

Australian Bureau of Statistics Management of Business Providers

Purpose

1 The principal objective of the Australian Bureau of Statistics (ABS) in respect of business providers is to impose the lowest load possible while meeting its obligations to provide Government and the community with a high quality official statistical service.

2 The ABS recognises its reliance on providers in undertaking our core business. Business providers are managed within an overall strategy referred to as Total Approach Management (TAM). This strategy aims to minimise the impact on providers while still achieving an acceptable level of compliance with ABS requests for information to ensure reliable statistical estimates are obtained. The emphasis, both within this policy and within the TAM approach, is on building the relationship between the ABS and its business providers, through an environment of trust and cooperation. This is consistent with the ABS Corporate Plan.

3 The cooperation of providers is essential in achieving ABS core business and management of their capabilities and expectations are essential factors in the collection of required data. In acknowledgement of the pressures placed on providers in the provision of information, initiatives introduced by the ABS have included the Statistical Clearing House and the Business Provider Relations Policy Committee. Both act to diminish, where possible, the impact of collecting data from businesses.

4 In recognition of the importance of managing our relationship with providers the ABS aims to minimise demands made. This is achieved through a range of measures including managing the number of approaches to providers in respect to their data; providing assistance if difficulty is being experienced; altering the mode for which data can be provided and in some cases accepting key data items (KDI). The importance of dealing with providers in a respectful way is stressed to all staff who have potential to contact providers.

5 At times when non compliance is encountered, the ABS sometimes uses the powers given in its legislation to obtain the required information. This is only done as a last resort when all measures to assist the provider have been exhausted. Prior to this point, contact with the provider is conducted to determine what difficulties they may be experiencing in providing the required information and to convince them of the importance of complying by stressing the uses to which it is put in government policy formulation.

6 Effective management of business providers:

- lowers the real costs to businesses in providing statistical information;
- minimises the need to resort to compulsory powers;
- improves the perception businesses and governments have of the ABS and its functions;
- lowers the costs to the ABS involved in obtaining statistical information by reducing contact with providers and the level of non compliance measures which need to be implemented;

- improves the quality and timeliness of the statistical information provided to the ABS; and
- strengthens relationships between the ABS and its providers which are beneficial to the business of both parties.

7 A major initiative of the ABS since 1995, recognising the demands made on such businesses by government authorities, has been to minimise provider load. Load was reduced by 33% between 1995 and 2006.

Legislation

8 The Australian Bureau of Statistics has a responsibility under the *Australian Bureau of Statistics Act 1975* (ABS Act) to "collect, compile, analyse and disseminate statistics and related information". In order to fulfil this responsibility, the *Census and Statistics Act 1905* (CSA) empowers the Australian Statistician to "collect such statistical information ... as he or she considers appropriate".

9 Section 6 of the ABS Act requires that each new proposal for the collection of information for statistical purposes be laid before both Houses of Parliament, unless the proposal is for the collection of information on a voluntary basis.

10 Another primary responsibility of the Australian Statistician, as set out in the ABS Act, is to ensure that particular regard is given to "the avoidance of duplication in the collection by official bodies of information for statistical purposes ... [and] ... the maximum possible utilization, for statistical purposes, of information ... available to official bodies" in order to minimise reporting load. This is being put into effect through the operations of the Statistical Clearing House and through the greater use of administrative by-product data.

Delegations and Authorisations

11 Some dealings with providers require persons in positions which hold appropriate delegations to undertake the task. An example of this is when Notices of Direction (NODs) are issued in cases of non compliance. For business collections, these require the Assistant Statistician, Integrated Collections Branch (ICB) to give authorisation.

12 In regard to requests for exemption from business surveys, the delegation lies with the Assistant Statistician, ICB for most business collections for all types of exemptions.

Policies

13 The following policies provide guidance regarding business provider management issues.

Development/Review Stage

14 Before proceeding with detailed investigations into new statistical collections, Branch Heads in Central Office, and Regional Directors in the case of State-specific collections, should ensure that:

- the users' needs for the data justify the collection and the range of data items involved;
- statistics suitable for users' needs are not available from some other source;

- the required data cannot be produced with less provider load by modifying an existing collection rather than instituting a new collection (including the possibility of using a sub-sample of an existing collection);
- checks are made whether an existing data collection can be eliminated or reduced in size or content as new data requirements of users indicate a shift in their needs or priorities; and
- it is not possible to eliminate a data item because the same or a similar data item is collected in another collection.

15 To reduce demand on business, administrative by-product data should be used in preference to direct collection to meet statistical objectives wherever possible. An example of this is the use of Australian Taxation Office (ATO) administrative by-product data. If this is not achievable, the use of common reporting formats between the ABS and other organisations should be encouraged.

16 All proposals for new collections and significant changes to existing collections must be assessed in terms of the provider load that will result, and must be referred to the Economic Statistics Strategy Coordination Committee (ESSCC) and the Statistical Clearing House (SCH) for clearance.

Survey Frame

17 Maintenance of a high quality frame (in terms of sizing information, industry, coverage levels, minimum duplication and defunct units) is important as it helps keep overall sample sizes to a minimum. Use of out of date or inaccurate information on contacts and structure can lead to a significant degree of annoyance among businesses, especially when they have taken efforts to notify the ABS of such changes. It also leads to inefficient use of ABS resources.

Survey Design

18 The design of surveys has a significant impact on provider load, both in total and distribution terms. Because it involves complex methodological issues such as optimal sample size, stratification, overlap and rotation control and estimation strategies, Statistical Services Branch (SSB) should be actively consulted during this phase.

19 The design of collections must include specific consideration of provider load for small businesses. For periodic sample collections, samples should be designed so that a proportion of businesses in the smaller sizes will be regularly rotated out, so that, wherever possible, a small business should not be in a particular survey for more than 3 years. Sample design should take account of the high relative cost for small businesses to complete statistical forms.

20 All collection forms must be developed and tested in accordance with ABS guidelines and must be approved by Economic Standards and Classifications Section, the relevant Business Statistics Centre and the Assistant Statistician ICB.

21 Collections must not be conducted more frequently than is appropriate to meet the justified needs of users for the resulting statistics.

Data Content and Definition

22 Provider load can be minimised by limiting the amount of information sought from selected businesses and defining each data item in a way that is easily understood and readily available from business records.

23 An explanation must be given to providers of the reasons for which data are being collected.

24 Collections must include a standard question on the time taken which should be placed at the back of the questionnaire. This question will be used to measure and monitor provider load.

Collection Methodology

25 All staff involved in business statistical collections should fulfil their responsibilities as outlined in the Business Surveys Charter (the Charter). Copies of the Charter should be made freely available to providers and all staff involved in business statistical collections. Providers are sent a copy of the Charter when they are selected into collections as a new provider. To ensure its relevance, the ICB is responsible for regular review and update of the Business Surveys Charter and the Business Provider Relations Policy Committee (BPRPC) signs off changes.

26 Wherever practicable, all affected providers should be informed in advance of any major changes to the details and frequency of the data to be supplied so that they can implement any changes necessary to their record keeping systems. Where practical, businesses which are new selections to a survey should be contacted before the actual collection phase to undergo a basic induction process.

27 In order to minimise provider load, requests for information made by different collections of the same provider need to be coordinated. For large businesses, processes will be put in place to allow different requests to be combined. For smaller businesses, overlap between different sample collections should be minimised where possible. Consideration will be given to sampling options which will allow 'holidays' for small businesses once they have participated in ABS collections for a length of time.

28 Where practical, all providers to a survey should be made aware that statistical information is available free-of-charge on the website and that additional data can be made available for a charge.

Intensive Follow Up

29 Many providers first experience of the direct personal contact with staff of the ABS is during intensive follow up (IFU). It is therefore a significant determinant of those providers' impressions of the ABS. As IFU forms a large element of the contact ABS has with providers, a strong customer focus should be pursued in this area of contact. The purpose of IFU is to gain the cooperation of the provider in returning data to the ABS. All policies and procedures emphasise this approach, with the legislative powers of the ABS to direct a provider to comply with requests for information being used only as a last resort.

30 A record of all provider contact is kept in the Provider Integration Management System (PIMS) to ensure records of prior interactions with providers are available when subsequent contact occurs.

31 Best practice can be assured if the following actions are undertaken:

- there is regular review of the nature and extent of efforts to advise providers of the purposes of the collections; and
- empirical investigations into the effectiveness of IFU processes and practices are continued.

Query Action

32 The impact of query action on provider load should not be underestimated. To minimise this:

- query action should be in proportion to the potential effects reporting errors may have on the important statistical aggregates produced by the collection;
- editing and processing systems are to be organised to minimise the number of follow-up contacts with providers, consistent with obtaining good quality estimates; and
- information on errors should be used to address systematic problems causing these errors (eg poor questionnaire design).

Complaints

33 Complaints are concerns expressed by providers about their relationship with the ABS. They may include, for example, complaints about:

- communication with the ABS (including letters and telephone conversations);
- provider load (number of surveys they are in, complexity of data requirements, frequency of surveys);
- cost of providing information;
- timing of surveys; and/or
- confidentiality of the data they provide.

34 Many providers express concerns about their participation in ABS surveys at one time or another. These are only logged as complaints when the concern is:

- expressed in a letter or email (which may be a separate correspondence or attached to a survey form);
- written on a form in the comments box. Comments written on areas of the form outside image areas cannot currently be identified; or
- given over the telephone, when the provider is not satisfied with the response provided by the interviewer and asks for further action, such as to speak to a supervisor or for a written response.

35 Because complaints may be subject to later review or even legal processes, it is very important that accurate records are kept of the complaints handling process.

Exemptions

36 Many of the complaints from business providers include a request for exemption from ABS surveys. As a general rule, exemptions are not granted to businesses participating in surveys conducted under the CSA. This is because the ABS uses scientifically designed probability samples which ensure that the estimates published are unbiased and of a specified accuracy. Non-response of any type can cause bias if non-respondents are different to respondents. The ABS must therefore insist on high response rates by not granting exemptions simply at the request of participating businesses. However, there are some circumstances where exemptions may be possible.

37 Exemptions to ABS surveys will only be granted under "exceptional circumstances". Exceptional circumstances include a small business which has complained about providing data in a particular survey for more than three years or is experiencing some emergency situation such as the provider having a severe illness. Exemptions should only be granted after the procedures for granting exemptions have been strictly followed.

38 Exemption records must also be carefully maintained to ensure that data is not requested from units granted an exemption, and to provide management information on the number of businesses excluded from each cycle of a collection.

Refusals

39 At various times during intensive follow-up and data collection, a business may refuse to provide information for ABS surveys. There are many reasons for this and it is the responsibility of ABS staff to convince providers to report their information when requested either via form or telephone. Every effort is made to convince providers to cooperate in providing the required information including detailing the uses to which the data will be put, making offers of assistance, and accepting key data items.

40 If a provider still continues to refuse to supply data after standard follow up and refusal procedures have been undertaken, prosecution is sometimes appropriate and can be considered. To commence this process, a Notice of Direction (NoD) is issued to the provider by the Assistant Statistician, ICB (on behalf of the Australian Statistician) directing them to provide the required data. This is only done as a last resort as every effort should be made by ABS staff prior to this to encourage cooperation by providers. Prosecution, if considered appropriate, is recommended in consultation with Secretariat Section and is undertaken by the Commonwealth Director of Public Prosecutions (CDPP).

Measuring and Monitoring Provider Load

41 To monitor the implementation of provider management policy, assessments of provider load applicable to a specific collection should be made:

- in the initial development phase of a new collection;
- as part of any major redevelopment of an existing collection; and
- when the collection is being conducted.

42 Data from these assessments should be used to load estimates of actual and projected load to the Collection Management System (CMS). Provider load data for each collection cycle needs to be dissected by form type and size of business (micro, small and other businesses).

43 Data loaded to the CMS will be used to compile tables on provider load and are provided to BPRPC annually for consideration. The ABS is required to measure provider load imposed on an annual basis, and publish the estimates in the Annual Report. Details of new initiatives taken to reduce business provider load will also be published in the Annual Report.

44 New initiatives which potentially have significant benefits to providers should be actively pursued by relevant service and collection areas. Among these are:

- greater use of electronic data capture;
- extending key provider management;
- implementation of 'all of Government' reporting (specifically standard business reporting);
- providing mechanisms for dependent source feedback to the business register (Inteframe); and
- using other sources to identify required changes on the business register and improve benchmarking information.

45 To enable the effect of this policy on individual providers to be assessed and monitored, historical indicators will be maintained against units on the Business Register as a measure of their participation in ABS collections. These indicators will be used to regularly review changes in the distribution of the load on providers.

Other Commonwealth Collections

46 The ABS has a role to play in minimising the load on businesses imposed by statistical collections of other Commonwealth agencies. The Statistical Clearing House is a primary mechanism for achieving this.