission was introduced in Lok Sabha on 31st July, 2003 and referred to them for consideration but it lapsed on dissolution of Lok Sabha. It was not understood to the Committee as to why there was sudden change in the attitude of the Government with regard to National Statistical Commission. They expected that such an important measure would be brought forward through a legislative proposal instead of rushing through by an administrative order. In their opinion that move would not only provide Parliament an opportunity to deliberate on the Bill threadbare but also enhance the status of the National Statistical Commission itself. The Act of Parliament would provide National Statistical Commission statutory status. Hence, they desired Government to come out with a Bill for setting up of National Statistical Commission and refrain from rushing such an important measure of far reaching implications by issuing an administrative order.

6. The Government in their Action Taken reply, stated as under:-

“A Bill to constitute the National Statistical Commission was introduced in the Lok Sabha on July, 31, 2003. It was referred to the Standing Committee of Parliament. In the meantime, the Thirteenth Lok Sabha was dissolved and consequently the Bill lapsed. The Ministry re-examined the desirability of re-introducing the Bill in the Lok Sabha and decided to set up the Commission through a Government order. This was referred to the Committee of Secretaries (COS). The COS in its meeting held on 6.8.2004 have taken decision, on the basis of which a draft note for the Cabinet has been circulated to the Planning Commission and the Finance Ministry. Views of the Finance Ministry have been received and those of the Planning Commission are awaited.”

7. The Committee deprecate the casual approach of the Government for not taking the recommendation of the Committee seriously with regard to setting up of National Statistical Commission (NSC) through legislative proposal instead of rushing through by an administrative order. They have been informed that a Committee of Secretaries had already taken a decision before this Committee made its recommendation. The matter ought to have been re-examined keeping in view the recommendation of the Committee. Since the Cabinet is yet to take a final decision in this regard, the Committee are of the view that it be re-examined thoroughly. They are of the view that such an important matter should be brought forward through a legislative proposal only. The Committee, therefore, reiterate their earlier recommendation and recommend the Government to come out with a Bill for setting up of National Statistical Commission by the end of first part of Budget Session, 2005. The Committee would like to be informed in this regard within two months after the presentation of this Report.

**Central Statistical Organisation – Statistical Activities
Recommendation (Sl. No. 4, Para Nos. 32)**

8. The Committee took serious note of the fact that though they had been impressing upon the need to have timely and qualitative collection of data in the past, no tangible improvement had so far been noticed. They were also concerned to find that different methodologies were being adopted by various Ministries for collection of data which did not conform to the standards laid down by the Ministry of Statistics and Programme Implementation. The Central Statistical Organisation (CSO) working under the Ministry had reportedly been unable to maintain statistical standards due to ineffective statistical co-ordination with other Central Ministries/Departments, some of which even did not have statistical cells and professional statisticians. The result had been that the surveys were conducted one after another at their own level resulting into collection of sub-standard data which could hardly be relied upon. As regards data collection in the States, the situation was even more pathetic. Most of the statistical data in the States was generated at the level of Block Development Officers and approved by the Agriculture Production Commissioner in the State capital who was the final authority. The Committee were of the view that the main problem with regard to State statistical system related to lack of infrastructural facilities which included lack of qualified enumerators as well. They were of the opinion that unless quality of data collection ,methodology of carrying out the operation and quality of enumerators was improved, the desired goal of data collection would never be met. They were given to understand that under the scheme 'Modernisation of Statistical System in India' which was being funded by World Bank the infrastructural facilities at the State level were going to be upgraded and the State Statistical Bureaus would be strengthened. In view of the fact that this project had already been delayed, the Committee desired that all earnest efforts should be made to ensure that the different components specified under the Project were achieved in a time bound manner so that the improvement could be effected in the present statistical system and uniform method of data collection could be achieved. They desired that Collection of Statistics Act which would bestow more powers on the Ministry with regard to collection of statistics should also be amended forthwith.

9. The Government in their Action Taken reply, stated as under:-

“All efforts are being made to ensure that different components of Tier-I of ‘India Statistical Strengthening Project’ are completed by 2005. Steps are also being taken for the amendment of Collection of Statistics Act.”

10. The Committee are not satisfied with the reply of the Government which states that “efforts are being made to ensure that different components of Tier-I of India Statistical Strengthening Project” are completed by 2005 and steps are being taken for the amendment of Collection of Statistics Act. The Committee had specifically desired the Government to amend the Collection of Statistics Act so that more power could be bestowed on the Ministry with regard to collection of statistics. The Committee are constrained to note that no efforts have been made by the Government to amend the Act even after a lapse of four months since the presentation of the Report of this Committee. The Committee cannot but deprecate this casual approach of the Government in not taking seriously the well considered recommendation of the Committee. They, therefore, desire the Government to amend the Collection of Statistics Act without further delay. They would also like to be apprised of progress of the implementation of India Statistical Strengthening Project from time to time.

CHAPTER II
RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN
ACCEPTED BY THE GOVERNMENT
Recommendation (Sl. Nos. 1 Para nos. 11,12&13)

The Committee note that there are violent fluctuations in the Budget allocations of the Ministry between Budgetary Estimates, Revised Estimates and Actuals leaving aside the provision for MPLADS. During the year 2001-02, BE was Rs. 160 crore and the Actual expenditure was only Rs. 30 crore. In the year 2002-03, BE was Rs. 128 crore and the actual expenditure was Rs. 34 crore. In the year 2003-04 BE was Rs. 69 crore whereas the expected expenditure is Rs. 29 crore. Government has again made provision of Rs. 135 crore for the year 2004-05. Although the Government has stated that the provisions have been made for various projects which could not take off in time but now have been kicked off, yet the Committee are not convinced with the reply.

The Committee strongly recommend that utmost care must be taken to avoid large variations in BE, RE and Actuals. While making budgetary provisions, the provisions should be made only for those schemes/projects which have either been kicked off or are likely to be taken up during that particular year. They are of the view that such unrealistic projections at BE stage deprive other Ministries/Departments of available funds.

From the budgetary provisions of the Ministry, the Committee take note with concern that the Ministry has not been making any separate provisions for the IT (information technology) and show its projections separately in its Demands. They, therefore, feel that since the Ministry of Statistics and Programme Implementation is IT driven, it should lay special emphasis on IT spendings. They also want that in future the Ministry should come out with a separate head for IT.

Reply of the Government

The fluctuations in BE, RE and actual expenditure during 2001-02, 2002-03 and 2003-04 were primarily due to non-take off of the Plan scheme, 'Modernisation of Statistical System in India'. During 2001-02, the scheme had budget allocation of Rs. 119.02 crore which was reduced to Rs. 5.00 crore in RE . During 2002-03, the scheme had a budget allocation of Rs. 47.94 crore which was reduced to Rs. 0.01 crore in RE. During 2003-04, the scheme had a budget allocation of Rs. 4.50 crore which was reduced to Rs. 0.70 crore in RE. Budget used to be allocated at BE stage in anticipation of take off

of the scheme. However, since the scheme could not take off during any of the above years, the budget used to be reduced at RE stage in each year. Finally, the participating agreement with the Department of Economic Affairs was signed on February 9, 2004. During the current year, Tier I of the scheme has been operationalised. The five studies, which are components of the Tier-I of the Scheme, are well in hand and the study reports will be available during the course of next year. The higher allocation of Rs. 135.00 crore during the current year is due to the introduction of a new scheme, 'Fifth Economic Census' with a budget allocation of Rs. 69.50 crore in BE 2004-05. The scheme has already been operationalised during the current year.

The Committee's recommendation is noted. The two new schemes for which budget provision has been made during the current financial year are:-

- (i) Tier I of India Statistical Strengthening Project (Modernisation of Statistical System in India)
- (ii) Fifth Economic Census

Both the schemes have already been operationised during the current year. While it is expected that the allocation of Rs. 69.50 crore for the "Fifth Economic Census" will be fully utilized during the year, considering the tendering process involved in the World Bank assisted scheme "Tier-I of the India Statistical Strengthening Project" a more realistic allocation will be made for the scheme in RE 2004-05.

Though there was no separate provisions for Information Technology (IT) in the budget of the Ministry, the expenditure for Information Technology was being incurred under the object heads "Machinery and Equipment" (Capital) and "Office Expenses" (Revenue). As per the advice of Standing Committee on Finance, Ministry has requested Finance Ministry to provide a separate budget head for IT.

Recommendation (SI. Nos. 3 Para nos. 26)

The Committee are well aware that Modernisation of Statistical System in India is a World Bank project. It is stretched in two phases namely tier-I and tier-II. They are given to understand that ground work in respect of tier-I of the project has been completed and the actual work will be commenced soon and the studies are expected to be over by the end of 2005. They desire that Government should strictly adhere to

the time schedule in right earnest so that tier-ii of the project which is dependent on the outcome of the tier-I takes off in time. They want the Government to inform them periodically in this regard.

Reply of the Government

All steps are being taken to ensure completion of studies under tier-I by end of December, 2005.

2. The present status in respect of the five components of the “India Statistical Strengthening Project” is given below:-

Sl.No.	Component	<u>Present Status</u>
1.	Study for identifying the specific requirements of Strengthening of State Statistical Bureaus.	Short-listed professional agencies have been asked to submit proposals.
2.	Study for the Establishment of an all India Statistical Network.	Request for Proposal (RFP) of this Component is under finalisation. This component can be taken up only after the component at S.No. 1 is completed.
3.	Study for the Creation and Maintenance of Business Register	The agreement has been signed with the International Consultants for guiding the study on Creation and Maintenance of Business Register. Technical evaluation of the proposals submitted by the national institutional consultants has been completed and financial evaluation is in process.
4.	Survey for Improvement of Service Sector Statistics.	Short listed agencies have been asked to submit the proposals.
5.	Study for assessing the survey capabilities of private sector.	The method of implementing this component is being reviewed.

Recommendation (Sl. No. 6, Para nos. 41&42)

The Committee note that there has been a manifold increase in the BE during 2003-04 in comparison to the Actuals during 2002-03. The main reason for higher allocation at BE stage during 2003-04 is due to provision for the construction of Central Training Facility for creating necessary infrastructure for providing training to statistical personnel. In BE 2003-04, an allocation of Rs. 7.15 crore was made under the budget head in the plan scheme “Institutional Development and Capacity Building” for Construction of Central Training Facility for the statistical personnel of the country. However, since preparation and approval of the plan for construction of the building by

Central Public Works Department (CPWD) was taking time, the budget under the head at RE stage was reduced to Rs.50 lakh, resulting in overall reduction under the Head at RE stage. During BE 2002-03, although an initial allocation of Rs. 4.46 crore was made under the head, there was no provision for acquiring land for construction of Central Training Facility. Since there was a distinct possibility of acquiring land for the purpose from the Greater Noida Authority, Rs. 4.28 crore additional allocation was made for the purpose in RE 2002-03 which raised the overall budget under the head. The land was acquired in March, 2003 at a cost of Rs. 431.59 lakh. During the current year 2004-05, an allocation of Rs. 8.86 crore has been made for construction of Central Training Facility through Central Public Works Department. This has resulted in sharp increase in BE allocation under the head during the current year.

The Committee therefore recommend that since the land for construction of Central Training Facility has now been acquired and an allocation of Rs. 8.86 crore has also been made the allocated budgetary provisions should be fully utilized for construction of the building and desired that the expenditure may be watched carefully and revised accordingly at RE stage so as to minimize the gap between RE and Actuals.

Reply of the Government

The committee's recommendation is noted for compliance. In the Revised Estimate (RE), the budget requirement for construction of Central Training Facility will be realistically assessed on the basis of the requirement projected by CPWD. The appropriate allocation will be made for the purpose at RE stage so that the gap between RE 2004-05 and actual 2004-05 is reduced to the minimum.

Recommendation (Sl. No. 7 Para nos. 44&45)

The Committee regret to observe that there had always been substantial under-utilisation of budgetary provisions under the head 'Professional Services' meant for "Modernisation of Statistical System in India". The reasons adduced in support of under-utilisation has been due to non-operationalisation of the scheme as the scheme was taking time to take off. They are given to understand that during 2002-03, certain studies and projects under the Plan schemes "Institutional Development and Capacity Building in Programme Project Planning Implementation Monitoring and Performance Management of Infrastructure in Public and Private Sector", "Development of Social

Environment and Price Statistics” and ‘Improvement of National Accounts Statistics’ as envisaged could not take place resulting in underutilization of funds.

The Committee are concerned to note that huge amount has been allocated under this Head since 2002-03 which remained unutilized for non-operationalisation of the scheme ‘Modernisation of Statistical System in India’. They feel that instead of making full allocation, the Government could have made notional provisions under this Head when the scheme was at its nascent stage in 2002-03. The Scheme has now been operationalised during the current year 2004-05. They want that Government should come forward with only realistic budgetary allocations in future.

Reply of the Government

The Committee’s advice is noted for compliance in future. Possible delays will be factored in while making budget provision in future. Since, tier-I of the scheme ‘Modernisation of Statistical System in India’ has taken off during the current year, realistic budgetary allocations will be made under different heads for the scheme so that the gap between budget allocation and actual expenditure is reduced to the minimum.

Recommendation (Sl. No. 8 Para nos. 47&48)

The Committee regret to observe that there had been substantial under-utilisation of budgetary provisions under the object head ‘Other Charges’. One of the reasons adduced in support of under-utilisation has been mentioned that the allocation of Rs. 2.08 crore was made under the head in the component “awards and fellowships for outstanding and meritorious research work in statistics” of the plan scheme “Institutional Development and Capacity Building” for creation of chair which was an objective of the scheme. This resulted in manifold increase in the BE during 2003-04 in comparison to the actuals in 2002-03. The amount was, however, not spent as a decision was ultimately taken that instituting a Chair would not be advantageous.

The Committee, therefore, take a strong exception to such a casual approach and desire that in future before planning the Plan Schemes it should be properly assessed as to whether the proposed schemes will be advantageous or not and the budgetary exercise should be undertaken with due seriousness so that budget estimates are utilized fully without altering at RE stage.

Reply of the Government

The component, 'Awards and Fellowships for Outstanding and Meritorious Research Work in Statistics' included creation of chair in addition to a number of sub-components such as:

- (i) Doctoral/Post-doctoral fellowships
- (ii) Research collaboration between the Ministry of Statistics and Programme Implementation and universities/institutes.
- (iii) Travel Grants Assistance.
- (iv) National award in the memory of Prof. P.C. Sukhatme and in the honour of Prof. C.R. Rao.
- (v) International Award in memory of Prof. P.C. Mahalanobis.

While other sub-components have been operationalised, the proposal for creation of chair was reviewed. Since no distinct advantage could be foreseen if the sub-component was implemented, it was dropped. However, the Committee's advice is noted for compliance in future.

Ministry of Statistics & Programme Implementation
O.M. No. G-20017/4/2004-B&F dated 20.10.04

CHAPTER III

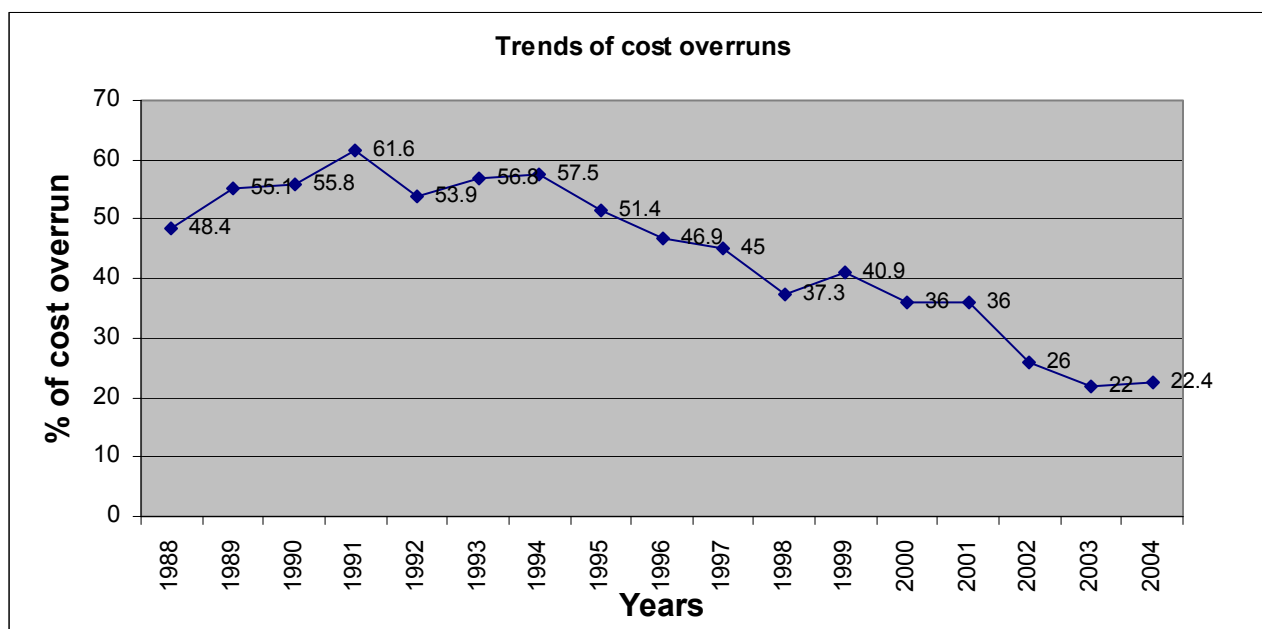
RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLIES Recommendation (Sl. Nos. 5 Para no. 39)

The Committee are deeply concerned to note that many ambitious projects have been held up due to time and cost over-run, resulting in wastage of precious national wealth. This is despite the fact that 29 Standing Committees have been set up in different Ministries/Departments to look into this phenomenon in which the officers of the Ministry of Statistics and Programme Implementation are also represented. These Committees despite looking into the specific reasons for time and cost over-runs also fix responsibility. Though the Standing Committee on Finance have repeatedly been emphasizing the need to minimize the delays by introducing an effective mechanism of monitoring in the past, not much improvement in the results has been noticed so far. The same reasons are adduced time and again while explaining the delays and cost escalations. This position is not acceptable to the Committee. They desire that the various factors which cause the delays should be identified and tackled in an effective manner on priority.

Reply of the Government

As a result of the close monitoring by this Ministry and review mechanism in position and system improvements adopted by the concerned Ministries, the cost overrun as well as time overruns in projects have been declining. The study made by the Ministry reveals that cost overrun in projects stands at 22% in March, 2004 with respect to the original approved cost. The cost overrun in all projects together with respect to their latest approved cost is only 6.3%.

The study carried out by the Ministry shows that the cost overrun in project with respect to originally approved costs has come down from 62% in 1991 to 22% in March, 2004. The graph below depicts the trend.



On an average 500 projects costing Rs.1,60,000 crores (original) have been on the monitor of the Ministry. Assuming 6 to 7 years as average period of completion of project, the direct saving over a period of 13 years as a result of decrease in cost overruns of 40% is of the order of Rs.1,18,857 crore (1,60,000 x 0.40 (% saving in cost) x 1.85 (13 ÷ 7)).

The Institution of Standing Committee set up in the Ministries concerned (29 at present) have focused on time and cost overrun in projects costing Rs. 50 crore and above and on fixing responsibilities on the concerned agencies for delays. This has led to improvement in the management of contracts, financial discipline in respective organisations and close review by the implementing agencies. The awareness created through this system has shown a positive sign.

Ministry of Statistics & Programme Implementation
O.M. No. G-20017/4/2004-B&F dated 20.10.04

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Sl. Nos. 2, Para no. 18,19)

The Committee are perturbed with the reply of the Government wherein they have stated that National Statistical Commission (NSC) will be set up through an administrative order instead of an Act of Parliament in pursuance of recommendations of Rangarajan Commission. They recall that during 13th Lok Sabha, a Bill for constituting the National Statistical Commission was introduced in Lok Sabha on 31st July, 2003 and referred to them also for consideration but it lapsed on dissolution of Lok Sabha. It is not understood to the Committee as to why there is sudden change in the attitude of the Government with regard to National Statistical Commission. They expect that such an important measure will be brought forward through a legislative proposal instead of rushing through by an administrative order. In their opinion this move will not only provide Parliament an opportunity to deliberate on the Bill threadbare but also enhance the status of the National Statistical Commission itself. The Act of Parliament will provide National Statistical Commission statutory status.

Hence, they want that Government should come out with a Bill for setting up of National Statistical Commission and refrain from rushing such an important measure of far reaching implications by issuing an administrative order.

Reply of the Government

A Bill to constitute the National Statistical Commission was introduced in the Lok Sabha on July, 31, 2003. It was referred to the Standing Committee of Parliament. In the meantime, the Thirteenth Lok Sabha was dissolved and consequently the Bill lapsed.

The Ministry re-examined the desirability of re-introducing the Bill in the Lok Sabha and decided to set up the Commission through a Government order. This was referred to the Committee of Secretaries (COS). The COS in its meeting held on 6.8.2004 have taken decision, on the basis of which a draft note for the Cabinet has been circulated to the Planning Commission and the Finance Ministry. Views of the Finance Ministry have been received and those of the Planning Commission are awaited.

Recommendation (Sl. No. 4 Para no. 32)

The Committee take serious note of the fact that though they have been impressing upon the need to have timely and qualitative collection of data in the past, no tangible improvement has so far been noticed. They are also concerned to find that different methodologies being adopted by various Ministries for collection of data do not conform to the standards laid down by the Ministry of Statistics and Programme Implementation. The Central Statistical Organisation (CSO) working under the Ministry has reportedly been unable to maintain statistical standards due to ineffective statistical co-ordination with other Central Ministries/Departments, some of which even do not have statistical cells and professional statisticians. The result has been that the surveys are conducted one after another at their own level resulting into collection of sub-standard data which can hardly be relied upon. As regards data collection in the States, the situation is even more pathetic. Most of the statistical data in the States is generated at the level of Block Development Officers and approved by the Agriculture Production Commissioner in the State capital who is the final authority. The Committee are of the view that the main problem with regard to State statistical system relates to lack of infrastructural facilities which includes lack of qualified enumerators as well. They are of the opinion that unless quality of data collection ,methodology of carrying out the operation and quality of enumerators is improved, the desired goal of data collection can never be met. They are given to understand that under the scheme 'Modernisation of Statistical System in India' being funded by World Bank the infrastructural facilities at the State level are going to be upgraded and the State Statistical Bureaus will be strengthened. In view of the fact that this project has already been delayed, the Committee desire that all earnest efforts should be made to ensure that the different components specified under the Project are achieved in a time bound manner so that the improvement could be effected in the present statistical system and uniform method of data collection can be achieved. They desire that Collection of Statistics Act which will bestow more powers on the Ministry with regard to collection of statistics should also be amended forthwith.

Reply of the Government

All efforts are being made to ensure that different components of Tier-I of 'India Statistical Strengthening Project' are completed by 2005. Steps are also being taken for the amendment of Collection of Statistics Act.

Ministry of Statistics & Programme Implementation
O.M. No. G-20017/4/2004-B&F dated 20.10.04

CHAPTER V

RECOMMENDATIONS / OBSERVATIONS IN RESPECT OF WHICH FINAL REPLY OF THE GOVERNMENT IS STILL AWAITED

- NIL -

NEW DELHI;
20 December, 2004
30 Agrahayana, 1926(Saka)

MAJ. GEN. (RETD.) B.C. KHANDURI,
Chairman,
Standing Committee on Finance

Minutes of the Tenth sitting of Standing Committee on Finance

The Committee sat on Monday, 20 December, 2004 from 1530 to 1600 hrs.

PRESENT

Maj. Gen (Retd.) B.C. Khanduri - Chairman

MEMBERS

LOK SABHA

2. Shri Gurudas Das Gupta
3. Shri Shyama Charam Gupt
4. Shri Madhusudan Mistry
5. Shri Shrinivas D. Patil
6. Shri K. S. Rao
7. Shri Jyotiraditya Madhavrao Scindia
8. Shri G.M. Siddeshwara
9. Shri M.A. Kharabela Swain

RAJYA SABHA

10. Shri Jairam Ramesh
11. Shri M. Venkaiah Naidu

Secretariat

1. Shri. P.D.T. Achary - Additional Secretary
2. Shri R.K. Jain - Deputy Secretary
3. Shri R.C. Kakkar - Under Secretary

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee.

3. XX XX XX XX XX XX..

4. XX XX XX XX XX XX..

5. Thereafter, they took up for consideration the draft action taken report on the Demands for Grants (2004-2005) of the Ministry of Statistics and Programme Implementation and adopted the same with changes as suggested by some of the Members.

6. XX XX XX XX XX XX..

7. XX XX XX XX XX XX.

8. The Committee then authorised the Chairman to finalise the Reports in the light of amendments suggested as also to make verbal and other consequential changes and present the same to both the Houses of Parliament.

The Committee then adjourned.

APPENDIX

[Vide Para 3 of the Introduction]

ANALYSIS OF THE ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE FOURTH REPORT (FOURTEENTH LOK SABHA) OF THE STANDING COMMITTEE ON FINANCE ON DEMANDS FOR GRANTS (2004-2005) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION

	Total	% of total
(i) Total number of recommendations	8	
(ii) Recommendations / observations which have been accepted by the Government (Vide Recommendations at Sl. Nos. 1,3,6,7 & 8)	5	62.5%
(iii) Recommendations/observations which the Committee do not desire to pursue in view of the Government's replies (Vide Recommendations at Sl. No. 5)	1	12.5%
(iv) Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee (Vide Recommendations at Sl. Nos. 2 & 4)	2	25%
(v) Recommendations/observations in respect of which final replies of the Government are still awaited (Vide Recommendations at Sl. Nos. Nil)	0	Nil