

## **CITY GROUP ON INCOME, EXPENDITURE AND WEALTH**

### **Note prepared by Statistics Canada**

#### **I. BACKGROUND**

1. In a note tabled at the October 2008 meeting of the CES Bureau, Canada presented a paper on options for further work on income, wealth and poverty measurement. The proposal had two components: a narrower focus on improving the income concept per the Canberra Group Handbook; and broader work on integration of income, expenditure and wealth.

2. The CES Bureau agreed that a Task Force be set up on the practical implementation of the Canberra Group Handbook, reflecting new developments in the measurement of income. The Bureau recommended that Canada approach the UNSD for the possibility of setting up a City Group for the broader task.

#### **A. Canada's Discussions with UNSD**

3. Canada approached UNSD after the October 2008 Bureau meeting and sent them: the Canadian paper prepared for the Bureau; the Canadian conceptual paper on an integrated approach to measuring low-income/poverty based on data for wealth, income and expenditure; and some thoughts for future work. Discussions with UNSD followed based on this material. The following are views that UNSD expressed:

(a) In establishing a City Group on any topic, such as the one being proposed, a country should follow protocols that are well-established;

(b) Under these protocols, an interested country takes the lead of initiating the subject matter and determining the extent of interest in that subject matter among other countries;

(c) If countries decide to form such a group, UNSD would play a facilitating role, and provide the liaison to the Statistical Commission;

(d) UNSD proposed that an opportunity would present itself in the near future for Canada to undertake such consultations at the time of the session of the Statistical Commission in the later part of February;

(e) UNSD expressed the view that it would welcome the establishment of such a City Group. In their view: the topic is highly relevant; a number of countries have done independent work in this field, so there is potential to explore common issues; and the Group could develop a set of recommendations to harmonize existing individual approaches, thus facilitating the development of international standards in the long-term.

## **B. Next Steps**

4. Following these consultations, these are the steps we think we need to take:

(a) We need to be clearer on the issues upon which we need to focus, as the topic of income, expenditure and wealth is quite broad. Since Australia is another country that has given thought to this issue, we have already approached them to seek their views. They agree that the next step needs to be a focus on precise issues to be studied. We have agreed to make progress on this issue at a meeting between Statistics Canada and the Australian Bureau of Statistics in June 2009;

(b) As advised by UNSD, Canada will consult with other countries during the next session of the Statistical Commission about the need, and their interest, in setting up a City Group. We would also check with them their views on the precise focus we should have on issues to be dealt with;

(c) These consultations, which may go beyond June, will determine whether there is enough support for the establishment of a City Group on Income, Expenditure and Wealth and, if so, what precise topics need to be studied.

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