

Minutes of Statistics Users Group Meeting

Date of meeting: **6 August 2014**; 4th floor CLMH

Present: Martin Richardson (Chair), Mary Friswell, Peggy Gielen, Jennie Holley, Craig Leach, Graeme Marett, John Noel, Ray Shead, Peter Surcouf, Matthew Sutton, Rozanne Thomas

Statistics Unit: Duncan Gibaut (DG)

1. **a) Minutes of last meeting:** agreed and signed off.

b) Matters arising: A meeting with the Chief Minister had been arranged for 3 September 2014, in order to discuss the Group's concerns with the Manpower Survey.

2. **Update on the Manpower Survey**

DG informed the Group that the Statistics Unit remained in daily contact with the Population Office. On Friday 1 August 2014 the Unit had received, for the first time, a dataset for the December 2013 round of the Manpower Survey which was internally consistent, from the perspective of being free from simple, basic arithmetic errors. The Unit was now able to start detailed analysis of this dataset.

3. **Statistics legislation for Jersey**

DG presented the Group with a memo: "*Statistics legislation for Jersey*" (attached as annex). In this memo he invited the Group to consider:

- the establishment of a legal framework for Official Statistics in Jersey;
- recommending to the Chief Minister that the Law Draftsmen, in consultation with Statistics User Group, be instructed to draft appropriate legislation.

The Group decided to arrange an additional meeting (on 17 September 2014) to discuss the issues raised in this memo.

4. **Update on Statistics Unit activity**

DG summarised recent publications and ongoing work of the Statistics Unit:

Recent:

- Survey of Financial Institutions 2013
- Quarterly: Retail Prices Index, RPI
Business Tendency Survey
Retail Sales Index
House Price Index
- Monthly: Registered Actively Seeking Work (ASW)

Ongoing:

- Household Spending and Income Survey – started in April 2014
- Jersey Annual Social Survey 2014 – started in May 2014

5. **Next meeting**

Wednesday 12 November 2014

12:15 – 14:00 in the Concord Room, 4th floor of Cyril Le Marquand House

Statistics legislation for Jersey

To: **Statistics User Group**

From: Duncan Gibaut, Chief Statistician

Date: 31 July 2014

Issue

In 2002 the Jersey Statistics User Group published a set of five recommendations regarding the independence of statistics in Jersey¹, based on the United Nations Fundamental Principles of Official Statistics². Since then, four of the Group's recommendations have largely been adopted. The one outstanding recommendation is that regarding the development and implementation of a legal framework to ensure the independence of Official Statistics in Jersey.

On 8 November 2013 the Chief Minister signed a Ministerial Decision to instruct the Law Draftsmen to amend the Census Law (Jersey) 1951 in order to allow a defined and limited amount of departmental administrative data to be shared with the Statistics Unit³. The purpose of such data sharing is to enable an electronic approach to the population census to be undertaken based on administrative data sources, to supplement, and potentially in the future to replace, the traditional questionnaire-based approach.

Given the age of the current Census Law and the paucity of other legislation relating to the structure and function of the Statistics Unit, amending the Census Law provides a pertinent opportunity for enhancement from the broader perspective of establishing the governance and independence of Official Statistics in Jersey on a statutory basis.

Modernising the framework of Official Statistics in Jersey and putting it on a statutory basis would bring the Island into line with the majority of other international jurisdictions through creating a legal mandate for the governance, structure and function of Jersey's de facto National Statistical Office[†].

Timing

The development and implementation of statistical legislation in Jersey is particularly pertinent in the context of the imminent introduction of Freedom of Information legislation for Jersey and the concurrent prominence given to data held by public administrative bodies, its use, dissemination and protection.

For consideration

In order to ensure the ongoing capability of the Statistics Unit to produce and publish high quality, objective and trusted statistical information, the Chief Statistician invites the Statistics User Group to consider:

- the establishment of a legal framework for Official Statistics in Jersey;
- recommending to the Chief Minister that the Law Draftsmen, in consultation with Statistics User Group, be instructed to draft appropriate legislation.

[†] The National Statistical Office is the leading statistical agency within a national statistical system (UN and OECD definition). The European Union uses the designation National Statistical Institute (NSI).

Background

1. UN Fundamental Principles of Official Statistics

In 1994 the United Nations adopted the Fundamental Principles for Official Statistics. These ten principles, in essence, address the issue of the independence and integrity of the statistics produced by national statistical offices:

Principle 1.

Official statistics provide an indispensable element in the information system of a democratic society, serving the Government, the economy and the public with data about the economic, demographic, social and environmental situation. To this end, official statistics that meet the test of practical utility are to be compiled and made available on an impartial basis by official statistical agencies to honour citizens' entitlement to public information.

Principle 2.

To retain trust in official statistics, the statistical agencies need to decide according to strictly professional considerations, including scientific principles and professional ethics, on the methods and procedures for the collection, processing, storage and presentation of statistical data.

Principle 3.

To facilitate a correct interpretation of the data, the statistical agencies are to present information according to scientific standards on the sources, methods and procedures of the statistics.

Principle 4.

The statistical agencies are entitled to comment on erroneous interpretation and misuse of statistics.

Principle 5.

Data for statistical purposes may be drawn from all types of sources, be they statistical surveys or administrative records. Statistical agencies are to choose the source with regard to quality, timeliness, costs and the burden on respondents.

Principle 6.

Individual data collected by statistical agencies for statistical compilation, whether they refer to natural or legal persons, are to be strictly confidential and used exclusively for statistical purposes.

Principle 7.

The laws, regulations and measures under which the statistical systems operate are to be made public.

Principle 8.

Coordination among statistical agencies within countries is essential to achieve consistency and efficiency in the statistical system.

Principle 9.

The use by statistical agencies in each country of international concepts, classifications and methods promotes the consistency and efficiency of statistical systems at all official levels.

Principle 10.

Bilateral and multilateral cooperation in statistics contributes to the improvement of systems of official statistics in all countries.

2. Global Implementation of the UN Fundamental Principles

The UN Statistics Commission has conducted periodic reviews of the implementation of the Fundamental Principles by UN Member States. Global reviews were carried out in 2003 and 2012, the results of which were published in 2004 and 2013, respectively (see references 4 and 5).

The reviews were based on a questionnaire sent to national statistical offices. In the 2003 round there were 112 respondents from the 192 jurisdictions which were sent a questionnaire; in the 2012 round there were 126 respondents from 194 recipients (for response rates by economic grouping and geographical area see Table 1 in reference 5).

The two reviews included several questions relating to each of the ten Principles. For Principles 1 to 9 there was a general question to determine the extent of implementation of each particular principle in each jurisdiction (see Table 2 in reference 5).

Principle 7: Legislation

During the twenty years since the adoption of the Fundamental Principles by the UN Statistical Commission in 1994, a wide range of international jurisdictions have developed and implemented new statistical legislation in order to ensure that the Principles are embedded in the jurisdiction's legislative framework.

In this context it is also worth noting that the primary indicator used by Eurostat for recognising independence is that "the independence of the NSI (National Statistical Institute) from political and other external interference in developing, producing and disseminating statistics *is specified in law*".

The 2012 UN global review found that Principle 7 (Legislation) was:

- "fully implemented" in more than three-quarters (76%) of respondent jurisdictions;
- "largely implemented" in a sixth (17%) of respondents;
- "somewhat implemented" in the remaining 6% of respondents.

No respondent jurisdiction reported that Principle 7 was "not implemented".

At a more specific level, the following extract from the report on the 2012 global review relates directly to Principle 7 (*questions included in the questionnaire and report paragraph numbers*):

Do you have a general statistical law? (2012 and 2003)

Does the national statistical office have a clear mandate to collect data from physical and legal persons? (Question only introduced in 2012)

Does the law (or other relevant legal framework) guarantee professional independence of the national statistical office? (Question only introduced in 2012)

114. Almost 95 per cent of countries responding had a general statistical law providing the authority and rules under which the national statistical office operated. Of the seven countries that do not have a general statistical law, the majority of the statistical systems involved are regulated by government decrees, orders and regulations. Two of these indicate that a general statistical law was being drafted.

115. Ten years ago, slightly over 90 per cent of the countries reported having a statistical law. Then, many countries reported that their statistical law was under revision or stated that their statistical law was very old or too general, and needed to be modernized. This is not prominently mentioned in the current survey, possibly because such revisions may have been carried out to the satisfaction of the national statistical offices.

116. In general, statistical laws regulate, inter alia, the organization of the national statistical system as a whole and the functions, rights and responsibilities of the statistical entities within a decentralized system (if applicable), in particular of the national statistical office. More details are covered under this principle below.

117. Ninety-eight per cent of respondents also confirmed that their statistical law or other legal framework provides a clear mandate for the national statistical office to collect data from physical and legal persons.

118. Approximately 90 per cent of the respondents also confirmed that their statistical law or other legal framework guarantees the professional independence of the national statistical office.

Which producers of (official) statistics are covered by the law? (Question only introduced in 2012)

119. In more than 20 cases, the law only covers the national statistical office. However, in most countries, the statistical law covers the whole or many relevant parts of the statistical system. Thus, in all countries this includes the national statistical offices but may extend to the following institutions:

- Statistical services in line ministries;
- Statistical services in the central bank;
- Other government agencies;
- Custodians of administrative data;
- Statistical offices of regions, provinces, states, governorates or municipalities;
- Chambers of commerce;
- Statistical research and training centres;
- Private institutions, for example, "private entities providing services of public interest which are essential to achieve the objectives of the system itself".

Generally, are respondents obliged by law to respond to statistical enquiries from the national statistical office? (2012 and 2003) In surveys with mandatory response, are there fines for non-response and are they applied? (Question only introduced in 2012)

120. In many countries, the law regulating official statistics promulgates an obligation for physical and legal persons to provide the national statistical offices with statistical information. In fact, a total of 86 (i.e. 68 per cent, up from 64 per cent in 2003) reported that their respondents are always required to respond to official surveys. Thirty-one national statistical offices (25 per cent compared to 29 per cent in 2003) answered that respondents are obliged to respond to statistical inquiries "in many cases" and five offices (four per cent as compared to 6 per cent in 2003) reported that this is "sometimes" the case. Four countries reported that respondents are never required to respond to official surveys.

121. The comments provided indeed show a very similar picture to 2003, whereby in most of the countries, the general statistical law provides for both mandatory and non-mandatory participation of respondents with the requirement either:

- Specified in the general statistical law or in other legal provisions, ordering certain statistics, issued by the legislature or the Government;
- Left to the national statistical office to decide on the status of an inquiry on a case-by-case basis.

122. Distinctions between mandatory and non-mandatory participation in statistical inquiries are being made along various lines:

- Most countries that report to have both mandatory and voluntary participation distinguish between enterprise and household surveys; participation in the first is usually mandatory and participation in the latter is typically voluntary;
- Some countries have defined a “national statistics programme” and participation in statistical inquiries that are part of this core set is mandatory, while participation in any additional survey is voluntary.

123. One country stated that its “statistical law gives a clear preference to voluntary surveys” and “statistical surveys based on the canvassing of respondents may not be ordered unless the same purpose is unlikely to be achieved through volunteering of information by the data subjects.”

124. On the other hand, participation in population and housing censuses seems to be mandatory in almost every country. Some national statistical offices specified that participation in any inquiry that involved either the private life of a person (for example personal health) was voluntary.

125. Fines exist in more than 90 per cent of countries with mandatory surveys, though they have been applied in only one-third of the countries in the recent past. Fifty-seven per cent reported that despite the fact that fines exist, they have not been applied in the recent past. Reasons provided for not enforcing fines are:

- It is preferable to build a relationship with data providers rather than create animosity by applying fines;
- To protect the image of the organization so respondents would cooperate;
- “Because legal battles are too lengthy and cumbersome”.

In a statistical survey, are respondents informed about the nature of the survey and their rights? (2012 and 2003)

126. Same as in 2003, practically all respondents reported that their office informed respondents about the nature of the survey and about their rights. This was done in various ways, following both tradition and regulations:

- Awareness campaigns prior to censuses and large surveys, which usually make use of all media, in particular radio, television and newspapers as well as the distribution of leaflets;
- Advance letters pre-announcing the survey questionnaire or the interviewer visit;
- Face-to-face and telephone interviews, whereby interviewers introduce themselves and explain the nature of the survey as well as the respondent’s obligations and rights; the importance of the proper training of interviewers was stressed;
 - Questionnaires that, in almost all countries, when mailed to respondents include an explanatory text on the front page about the survey and the respondent’s obligations and rights; usually the questionnaires are also accompanied by a letter to the respondents.

127. This communication usually also explains confidentiality rules and how the results will be published.

To whom/what office within the Government does the head of the national statistical office report? (2012 and 2003)

128. *The position of the national statistical office within the government structure is an important part of the legal environment in which it operates. This question or concern is closely related to some aspects under principle 2 (access to policy authorities and public administrative bodies; and rules for the appointment and dismissal of the head of the national statistical office. See page 11).*

129. *The positions and terms of reporting vary a great deal among countries. Most often, national statistical offices report to the following:*

- *(Deputy or Vice) Prime Minister, chancellor or the President;*
- *Cabinet or Council of Ministers;*
- *Ministry in charge of planning or development;*
- *Ministry in charge of economic affairs, industry and/or trade;*
- *Ministry in charge of finance or the comptroller general;*
- *Ministry of the Interior;*
- *Parliament;*
- *Planning and/or development commission/council/authority.*

130. *The list is very similar to what was reported in 2003. Newly mentioned in 2012 is that in a few countries, the cabinet designates the Minister responsible for the statistical office, and the designation changes over time; two national statistical offices indicated that they report to “no person or office within the government”.*

131. *Categories reported in 2003 but not in 2012 were:*

- *Ministry of Statistics;*
- *Statistics Council;*
- *Ministry in charge of information and communication;*
- *Various ministries depending on the subject area i.e. reported to several ministries at the same time.*

132. *The above organizational structures or arrangements vary not only in terms of the position of the national statistical office within the overall government structure, but also in terms of the strength of the relationship between the national statistical office and the “parent body”. While some national statistical offices have a high degree of administrative independence, others are actually part of a ministry. In addition, the person to whom the head of the national statistical office reports within a ministry or other supervisory body varies considerably, and might be the minister himself or herself, a permanent secretary in the ministry, a general director, the director of a department or advisers.*

3. Recommendations made by the Statistics User Group, 2002

In 2002 the Jersey Statistics User Group (SUG), under the Chairmanship of Professor Tim Holt (first Director of the UK Office for National Statistics), made a set of five recommendations regarding the independence of Official Statistics in Jersey:

Recommendation 1: That the Statistics Unit should have a separately identified budget allocation in the budget proposals approved by the States.

Recommendation 2: That the practice of pre-announcement and consistent release be implemented by the Statistics Unit and other Departments and that key statistics be disseminated more effectively at the time of release including via a dedicated website.

Recommendation 3: That the States give support to the Statistics Users Group recommendations on the funding and strategy for statistics.

Recommendation 4: That the States invite the Statistics Users Group to frame legislation after appropriate consultation.

Recommendation 5: That the States support additional funding for Statistics but also recognise the need for these funds to contribute to staff increases so that a critical mass of professional expertise can be developed and maintained.

Since 2002, Recommendations 1, 3 and 5 have been adopted. The practise of pre-announcement, consistent release and dissemination, as specified by Recommendation 2, has been adopted by the Statistics Unit since 2004, but has not been adopted fully by all Departments across the States of Jersey.

Recommendation 4 was based on the assessment that “*Unlike almost all countries there is no legal framework to ensure that the professional independence of Official Statistics....is embedded in law.*” This Recommendation remains outstanding.

4. Outline of Framework for Statistics legislation

The 2002 SUG paper (attached as an Annex) included an outline of a legal framework for Official Statistics in Jersey:

It is possible to set out in a succinct way the Framework for statistics. This would cover:

- *Consistency with UN Fundamental Principles and establishment of professional independence*
- *Affirm the role for Statistics to serve all of the user community*
- *The creation of the statutory post of Jersey Statistician and set out arrangements for their appointment and dismissal*
- *Responsibilities of Jersey Statistician*
 - *Authority to collect data for statistical purposes*
 - *Access to administrative systems for statistical purposes*
 - *Authority for statistical operational matters including choice of concepts, definitions, methods, choice of data sources etc*
 - *Authority for the form, content and timing of statistical releases*
 - *Authority to co-ordinate statistical activities across the Departments*
 - *Duty to protect confidentiality of data and to allow its use for statistical purposes only*
 - *Duty to consult users in preparation for Statistical Work Programme*
- *Arrangements for Preparing Statistical Work Programme*
- *Arrangements for Funding*

- *Existence and Terms of Reference of Statistics Users Group (or some such body) and arrangements for the appointment and dismissal of chair and members.*
- *Reporting arrangements.*

Subsequent further recent research by the Statistics Unit suggests that a framework for statistics legislation for Jersey would potentially have five key elements:

I. Independence of the Statistics Unit

The States of Jersey Statistics Unit currently operates as the National Statistics Office (NSO) for Jersey, producing information for use by public authorities, businesses and the general public. The Unit operates independently, but for budgetary and resourcing purposes is part of the Chief Minister's department.

The Statistics User Group, made up of members of the Island's community, was established in 1999 to oversee the quality, relevance and integrity of the statistics compiled by or on behalf of States' departments, and plays a key role in ensuring impartiality of the work of the Unit.

As the NSO for Jersey, the Statistics Unit currently voluntarily follows where possible the UN Fundamental Principles of Official Statistics and the European Statistics Code of Practise⁶. The first principle of the European Code of Practise describes professional independence of statistical authorities from other policy, regulatory or administrative departments and bodies, as well as from private sector operators, in order to ensure the credibility of the statistics.

Independence can be further defined in terms of the following key areas (discussed in more detail in reference 1):

- Methodological Independence
- Work Priorities
- The Content and Timing of Releases
- Operational Independence
- Confidentiality of Statistical Data
- Freedom to make Public Comment

II. Access to public administrative data for producing statistical information

Improvements in technology and administrative data sources offer opportunities to supplement and potentially replace current methodologies for data collection by re-using existing data already held within government.

One specific example would be for the population census, following the direction being taken by a growing number of European countries, to re-use administrative data already held within government to identify current residents and their basic characteristics (age, gender, employment status). The basic information could be supplemented if necessary by a regular survey to allow estimation of additional characteristics (for example household structure, marital status).

Such an administrative data solution would deliver statistics much more frequently (potentially on an annual basis for many key topics) and, therefore, has the potential to be much more responsive to user needs. It would considerably reduce respondent burden and processing costs; residents or undertakings are not approached to provide data to government which is already held. This would be consistent with Principle 9 of the UN Fundamental Principles of Official Statistics which encourages that administrative sources are used whenever possible to avoid duplicating requests for information, and that statistical authorities promote measures that enable the linking of data sources in order to reduce reporting burden.

Whilst Article 33 of the Data Protection (Jersey) Law 2005 does allow for data sharing for research purposes (specifically including statistical purposes), a clear legal mandate for the Statistics Unit would make explicit the purposes for data sharing and protection on the data being shared, as well as expediting the use of administrative data for statistical purposes leading to the advantages of reduced respondent burden and potential for more flexible and timely statistics.

III. Ability to invite person, undertakings or public authorities to provide information on a voluntary basis

A significant component of current data collection methods employed by the Statistics Unit is the means of inviting persons, undertakings and public authorities to provide information on a voluntary basis.

Respondent burden is significantly lower through a voluntary approach to data collection which, therefore, should remain the principle method of collection when requiring the approach of persons or entities directly.

IV. Provision for the setting of secondary legislation to compel public administrative bodies, businesses and/or persons to provide information for purposes of producing statistical information

Notwithstanding the primary use of voluntary methods of data collection, and the use of administrative records wherever possible, the provision to introduce compulsion would overcome current challenges in collecting sufficient breadth and depth of data for a limited number of (highly valuable) statistical outputs. To balance such powers, the legislation should ensure that the extent and purpose for which they might be used are controlled.

One example is the traditional population census whereby the entire objective is complete inclusion of all residents of Jersey – without a legal mandate to compel persons to respond the census would not obtain 100% coverage and would be rendered invalid. The Census Regulations (Jersey) 2010 defined who was compelled to make a return in respect of the census and what particulars they were required to provide.

V. Protection and disclosure of information shared with and/or held by Statistics Unit

Protection of data held by the Statistics Unit about any individual person or entity is paramount. The confidentiality of information provided, and its use only for statistical purposes, must be guaranteed under law to provide the strongest protection and assurance to data providers.

The EU Statistics Code of Practice specifies that: *“Penalties should be prescribed for any wilful breaches of statistical confidentiality”*. Without this level of protection there would be an understandable reluctance, and indeed refusal, for persons, entities and public authorities to provide accurate information, with considerable consequences for the data quality and coverage of the statistical outputs.

Developments in methodologies involving the collection and processing of multiple administrative datasets from different sources could introduce further concerns of disclosure as record matching and linkage may have the potential to reveal previously unknown intelligence about individuals or entities. The legislation should cover such situations to ensure that no actions or decisions are made about individuals or entities as a result of such processing for statistical purposes.

To reiterate UN Fundamental Principle 6: *“Individual data collected by statistical agencies for statistical compilation, whether they refer to natural or legal persons, are to be strictly confidential and used exclusively for statistical purposes.”*

References

¹The Statistics User Group; *Independent Jersey Statistics*, September 2002 - attached as Annex

² United Nations Statistical Commission; *Fundamental Principles of Official Statistics*, April 1994.
<http://unstats.un.org/unsd/goodprac/bpabout.asp>

³ Ministerial Decision MD-C-2013-0129: Law drafting instructions to amend the Census (Jersey) Law 1951.
http://www.gov.je/Government/PlanningPerformance/Pages/MinisterialDecisions.aspx?docid=b08eae1ec776fb49423dd5780630b998_MDs2013

⁴ United Nations Statistical Commission; *Report of the Secretary-general on implementation of fundamental principles of official statistics*.
<http://unstats.un.org/unsd/dnss/gp/globreview.aspx>

⁵ United Nations Statistical Commission; *Global review of the implementation of the Fundamental Principles of Official Statistics*, September 2012.
<http://unstats.un.org/unsd/dnss/gp/globreview-2012.aspx>

⁶ European Commission: *European Statistics Code of Practice*, September 2011
<http://ec.europa.eu/eurostat/web/quality/european-statistics-code-of-practice>

ANNEX



STATISTICS USER GROUP

JERSEY STATISTICS USER GROUP

Independent Jersey Statistics

1 Introduction

In the States debate on the Machinery of Government on July 23, an amendment was proposed relating to the independence of the Statistics Unit and future governance arrangements to ensure independence. The amendment was prompted by the proposal to include responsibility for the Statistics Unit within the Chief Minister's Office and the amendment proposed by Senator Syvret was for the Statistics Unit to be placed under the responsibility of a Board composed of States members and thus not under the responsibility of the Executive. Following a short discussion Deputy Ozouf lodged the amendment so that further debate was deferred.

The Statistics Users Group welcomes the initiative in raising the question since it ensures that the importance to the people of Jersey of high quality, trustworthy statistics is recognised.

In modern states high quality reliable statistics matter and they affect the lives of every citizen. They are used:

- By governments to develop and monitor a wide range of government policies spanning the economy, education, health, the environment and many other areas. They are used also to trigger administrative actions, to make decisions and to allocate resources.
- By others in public life who use those same statistics to monitor the performance of government, to hold it to account and to promote alternative policies.
- By businesses to inform business decisions (such as investment) and to monitor markets.
- By citizens whose views of the performance of government are affected by statistics that monitor economic and social progress.

As a consequence it is vital that Official Statistics are seen to serve all users, are trusted and are seen to be independent of political interference.

This question is not unique to Jersey. Indeed the United Nations in 1994 adopted the Fundamental Principles for Official Statistics¹ to address just these questions. Since then a wide range of countries have adopted new statistical legislation in order to ensure that the UN principles are embedded in the country's legislative framework. The UN Statistics Division website contains the Statistics Acts from more than 50 countries (<http://unstats.un.org/unsd/goodprac/>).

2 The Nature of Independence

The key issue is to build public confidence and trust in the statistics produced since these are used as a cornerstone of public policy and the democratic process itself. It is essential that all users have such confidence and trust and an independent Statistical Service has a duty to serve not just the government of the day but all users.

Public confidence and trust is a matter of perception. No external user can verify the rate of growth of the economy, the level of inflation or the number of crimes that occur. These and many other statistics about aspects of society are produced by official statisticians. Since the statistics themselves are not independently observable the perception of trustworthiness depends on two factors: the framework in which statistics are produced (the legal and administrative setting and the culture of public administration in the country) and the perception of the professionalism, culture of public service to society and level of expertise available within the government statistical service itself. The emphasis in the States not just on the independence of the statistical service but the *perception* of this independence is absolutely right.

Governance Arrangements

In all countries the National Statistical Service is part of each country's governmental structure and so is not wholly independent of government. In particular it depends on the government of the day for financial provision. In almost all countries the arrangements are underpinned by legislation that separates the professional responsibilities (assigned to the National Statistician) from the funding and general reporting responsibilities (assigned to a Minister). The National Statistician is responsible to Parliament for the statutory duties assigned to him or her and there are usually provisions for an annual report to Parliament and for the National Statistician to be questioned by select committees where these exist. The essential key is separation of responsibilities between the National Statistician and the Minister and transparency that these are properly discharged.

In many countries these arrangements are reinforced by the existence of a Statistical Council which is advisory and non-executive in function, independent of Government and has the authority to report separately to Parliament. Terms of reference vary but the essential element is to ensure that the Statistical Service takes account of the needs of all users (not just the executive) and that professional independence is maintained. The essential function is to ensure that the public interest is the overriding factor. The creation in Jersey of the Statistics Users Group reflects this role.

One can envisage an alternative form of Governance in which the Statistical Service is totally separate from government. For example by reporting directly to Parliament. Its funding would have to be provided directly by the Parliament. The National Audit Office in the United Kingdom is an example of this arrangement. Parliaments are composed of politicians and by their nature are not objective and independent from the public issues of the day. The question of professional independence of the Statistical Service from the Parliamentary masters would be no less important than is the question of professional independence from the government. We know of no country in which the Statistical Service is totally independent of the executive as described in this paragraph.

The main reason usually given is that the Statistical Service needs direct interaction with other parts of government in order to function effectively. For example, many statistics depend on access to administrative information systems within government departments (e.g. tax records, benefit claimant records, the proposed smart card for Jersey). These are used to compile statistical outputs. The issue is not simply one of access but more importantly one of influence when such systems are under development and it is argued that the Statistical Service being part of government increases the leverage of influence. Similarly Statistical Services need to be aware of likely policy

developments in order to prepare for the statistical measurements that will be needed to monitor the policy once it is introduced. Again it is argued that the Statistical Service being part of government gives greater access to policy plans than would occur if it were entirely separate.

Hence the universally adopted arrangement is for the Statistical Service to be a part of government but for the professional independence and the responsibility to the whole user community to be clearly established.

Professional Independence and the Separation of Roles

Freedom from political interference does not mean that a statistical service takes no account of the government's statistical needs and policy issues. On the contrary good public administration is in the public interest since it contributes to the well being of all members of society and good public administration depends on good, trustworthy official statistics. The statistical service has a duty to support this. But at the same time it is essential that the service operates in a professionally independent manner and is free from inappropriate political influence *and is perceived to be so*.

There are a number of key areas where the UN Fundamental Principles and international best practice is particularly concerned to demonstrate that no undue political interference exists. In these areas professional independence is regarded as essential. The main areas are:

- *Methodological Independence:* The choice of concepts, definitions, methodologies and data sources to underpin statistics on particular aspects of society. It is well known that the choice of data collection method, concept or definition can distort the outcome and therefore the choice must be a professional statistical matter. In turn the statisticians have a professional duty to be open about the choices made, to adhere to international standards and best practice where appropriate and to operate a policy of openness and transparency about methods with all users.
- *Work Priorities:* The priority for statistical programmes of work within the budget available. If the needs of all users are to be taken into account then the choice of priorities within the resources available should rest with the professional statisticians. It would be inappropriate for a Minister to be able to veto a particular statistical activity since such a decision could be influenced by the extent to which the results may create political difficulties for the Minister. In turn the statisticians have a duty to consult all users about priorities and to justify the choices made in an open, transparent manner. The choice of priorities should rest on the overall public interest in having the statistics available and the uses to which the statistics will be put. In countries where a Statistical Council exists it usually has an oversight of the planned Statistical Programme.
- *The Content and Timing of Releases:* The release of statistical outputs including the form, content and timing of the release. These matters should be seen to be free of political influence if they are to command public confidence in the statistics produced. This independence includes not just the actual statistical figures released but the choice of statistical analyses to undertake, the choice of statistics to present, the use of graphs and tables as required, the text used to inform users including the interpretation of the statistics and appropriate commentary. In turn the statisticians have a professional duty to operate clear release policies which will be adhered to whatever the political implications of the statistics to be released and will keep users informed by pre-announcing when statistics will appear. The timing and nature of the release should not be affected by the political agenda and should promote the stability of financial and other markets, an informed public debate and as level a playing field as possible for all users.
- *Operational Independence:* That Ministers and civil servants outside of the Statistics Unit should have no influence, and be seen to have no influence, over the preparation and

dissemination of Official Statistics. In practice this means that access to statistical work in progress is restricted to the staff involved and that others have access to the results when they are made available to all users.

- *Confidentiality of Statistical Data:* Data collected for statistical purposes should be used for these purposes only. Statistics of high quality need as complete and accurate a response from sampled units as possible. To achieve this respondents must have confidence that the confidentiality of the data provided will be protected and they will not be used for non-statistical purposes.
- *Freedom to make Public Comment:* The right and duty of the statistical professionals to comment freely on statistical matters. If public confidence is to rest on the professional independence of the statistical service then it is essential that this independence is demonstrated. In a real sense the Official Statistician's comments may, from time to time, cause the government of the day discomfort and that is the price to pay to reinforce public confidence in the professional independence of the statistical service. Hence in professional matters statisticians should be free to comment publicly. In turn the statisticians should restrict their comments to the statistical issues and should not stray into, for example, policy issues.

Professional Integrity and Expertise

Public confidence in the Statistical Service rests on two pillars. The first is the organisation and governance arrangements described above. The second is the need to ensure that the Statistical Service contains a culture of professional integrity and high levels of professional expertise. These are usually provided for by a statistical culture embedded in the values expressed in the UN Fundamental Principles. It is also essential that there is sufficient expertise in both the areas that statistics cover (e.g. health, economics, population etc) and in the technical statistical areas (e.g. survey design, methodology, statistical analysis and presentation). A critical mass of core expertise is essential as is an active programme of staff development.

3 The Statistics Users Group View of Statistics in Jersey

We comment briefly on eight aspects of Jersey statistics:

- Governance
- The statistical figures released
- Release Practices
- Methodological independence
- Quality
- Meeting users needs
- Legal Framework
- Professional expertise

Governance: The Statistics Unit is operationally independent from the rest of the Policy and Resources Department. However we would prefer to see the Unit having an even clearer identity and separate status with a separately identified budget allocation in the budget proposals approved by the States.

Recommendation 1: That the Statistics Unit should have a separately identified budget allocation in the budget proposals approved by the States.

The actual figures released: We are satisfied that the States Statistician and his staff are professionally responsible and operate independently from the Executive. The Unit's staff compiles the statistics and have sole responsibility for the figures released.

Release Practices: The Statistics Unit does not operate a consistent practice of pre-announcing the release dates of statistical outputs and of releasing the statistics to conform to this timetable. We would like to see this practice consistently introduced and for the statistics to be released so that all users have access at the same time. We would like the practice of scheduled releases extended to the statistical information collected and compiled by other departments which should be made publicly available in a consistent way. In addition we would like to see key statistics made available to all users immediately (or as soon after release as is practicable) through a dedicated website.

Recommendation 2: That the practice of pre-announcement and consistent release be implemented by the Statistics Unit and other Departments and that key statistics be disseminated more effectively at the time of release including via a dedicated website.

Methodological independence: The methods of data collection, compilation and analysis are the responsibility of the Statistics Unit as they should be. Our main concern is that even for the limited range of statistics produced, international standards and best practices cannot always be followed because of resource constraints.

Quality: Related to the previous comment we are concerned that the quality of the statistics produced needs to be improved. Key statistics such as GDP and growth, the estimates of inflation are inadequate and need improvement. In some cases (e.g. GDP) the sources used are inadequate and new data collections are needed. In other cases (e.g. RPI) the existing data collection needs to be extended and strengthened to ensure that this key statistic is of adequate quality. We have published a strategy for Jersey statistics in a separate paper² and will not repeat the explanations here.

Meeting Users Needs: In most statistical services there are three levels of possible response to the needs of users. The first and least expensive is where the basic data is already collected and held in

statistical data bases but needs to be analysed in a different way in order to respond to a legitimate need. For example users may want more detail by age groups or gender than a published statistical output contains. The resources needed to respond to such a request are mainly professional skills and flexible computer software to support the new analysis. The response to many hundreds of Parliamentary Questions in support of UK Parliamentarians is supported in this way. Given the costs of collecting data it is essential that they be used as flexibly as possible to support all users needs.

In some cases the basic data is not collected and the information cannot therefore be provided. However if a survey is regularly undertaken on the general topic then it may be possible to add one or two questions to a future round of the survey to collect the information. In this case the additional cost is fairly modest: the marginal data collection costs and the related staff time and computer resources to analyse and publish the data. However there are resource implications as well as additional burdens on the survey respondents and whether or not to respond to such needs would be based not on the individual request alone but also on a judgement about the public interest served by the request.

The third, and most resource intensive type of need is where no appropriate survey exists and an entirely new data collection would be needed. In such cases the costs can be great and would usually require a budget increase. It follows that a much more stringent test of public interest and need would be required before such a request could be supported.

Our main concern is that the Statistics Unit is funded at such a low level that it cannot even produce the statistics required for good government and good public administration. There is no strategic framework of surveys to support the legitimate data needs even of the States and their committees. In our view² this is not in the interest of good public policy and good public administration and does not serve the people of Jersey adequately. It follows that the data holdings and survey framework is inadequate to support the legitimate needs of all users in the ways that we have described above.

Of course there is an unremitting demand for statistical information and no statistical service can respond to it all and nor should it. There has to be a balance between the cost as borne by the taxpayer and the benefits as derived by the citizens. But in our view the current level of funding is clearly inadequate and we have proposed a strategy to address this².

Recommendation 3: That the States give support to the Statistics Users Group recommendations on the funding and strategy for statistics (see²).

Legal Framework: Unlike almost all countries there is no legal framework to ensure that the professional independence of Official Statistics as described above is embedded in law.

It is possible to set out in a succinct way the Framework for statistics. This would cover:

- Consistency with UN Fundamental Principles and establishment of professional independence
- Affirm the role for Statistics to serve all of the user community
- The creation of the statutory post of Jersey Statistician and set out arrangements for their appointment and dismissal
- Responsibilities of Jersey Statistician
 - Authority to collect data for statistical purposes
 - Access to administrative systems for statistical purposes
 - Authority for statistical operational matters including choice of concepts, definitions, methods, choice of data sources etc
 - Authority for the form, content and timing of statistical releases

- Authority to co-ordinate statistical activities across the Departments
- Duty to protect confidentiality of data and to allow its use for statistical purposes only
- Duty to consult users in preparation for Statistical Work Programme
- Arrangements for Preparing Statistical Work Programme
- Arrangements for Funding
- Existence and Terms of Reference of Statistics Users Group (or some such body) and arrangements for the appointment and dismissal of chair and members.
- Reporting arrangements.

Recommendation 4: That the States invite the Statistics Users Group to frame legislation after appropriate consultation.

Professional Expertise: We are concerned that the issue of resources affects the levels of professional expertise that is essential to underpin statistical independence. In our view there is an insufficient critical mass of expertise to ensure that professional skills are properly represented within the Statistics Unit and that staff development can be maintained. As a consequence we have concerns that the levels of professional expertise and experience needed to maintain a culture of professional independence are inadequate.

In summary we are concerned that the people of Jersey are not being adequately served by as independent and professionally skilled a Statistics Unit as they should. However the root of our concern is the level of resources that is available rather than the system of governance that is proposed. Increased funding is essential and this will require the support of both the Executive and the States. We very much hope that this will be forthcoming so that the people of Jersey, and their elected representatives can draw upon Official Statistics that are adequate for their needs.

Recommendation 5: That the States support additional funding for Statistics but also recognise the need for these funds to contribute to staff increases so that a critical mass of professional expertise can be developed and maintained (see²).

4 References

¹United Nations (1994). UN Fundamental Principles of Official Statistics. United Nations, New York.

²Statistics Users Group (2002). Funding and Strategy for Official Statistics for Jersey.