

Statistics procedures must be overhauled, says chairman Morobe

FFC joins call for better data

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Cape Town – The Financial and Fiscal Commission (FFC) yesterday became the latest body to call for a major overhaul of the collection, analysis and release of the national statistics which were urgently needed for correct and timeous policy decisions.

FFC chairman Murphy Morobe and his top officials briefed parliament's two finance committees on its 2004/07 medium-term expenditure framework.

They said the lack of more accurate and up-to-date data was making it very difficult to map out how resources should be allocated to the provinces and local governments to tackle problems such as poverty and underdevelopment.

This was starkly highlighted by the recent admission by Statistics SA that its figures on inflation had probably been overstated, which has affected everything from the level of interest rates to repayments of state debt.

Committee members said they were also very concerned about the state of the collection and dissemination of statistics.

Too many agencies and state bodies appeared to be involved in different ways.

Perhaps serious attention should be given to rationalising and centralising data collection in the office of the president.

Proper planning was impossible under the current fragmented system, while Stats SA appeared to have capacity problems.

The decision to drop the October Household Survey in 1999 had created a major gap in the collection of statistics and had been a key reason behind the overstatement of rental figures in recent calculations of inflation figures.

Morobe said this had particularly affected efforts to gauge the depth and extent of poverty and

what was needed to deal with it through direct and conditional grants from central government to the provinces and local authorities.

Although the FFC could try to collect its own statistics, it was vital that the country as a whole had a credible statistical database, he said.

On Monday finance minister

Trevor Manuel met statistician-general Pali Lehohla about reports that inflation figures had been overstated for some time.

Manuel promised that everything possible would be done to correct the situation as soon as possible.

It is expected that revised inflation figures will be released on Friday.