



**Economic and Social
Council**

Distr.
GENERAL

CES/2004/18
1 June 2004

ENGLISH ONLY

STATISTICAL COMMISSION and ECONOMIC COMMISSION FOR EUROPE

CONFERENCE OF EUROPEAN STATISTICIANS

Fifty-second plenary session
(Paris, 8-10 June 2004)

**OFFICIAL STATISTICS – A RECOGNISABLE AND ENDURING NATIONAL
RESOURCE**

Supporting paper submitted by Statistics New Zealand¹

INTRODUCTION

1. This paper focuses on the issues of branding and identity of Official Statistics in a whole of government context. It draws very specifically on the outcomes of a recently completed major review of the official statistical system in New Zealand. It also discusses some challenges this may present for Statistics New Zealand regarding its own branding.

2. The review of the official statistics system was initiated in late 2002 by the Ministers in charge of the Treasury, the State Services Commission and Statistics New Zealand. The overall purpose was to identify and address concerns that they, and the Government Statistician, had regarding the cumulative impact that the evolution of the system over the previous two decades was now having on achieving good outcomes in official statistics.

3. The initiatives outlined in the paper are designed to:

- strengthen and develop the overall system of official statistics;
- document and retain the most important official statistical data as an enduring national resource;
- ensure greater access to this resource for a range of users; and
- more effectively manage on 'a whole of government basis' respondent burden from official surveys.

A key objective in all of these initiatives has been to differentiate and brand official statistics

¹ Paper prepared by Brian Pink.

for all key stakeholders.

BACKGROUND

4. In New Zealand the term 'official statistics' is defined in section 2 of the Statistics Act 1975 as being

"Statistics derived by Government Departments from:

- (a) Statistical surveys as defined in this section; and
- (b) Administrative and registration records and other forms and papers the statistical analyses of which are published regularly, or are planned to be published regularly, or could reasonably be published regularly".

5. The Statistics Act 1975, which sets out the framework for New Zealand's official statistical system, has three major objectives:

- to provide information for Executive Government, government departments, local authorities and businesses for making policy decisions and to enable these groups and also the general public to understand economic, social, demographic and other matters of interest;
- to coordinate as effectively as possible and to render most useful the official statistics produced by government;
- to avoid unnecessary duplication of requests for information by government.

6. These objectives remain as relevant today as they were back in 1975, and are consistent with the benefits of working across government agencies, using statistical evidence to support government and societal decision-making and providing best value for money.

7. The Act also recognizes Statistics New Zealand as the central statistical agency and assigns it a coordination role for all official statistics in New Zealand.

8. Within this legislative framework any government department may produce official statistics. In reality Statistics New Zealand produces the majority of the core official statistics, particularly in the fields of economic and population statistics. The principal official statistics not produced by Statistics New Zealand are those on education, health, crime, justice and welfare. These are produced by other government departments primarily from administrative sources, or in some cases from surveys conducted by or for them.

9. However, and consistent with broader government policies, the trend since the late 1980s, particularly for new social and environmental statistical survey activities initiated within Government, had been to fund and arrange such activity through a decentralised, rather than centralised, approach.

10. By the end of the 1990's there was increasing concern that this had resulted in a fragmented and uncoordinated range of social statistics of limited value to the wider social policy research agendas then being explored by government. More broadly, concerns were also being expressed by Ministers that as a consequence of the weak coordination of the official statistics system, inconsistent and generally poor knowledge of and access to statistical data for researchers both within and outside government was leading to significant under utilisation of

existing data and statistics to inform policy decisions and evaluative activities.

THE REVIEW AS A CATALYST FOR AN OFFICIAL STATISTICS BRAND

11. Although the Statistics Act 1975 had clearly defined official statistics from a 'whole of government' perspective, this was poorly understood or acknowledged at political, bureaucratic or wider community levels. Therefore one of the major challenges during the consultation phases of the review was to establish and reinforce with all of the key stakeholders the notion of an official statistical system. In effect the issue was one of establishing 'Official Statistics as a brand' in the minds of all these stakeholders.

12. The review, which recently received the necessary government funding to support implementation of its recommendations, defined a model that has eleven key elements as set out in Appendix 1. Five of these elements are fundamental to the objective of achieving a 'whole of government' approach to the official statistical system. Each is described in more detail below.

Identification of a set of the most important statistics (Tier 1)

13. Tier 1 statistics are a defined set of key official statistics that are performance measures of New Zealand. The identification of Tier 1 statistics is primarily based on the purpose of the statistic and not 'who' produces the statistics. The Government Statistician will lead the development of the set of Tier 1 statistics to achieve a consistent level of quality across all subject areas.

14. Tier 1 statistics will have most of the following attributes:

- are essential to central government decision making;
- are of high public interest;
- need to meet public expectations of impartiality and statistical quality;
- require long term continuity of the data;
- provide international comparability or meet international statistical obligations.

15. The Government Statistician is to convene a group of chief executives, (or their delegates), who are the key producers and users of Tier 1 statistics, to advise Ministers, through the Minister of Statistics, on what should be included in the initial list of Tier 1 statistics. Subsequent changes to the list will be proposed to ministers, by a similar group convened for that purpose. The Government Statistician will be required to consult the wider range of users, particularly those outside of government, as part of this process.

16. The identification of Tier 1 statistics is central to the proposed model. Tier 1 statistics are likely to include:

- those currently produced by Statistics New Zealand - primarily economic, population and demographic statistics, but also includes some key social statistics (e.g. Household Savings; Statistics on Family, Income and Employment; Labour Market; Time Use), and including statistics produced by data integration methods using data provided from other departments' databases as well as from Statistics New Zealand's own data holdings;
- a few economic statistics produced by other organizations outside the legal definition of producers of official statistics (e.g. Reserve Bank, Quotable Value New Zealand (QVNZ));
- some key social statistics: particularly health, education, justice sector and social

- development statistics produced from administrative databases and/or surveys; and
- a future set of environmental statistics now being developed.

17. There is also work going on in government on the need for indicator reporting and evaluative activity and this model will support this work.

18. The intent of introducing this Tier 1 concept is to ensure that the important statistics that departments use to advise and inform Ministers, and which are of broad public interest, will be of a consistently high quality and integrity. The majority of statistics likely to be included as Tier 1 already follow the protocol of being released by the Chief Executive of the producing agency to minimise any perception of bias or manipulation in the release of the statistics. As this is expected to become standard practice for all Tier 1 statistics, some changes in current practice where the relevant Minister is primarily responsible for releasing those statistics, will be necessary.

Application of a consistent set of standards, protocols, and policies for Tier 1 statistics

19. Producers of Tier 1 statistics will be expected to consistently apply the statistical standards, protocols, and policies set by the Government Statistician in consultation with users and producers. This will be essential for the system to work effectively across the State sector and to allow a whole of government statistical picture to be built up.

20. Some such obligations already exist on departments under the current system although the degree of compliance varies considerably. The identification of Tier 1 statistics will almost certainly require additional obligations to be placed on many departments in order for their statistics to meet the quality requirements, including the potential for cross-agency integration and collaboration, for Tier 1 statistics.

21. The application of these standards for administrative databases will however recognise that their primary purpose is operational delivery. As this purpose should not be compromised, some delays in the application of these standards can be anticipated and will need to be carefully managed.

A single point of access to Tier 1 unit record survey data and to Tier 1 administrative data sources

22. A new business unit called the Official Statistics Research and Data Archive Centre (OSRDAC) is to be set up in Statistics New Zealand. Government agencies, including Statistics New Zealand, will be required to deposit information to OSRDAC so that it can provide a single reference point for unit record data sources for Tier 1 statistics for government, university and other researchers.

23. The following requirements to supply data will be established:

- Tier 1 Surveys. A copy of the unit record file and associated metadata will be deposited with OSRDAC;
- Tier 1 Administrative Data. Government agencies responsible for an administrative database will supply the relevant metadata of the database (effectively a description of what data of relevance to the official statistics system is contained in the database) to OSRDAC.

24. The establishment of OSRDAC will also help to address government concerns about the paucity of researchers' access to unit record and small area data; issues specifically identified as part of government deliberations on the Information Knowledge Base for social policy in 2001. Statistics New Zealand will promote, and manage OSRDAC transparently, and will work to reduce the current cost of access to unit record data.

25. The OSRDAC initiative represents a significant enhancement of the current Data Laboratory facility provided by Statistics New Zealand for access to some of its own data. Over time this Centre is expected to become a major resource for quantitative research in New Zealand. Researchers both within and external to government will be encouraged to make full use of its capabilities and to contribute to its development. It will also ensure that New Zealand society will continue to gain maximum benefit from data already collected and used for statistical purposes by documenting and managing the data and associated metadata as an enduring national resource.

Independent Advice and Review

26. A new Advisory Committee on Official Statistics (ACOS) reporting through the Minister of Statistics to Cabinet is to be established to represent the interests of the wider statistical community, including users, producers, and suppliers of statistical data. It will ensure that Tier 1 Official Statistics are developed to meet the needs of users and producers. The Government Statistician will be an ex-officio member of the committee.

27. The role of ACOS will focus on improving the quality and relevance of official statistics by:

- (a) Producing an annual report on the "health" of Tier 1 statistics,
- the appropriateness of standards, policies and protocols, and
 - changes necessary to improve Tier 1 statistics.

(b) Providing comment to the Government Statistician on the performance of the Official Statistics Research and Data Archive Centre.

28. ACOS's role will be an advisory one. Accountability for the production and quality of Tier 1 statistics according to the appropriate statistical system standards, protocols, and policies will continue to be through normal departmental accountability processes. All departments will be informed by ACOS's "Health of Statistics" report.

Notification process for all surveys

29. Weak coordination of the official statistical system has not only led to increased respondent burden it has also limited the effective use of existing statistical information. Cross-government sharing of information and a survey notification process will help mitigate these problems.

30. All agencies covered by the Statistics Act that survey persons or organizations will be required to complete a simple notification process. It will be designed to minimise burden on departments, capturing for any survey directly or indirectly funded by the agency, a simple overview set of information on what is to be collected, from whom and how results will be made available. For this purpose surveys are not to be restricted to those for statistical purposes and will include research and other descriptive surveys. The information will be published by Statistics New Zealand and will be used to:

- provide a single point of reference for users and producers of official statistics;
- manage respondent burden (Statistics New Zealand will use it to help reduce instances of over-sampling); and
- prepare summary respondent burden information to be included in Statistics New Zealand's Annual Report to Parliament.

A WHOLE OF GOVERNMENT COMMITMENT

31. The central feature of all of these key elements of the changes being introduced as a result of the review is the predominance of a 'whole of government' approach with reliance for success on the active support and participation of all relevant government departments. Indeed most of the new processes outlined above will be accessed through an 'Official Statistics Portal' maintained by Statistics New Zealand on behalf of the wider official statistics community within government.

32. Adopting a 'whole of government' approach will not be without its challenges. The strong commitment made during the review by all Departmental Chief Executives to a holistic solution has been, and will continue to be, critical to the overall success of the implementation phase and the successful development of the 'official statistics' brand.

CHALLENGES FOR STATISTICS NEW ZEALAND OF THE EMERGENCE OF OFFICIAL STATISTICS AS A BRAND

33. Until the 1980's, issues of marketing and organizational positioning were not considered major priorities in the statistical community. In fact these often seemingly intangible concepts of brand and marketing were regarded with some suspicion by official statisticians. This should not be surprising as the very professionalism of statisticians requires scientific discipline and a strong independence from interests and agendas.

34. Until then, national statistical organizations such as Statistics New Zealand relied largely on the integrity of their people, statistical processes and systems to stand for themselves with little perceived need to tell the wider community about their contribution to society, to explain their commitment to protect data confidentiality or to champion the values of objectivity and integrity that were integral to all they did. Those who knew us well, both inside and outside

of government, certainly understood the value of the statistical services we provided but for most of the rest of society, the NSO was largely invisible other than through media coverage of key releases or as a source of unsolicited and often unwelcome data demands. Put another way there wasn't a strong brand association with either the NSO or the broader official statistical system.

35. The pressures placed on Statistics New Zealand during the later 1980's and into the 1990's as government policies changed in line with the 'user pays' principle, required us to find ways of raising more of our funding from external sources. These changes represented a new set of challenges and in many cases resulted in a strong push to market the separate products and services we provided. This strong marketing push often downplayed the overall branding of the institution and in some cases staff became more aligned with their business unit and less with the organization as a whole. Government organizations often competed for funding for new statistical initiatives and the concept of an official statistical system became largely academic.

36. During the 1990's, in response to the growing level of disillusionment, cynicism and distrust being articulated by various groups towards governments and the bureaucracy, Statistics New Zealand put considerable effort into explaining the integrity and objectivity of its work and the independence of the role of the Government Statistician. This represented a very deliberate attempt to differentiate the national statistical organization from other government departments. This was in fact the real push to create the Statistics New Zealand brand and the role of the media, given its broad coverage of the general population, was a critical part of the strategy.

37. Most recently the review of the official statistical system has provided a further opportunity to engage with key stakeholders to build a better understanding of the importance of statistics to a modern society and to reinforce the Statistics New Zealand brand by highlighting the unique contribution Statistics New Zealand can make in their further development. This has required us to look carefully at how we are seen, not only by key analysts, government agencies and researchers but also by the media and the wider community.

38. In this latter context, in July 2003 Statistics New Zealand commissioned some post census quantitative market research which both confirmed that the Statistics New Zealand brand had value in the wider community but also suggested that it could be easily compromised by negative perceptions of the broader activities of government. Although the following results do not have the authority of official statistics, they do provide some illuminating insights into some of the risks for Statistics New Zealand in aligning itself too closely at this stage with an 'Official Statistics' brand:

Some 82% of respondents are confident that Statistics New Zealand will keep their Census forms absolutely confidential. However, only 19% of respondents were extremely confident that this would be the case, and 16% were not confident or not confident at all.

The main reason for not having confidence that Statistics New Zealand will keep personal information confidential is distrust in government departments as a whole 30%, that staff may release (inadvertently or otherwise) personal information 16%, the possibility that unauthorised persons may gain access 19%, and concerns regarding

hackers and the security of computer systems 16%.

In addition the major motivating factor as to why respondents of the survey believed people might not take part or complete the census was that the information was nobody's business or that the questions were too personal.

39. It is one of the significant challenges facing national statistical organizations and the wider system of official statistics that while international organizations, governments, business and some community sectors require more statistics with a greater level of detail, cross comparisons and complexity, survey respondents are becoming more resistant and less inclined to trust government institutions. The increasing demand of researchers to have access to microdata is heightening these concerns in some parts of New Zealand society.

40. The general accumulation and use of information of all sorts in our societies, and the increasing difficulty of being able to discriminate between fact and 'spin' adds further dimensions to the risks and challenges of seeking to establish 'official statistics' as a brand.

41. Through the mediums of television, news media, and particularly the internet there are more surveys and 'facts' available than ever before. In a Google search the word statistics nets over 46 million pages. Although not all statistics are collected and created equally, every day on radio, television, in newspapers and on websites there is what has been called McStats, competing for the interest and understanding of the broader community with official statistics.

42. The immediacy of web and more recently mobile phone polls or surveys based on less than rigorous methodologies is also becoming increasingly attractive to media and the public. The continued use of such unscientific surveys suggests they are perceived to be a good marketing tool. At the same time they reinforce and facilitate the desire of people to want to be heard and to influence public debate.

43. Taking all of these different factors into account now provides Statistics New Zealand with some difficult choices. Having reasonably successfully established itself as a brand in New Zealand society over recent years, and recognising that more needs to be done to cement this position, we must now decide:

- how to establish an 'Official Statistics' brand that can be effectively sustained on a 'whole of government' basis;
- whether and to what extent we should seek to align the already existing Statistics New Zealand brand with an "Official Statistics" brand

CONCLUSION

44. Whatever option we take to improve the way we are seen, we need to go back to basics in re-establishing our brand.

45. Statistics is not a discipline built on image and perceptions, but on scientific rigour. It is this rigour that forms the cornerstone of the way forward. Official statistics will only be seen as a national resource if they are seen to be accurate, coordinated and relevant. Therefore to rely on image building not based on our professional strengths would be both unwise and in all probability unsustainable.

46. Statistics New Zealand is now engaging our key stakeholders to build a better understanding of the importance of statistics to a modern society. We are doing this by enlisting other government agencies and users to help us improve the system of official statistics. At the same time we are highlighting the unique contributions that Statistics New Zealand and other agencies can make to improving public policy and public debate through quantitative analysis and research.

47. The success of the initiatives that have resulted from the major review of the official statistical system in New Zealand will rest not only on how well we engage and communicate to the other contributors to the system the core values that are already embedded in the culture of Statistics New Zealand. Important as this will be, the ultimate test will be how objective, relevant and robust our system of official statistics is perceived to be by governments, business and community groups and by ordinary New Zealanders. We want people to be confident the new system will protect the confidentiality of the data they supply, that it is accessed and used by skilled professionals and that the statistical outputs that result are put into the public domain independent from external influences.

48. To establish the brand of 'official statistics as an enduring national resource' will require that we consistently communicate two things to our stakeholders in all our contacts with them:

- the first is the nature and value of the system of official statistics to a modern democratic New Zealand society;
- and the second are the independence, expertise and integrity of Statistics New Zealand as the leader of that system.

APPENDIX 1 : 11 Key Elements of New Official Statistics Model

Identification of a set of important statistics (Tier 1). Tier 1 statistics are a defined set of key official statistics that are performance measures of New Zealand. The identification of Tier 1 statistics is primarily based on the purpose of the statistic and not 'who' produces the statistics.

Broadening the coverage of official statistics to include a class of Crown entities to be known as Crown Agents (as set out in the Public Finance (State Sector Management) Bill 2003)². These entities fulfil an important role of government that fit naturally into official statistics. Producers of Tier 1 statistics outside the proposed scope of departments and Crown agents (e.g. the Reserve Bank) will need to be invited to come within the scope.

Application of a consistent set of standards, protocols, and policies for Tier 1 statistics. The Government Statistician, in consultation with departments, will set standards, protocols, and policies to be applied to Tier 1 statistics and therefore maximise the ability to integrate, compare and use such statistics across the State sector.

Ministerial Approval Process. The Minister of Statistics will approve all new or substantially revised Tier 1 surveys to ensure standards as defined above are being met.

Sectoral Leadership. Leadership by the Government Statistician of the development of the official statistics system through the broad adoption of common standards, protocols and policies, the use of Statistics New Zealand's expertise and capability and a strong programme of statistical research.

Independent Advice and Review. An Advisory Committee on Official Statistics (ACOS) reporting to the Minister of Statistics and Cabinet will represent the interests of the wider statistical community, including users, producers, and suppliers of statistical data. It will ensure that official statistics, particularly Tier 1 are developed to meet the needs of users and producers. The Government Statistician will be an ex-officio member of the Committee.

Accessing and releasing statistics

1. Users will be able to access a full list of available statistics produced by government.
2. Users will be able to use a variety of standard methods to access Tier 1 statistics.
3. Release of Tier 1 statistics will be the Chief Executive of the producing agency according to calendar release dates published at least six months in advance.

A single point of access to Tier 1 unit record survey data and to administrative data sources. A new business unit will be set up in Statistics New Zealand called the Official Statistics Research and Data Archival Centre (OSRDAC). OSRDAC will provide a single access point for all Tier 1 data sources and a single repository for unit record data for Tier 1 surveys, for use by government, university and other researchers.

² The Public Finance (State Sector Management) Bill 2003 designates five categories of Crown entity: statutory entities, Crown entity companies, Crown entity subsidiaries, school boards of trustees and tertiary education institutions. Crown agents are one of the three types of statutory entity, the others being Autonomous Crown Entities (ACEs) and Independent Crown Entities (ICEs).

Clear terms for contract survey work undertaken by Statistics New Zealand for government agencies. These terms and conditions must be widely available and understood by potential contracting parties.

A notification process for all government surveys. All surveys undertaken by government departments of citizens and/or businesses for any purpose will be notified to Statistics New Zealand in order to produce a comprehensive register of all official surveys. This will meet government and the community's interest in understanding the totality of the surveying burden.

An additional burden management process will be put in place for all surveys with a sample size over 2,500. The initiating agency will be required to consult with the Government Statistician at the contemplative stage of a survey. Agencies with a potential interest in the survey will be advised and encouraged to collaborate to maximise the utility of such surveys. The final decision on the content of the survey will remain with the Chief Executive of the initiating agency.

* * *