



strategic plan

2005/06 – 2009/10



Statistics
South Africa

preferred supplier of quality statistics

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Statistics South Africa
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Statistician-General

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preface

the Honourable TA Manuel
Minister of Finance

The face of official statistics has been changing rapidly over the past few years. Although change in some areas has been relatively smooth, the process has also been subject to discontinuities and errors.

In this context, it is not surprising that Statistics South Africa (Stats SA) has been subject to frequent criticism. The Department has responded well to constructive and justified criticism, and has developed a range of strategies and projects aimed at ensuring the production of better-quality statistics. These form the centre of this strategic plan.



Concerns expressed over the quality of data provided by Stats SA are reflective of the importance that policy-makers, analysts and the general public attach to statistical information. More and more, my colleagues in Cabinet and staff in their departments rely on data produced by Stats SA to monitor the impact of initiatives in different sectors, all of which are intended to improve the living conditions of the people of our country.

A new community survey will be Stats SA's highest-profile project over the next three years. Aimed at ensuring a flow of detailed information on the living conditions of all people in the country between population censuses, the sampling and logistical methodologies will test the resources of Stats SA. The results will, I believe, add significantly to our understanding of the way in which poverty alleviation programmes are working. The community survey will complement data from the regular household surveys as well as new two-yearly surveys on the second economy.

The consumer price index (CPI) and related price indices are some of South Africa's most carefully followed indicators. The revision of the CPI and CPIX in 2003 prompted Stats SA to seek the assistance of price experts from the international statistics community. Under their guidance, Stats SA is changing the methodology of collecting price data. The first results of this project will be published in 2006, and are likely to provide a more robust and reliable indicator of inflation.

The improved coverage of the economy as a result of Stats SA's new business register will continue, with a range of new economic surveys to be introduced in 2007. These will focus on the rapidly expanding service sector and, together with other datasets, will feed into the calculation of a gross domestic product (GDP). Ongoing classification improvements to the sampling frame for economic statistics, which is sourced from the South African Revenue Service (SARS), will further strengthen measurement of the economy.

Improving administrative registers, such as the Department of Home Affairs' population register, is a precondition for better statistical collection. Through the National Statistics System, Stats SA is leading a team of interdepartmental role-players to achieve this objective.

President Mbeki, in his State of the Nation address this year, said 'We will speed up the implementation of the comprehensive plan to improve the capacity of the National Statistics System, including Statistics SA.' This strategic plan is an important step in meeting this undertaking, and I will continue to provide all the necessary support to ensure that South Africa's official statistics become ever more reliable.

introduction

Pali Lehohla
Statistician-General



Official statistics form part of the overall knowledge base required by society to locate its current position in its quest for progress, as well as to map out its future direction and targets to be achieved. Over the first ten years of democratic government in South Africa, rapid and fundamental change in the political, institutional and legal infrastructure has been witnessed and this has had an immeasurable impact on the nature and form of official statistics in a democratic and developmental state. It is in the nature of such transformation that change is driven from the perspective of a political programme, with a very heavy inclination towards an ends-oriented leadership. These changes dictate the type of information that is required to produce and reproduce the political system. Subsequently, the systems and agencies that provide this information must adapt and change in response to these information demands, albeit slowly, because by their nature, like historians, official statistics record history.

As political change stabilises, the sources of information become more important. The political and administrative leadership demands and relies more and more on past evidence as the basis for future decisions. Programme alignment is then based on this information. One thus sees, during this phase of political stability, a shift to information-led change. The monitoring and evaluation framework of the government of South Africa is the primary means by which information-led change is managed. The data generated through this system will inform government on the extent to which it is achieving its goals, and allow it to adapt its political, institutional, legislative and administrative programmes accordingly. In this way information provides the opportunity for alignment throughout the purview of the state. The state thus places itself at the centre of the knowledge society. In a perfect knowledge society, all information would be available to everyone, everywhere, simultaneously and freely.

These principles form the foundation for the creation and utilisation of official statistics. The constraints to fully implementing these principles rest not so much on technological solutions as on the levels of literacy in a society, the extent to which the state is democratised and access to information by the population so that they can engage with the democratic state.

There are many forms of information available in a knowledge society. Each has its defining characteristics and uses. Some are academic, some are commercial, some are for public consumption and some for private. Some are aimed at the resolution of serious societal problems whereas others are intended for light-hearted entertainment. Some information is documented in electronic systems and others form part of the historical experience and collective memory of the society.

Official statistics are characterised by the following features. They are:

- serious – aimed at informing societal problems affecting the real lives of people;
- non-academic – their reason for existence is not the general pursuit of knowledge but its utilisation by agents of change;
- public – official statistics exist in the public domain to serve public interests;
- non-commercial – they are funded by public money, are not intended to generate profits and are not aimed at specific commercial interests;
- technological – it is impossible to collect or disseminate the large volumes of information generated by official statistics without a central role played by technology; and
- they exist in the electronic world of networks, ensuring their simultaneous accessibility to a wide audience and optimising opportunities for complex analysis.

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Given these characteristics, the logical and conceptual starting point in compiling official statistics is that they have a purpose. When the purpose and the users of official statistics are identified, it is then possible to ensure that the scope and method of official statistics conform to this use.

Official statistics have many beneficial uses. These include:

- basic information on many aspects of society;
- raising information levels for the information society;
- supplementing and substantiating other information services of a qualitative or anecdotal nature;
- acting as a counter to misinformation; and
- providing statistical advice for government.

However, official statistics will never provide every potential user with every detail of information they require. In fact, the compilation of official statistics will always deliberately contain certain omissions. These include unavoidable knowledge gaps such as the future, intentional ignorance such as where there should be statistics but none exist because of overwhelming logistical or resource constraints in collecting them, legalised knowledge errors through the inherent weaknesses in the standardisation of definitions and methods, and inherent limits of statistical information, which by its nature cannot deliver insights.

The programme for Statistics South Africa over the next three to five years is based on these concepts and principles and has the users and uses of official statistics as its starting point.

During 2004 Stats SA's senior management conducted a review of the organisational strategy. The provision of statistical information that meets the knowledge requirements of our users was affirmed as the *raison d'être* of the statistics agency. Greater efforts are being made to engage more regularly with users across the spectrum and to measure their levels of satisfaction, with priority being given to core government users.

As official statistics are not the only source of information in the knowledge society, Stats SA has a role to ensure that complementary quantitative information is made available to equivalent standards. Through the National Statistics System, common standards and definitions can be maintained to promote and ensure progressive improvement in the quality of the information required by users throughout the state system.

In previous years, Stats SA has learnt the hard way that it is never enough just to provide the right information, and that effective usage depends on the quality of the statistics provided. A range of programmes to improve the accuracy, comparability and timeliness of the statistics will be at the heart of the work of the agency over the next five years. It is this desire to provide the right information to the right users at the right time that informs the organisational vision to be *the preferred supplier of quality statistics*.

The drive to provide quality information to meet user needs does not take place in isolation from the institutional and administrative environment. For this reason, Stats SA also places priority on the governance of the department and ensuring compliance to the relevant regulatory requirements.

None of the above will be achieved without the necessary expertise and competence within Stats SA. A key priority is to build the requisite human capacity throughout the organisation and ensure that the environment in which staff work is conducive to producing high quality statistics as required by the knowledge society.

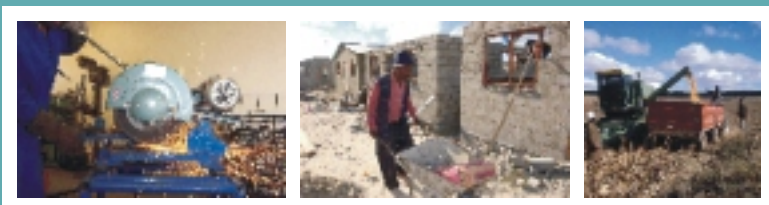
The challenges of implementation are vast – for South Africa and for Stats SA. This strategic plan builds on our offering of 2004, but it goes further. More detail is provided in the medium-term plans and priorities at a divisional level. Targets and milestones for three years have been documented, together with the projects that will see realisation. These projects will be the focus of our efforts and will be monitored closely to ensure successful implementation.

Just as official statistics produce purposive information for public debate, decision-making, programme implementation and holding to account those who lead, so does the public hold us accountable for delivering on our commitments.

Over the last decade of freedom, in particular the last five years, ours has been a pilgrimage to stabilise the production platform and architecture for official statistics. The first step has been taken and the direction is clear, but there is no doubt that the journey is long and beset with difficulties. Never in the history of humanity has the confluence and unity of vision between official statistics and politics been defined more clearly by the information society we are increasingly becoming part of.

section A

the strategic context



Chapter 1: National statistics

'Statistics and concrete information ... tell the real story of what we have done and had to do to create the people-centred society.' President Thabo Mbeki

1.1 Strategic importance of statistics

Statistical information makes the measurement of government performance transparent and promotes accountability, a critical element of any democratic nation. Government's preliminary reflection on the first ten years of democracy indicates that "the government's successes occur more often in areas where it has significant control and its lack of immediate success occurs more often in those areas where it may only have indirect influence" (*Towards a ten year review*). This is the challenge for the developmental state – to have influence without direct control. Therefore, in order for South Africa to monitor both those areas where the state has direct control, and more importantly those where it does not, good statistical information is critical.

Official statistics perform five major functions in any country, namely:

- engendering social debate;
- facilitating resource allocation;
- facilitating the design of development programmes or interventions;
- monitoring the progress of government programmes, especially development programmes; and
- facilitating (official) report-backs on the outcomes of development programmes or interventions.

It is possible to distinguish between two broad groups of statistics that are of interest to a developmental state.

- a) State statistics:** These are statistics that are necessary for any state that operates on market principles, regardless of its ideological orientations and socio-economic conditions. International frameworks such as the Special Data Dissemination Standards, the General Data Dissemination System and the System of National Accounts regulate these statistics.
- b) Government statistics:** These are statistics that inform government on its key priority areas and respond to specific government programmes aimed at addressing specific socio-economic problems.

The South African government must ensure that an adequate range of state statistics exists to inform its macro-economic policies and international financing. Government statistics must be tailored to inform policies targeted at social problems. In both sets of statistics, indicators of different sectors of the economy and society are central to monitoring performance. In particular, outcome and impact indicators will provide measurement of the success of a set of policy and programme initiatives working together, rather than the specific outputs of a particular project or department.

1.2 Priorities of the South African developmental state

The struggle against poverty and underdevelopment rests on three pillars:

- encouraging the growth and development of the first economy, increasing its possibility to create jobs;
- implementing programmes to address the challenges of the second economy; and
- building a social security net for poverty alleviation.

The policy objectives of government are consolidated into the priorities of the five Cabinet clusters responsible for implementing the programmes. The five clusters and their objectives are as follows:

- Economic priorities:** To develop a comprehensive economic map of South Africa, increase the levels of investment in public infrastructure, promote low cost structures in the economy and enhanced levels of competition, stimulate manufacturing and services sectors that are growing and creating jobs, increasing value added, meeting basic needs, and competing globally, improve our export performance by focusing on services and manufactured goods, and increase the number of enterprises especially those owned and managed by black people and women.
- Social priorities:** To improve living conditions through expanding the comprehensive social security system, promoting national identity and social cohesion, providing comprehensive healthcare by addressing communicable and non-communicable diseases, meeting increasing housing and human settlement challenges, improving food security and nutrition, broadening access to and improving the quality of education, and implementing the Integrated Sustainable Rural Development Programme (ISRDP) and the Urban Renewal Programme (URP).
- Governance priorities:** To improve the capability of the developmental state by reinforcing the macro-organisation of the state, focusing on human resources, ensuring better governance, promoting effective leadership and management, advocating evidence-based decision-making, responding to challenges of the second economy, and through effective planning, implementation, and monitoring and evaluation of programmes.
- Justice, crime and security priorities:** To reduce levels of crime by eliminating organised crime syndicates, improving effectiveness of the criminal justice system, upholding national security, and ensuring security at big events.
- International relations, peace and security priorities:** To strengthen the African Union and the Southern African Development Community, promote cooperation in global governance, enhance political, security and socio-economic efforts, advocate South-South cooperation, improve political and economic relations, and consolidate cross-cutting priorities of the cluster.



The focus on implementation will demand more rigorous means of monitoring and evaluating the success of the policies. To this end, government is formulating a monitoring and evaluation framework for determining its success. At the core of monitoring and evaluation lies a statistical and information base. The National Statistics System (NSS) becomes the coordination vehicle to standardise the collection and production of state and government statistics.

1.3 Statistics in the monitoring and evaluation framework

Starting with the macro indicators identified by the ten-year review process and endorsed by Cabinet, the data collection system of the monitoring and evaluation framework will come together in the CabEnet system, which will allow for the collation of monitoring and evaluation data. Data collection will depend to a large extent on the functioning of departmental and inter-governmental monitoring and evaluation systems within the framework of the NSS.

Statistics will be collected which track inputs, outputs, outcomes and impacts of departments. This information is primarily collected through (1) departmental management information systems which provide input and output indicators, (2) administrative data collected through the completion of official forms, and (3) surveys and censuses which obtain information from specific companies, households or individuals through a questionnaire and are used for outcome and impact indicators. The role of statistics is first to describe a baseline situation of various components of the development process. Secondly, it measures change in baseline information or data within a temporal and spatial context.

The National Statistics System has the responsibility to collect and provide the relevant statistical information that informs the planning and policy development processes in terms of progress towards achieving development goals and indicators. The NSS is regulated by the Statistics Act and is driven by Stats SA.

1.4 Uses of official statistics

Stats SA's information is at the heart of the National Statistics System. The following table highlights some of the uses of the organisation's major statistical programmes and indicators:

Key statistics and their uses

Major programmes and indicators	Uses of selected indicators
Gross domestic product and financial statistics	<ul style="list-style-type: none"> • Measure the total economic activity of the country • Develop and monitor fiscal and monetary policy • Service national and provincial budget-making and forecasting
Price statistics (Consumer Price Index and Production Price Index)	<ul style="list-style-type: none"> • Indicate South Africa's economic health • Develop and monitor fiscal and monetary policy • Provide price adjustment factors for long-term contracts
Employment statistics	<ul style="list-style-type: none"> • Measure employment growth and levels of unemployment • Plan and develop economic and fiscal policies and assess their effects on society
Social statistics	<ul style="list-style-type: none"> • Inform policy decisions and programmes on service delivery in relation to access to water, electricity and housing • Inform and understand the dynamics of the second economy of South Africa • Describe and understand poverty issues
Population statistics	<ul style="list-style-type: none"> • Inform social programmes and policies • Provide mortality and morbidity information to support health planning and population projections • Determine national, provincial and municipal fiscal transfers

Chapter 2: Strategic direction

2.1 Introduction

High quality statistical information enables the state and other users to make decisions based on facts. This is fundamentally important to an open and democratic society. To fulfil the purpose of providing stakeholders and the public with high quality information, official statistics must have the confidence of their users. In turn, confidence in statistics depends on the credibility, relevance and integrity of information, on its accessibility and timeliness, and on the objectivity and professionalism of the agency producing it. There will also be environmental factors that influence the public trust in statistics.

In recent times, Stats SA has experienced data quality problems. It also received three consecutive qualified audit reports from the Auditor-General relating to its corporate governance. This has impacted on the credibility of the organisation. Consequently, the organisation is faced with a major challenge to turn itself around by improving the quality of statistical information in the coming years.

With this challenge in mind, a thorough review of our strategy and performance was conducted. The review involved an analysis of the external and internal environment by looking at the strengths, weaknesses, opportunities and threats facing Stats SA. It is envisioned that in 2010 Stats SA will be:

The preferred supplier of quality statistics

The vision aims to overcome the lack of credibility and increasing competition faced by Stats SA and hence become the first point, or preferred point, of reference for quality statistics. 'Quality statistics' are what we strive to provide in the next five years and what will form the basis of our being preferred.

The mission of Stats SA is to:

Provide a relevant and accurate body of statistics to inform users on the dynamics in the economy and society through the application of internationally acclaimed practices

The mission outlines *What we do* (provide a relevant and accurate body of statistics), *Why we do it* (to inform users on the dynamics in the economy and society), and *How we do it* (through the application of internationally acclaimed practices).

Our core values are the key to achieving high performance levels and are based on *Batho Pele* principles. We are striving towards creating an organisation that will foster the following ethos:

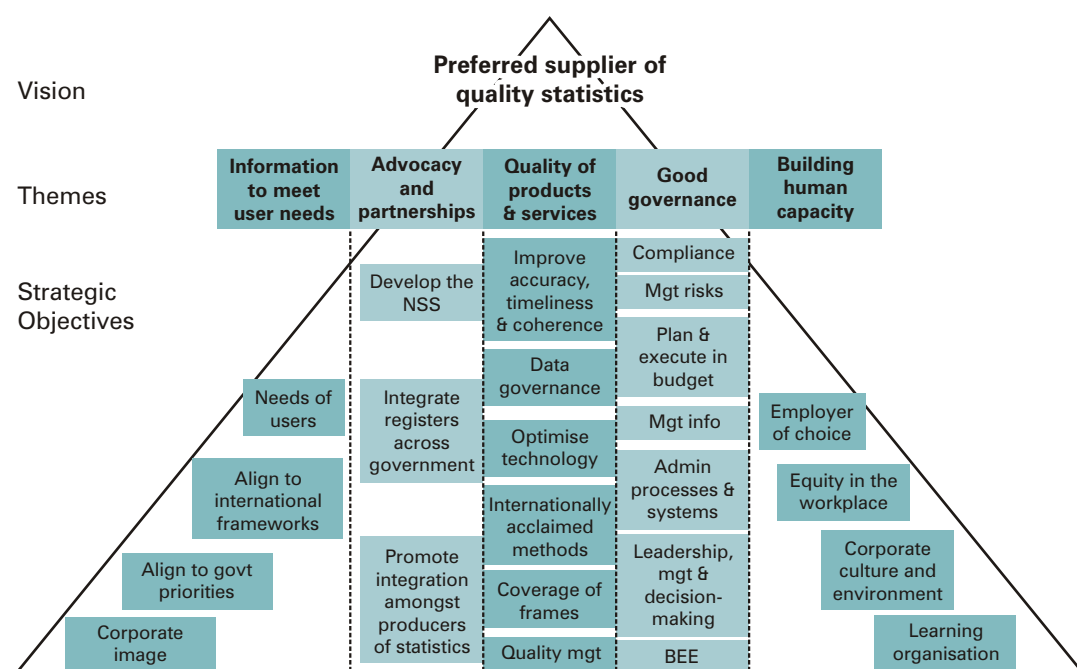
- **Respect and integrity:** We will consistently treat each other with respect.
- **Accountability:** We will take full responsibility for our actions.
- **Transparency:** We will be open and accessible about the what, why and how of our actions.

- **Empowerment:** We will create opportunities for organisational and individual growth. We will harness diversity to advance organisational effectiveness.
- **Service excellence:** We will deliver our products and services right first time, every time.

2.2 Strategic themes

To achieve the vision and mission of the organisation, Stats SA has identified strategic themes to focus and guide the organisation over the next five years. These strategic themes respond to the key areas that the organisation should excel at, in order to become the 'preferred supplier of quality statistics'. Stats SA has also identified a set of strategic objectives within each theme, informed by the SWOT analysis, which will be pursued in the short, medium and long term.

Stats SA's strategy



Strategic theme 1: Providing relevant statistical information to meet user needs

The core of Stats SA's strategy is the provision of relevant, reliable and high quality statistical information that impacts on the planning and decision-making processes of users. One of the key risks identified in the organisation is insufficient interaction with users to foster an understanding of their needs. Stats SA will need to meet the growing and changing demands of users by expanding and refocusing its statistical products and services. The following strategic objectives flesh out this theme.

- **Assessing and monitoring the needs of users** by understanding and identifying the different roles of users, producers and suppliers of statistics. This objective will be achieved by developing and implementing a stakeholder management strategy and system which will facilitate the establishment of channels for users to express their needs in a more integrated and comprehensive way, and ensuring continuous interaction with users in a coordinated and structured fashion. Stats SA will be conducting regular user needs assessments and will measure the outcome of the assessment through an annual user satisfaction survey.

- **Increasing the accessibility and usage of statistics** by ensuring that users have an effective and equal access to statistical information and metadata. Wide dissemination of official statistics is an essential feature of statistics as a public good. The usage of our statistical information measures the relevance of our statistics. Stats SA is disseminating its key indicators in the media but focuses on electronic dissemination of all its products on the Stats SA website.
- **Providing statistical information to inform government priorities:** Stats SA aims to ensure that statistical information is relevant to government programmes. It must perform five major functions, namely engendering social debate, facilitating resource allocation, facilitating the design of development programmes and interventions, monitoring the progress of government programmes and facilitating report-backs on outcomes of development programmes and interventions. This will be achieved through increasing the coverage of indicators and statistical information provided within the monitoring and evaluation framework of government.
- **Providing statistical information in line with international frameworks:** International statistical frameworks such as the General Data Dissemination System, the Special Data Dissemination Standards and the System of National Accounts guide countries that have access to international capital markets in the provision of their economic and financial data to the public. These frameworks provide a common and systematic approach to the development, production and dissemination of macro-economic, financial and socio-demographic data. They aim to enhance the availability of timely and comprehensive statistics in pursuit of sound macro-economic policies and contribute to the improved functioning of financial markets. Stats SA is committed to aligning its products and services to these international frameworks in order to systematically assess, compare and improve the quality of statistical information in line with international best practices.
- **Improving our corporate image:** Stats SA wants to project a corporate image that reflects a professional organisation that puts quality first. This will be achieved by creating a high level of awareness in the media and the general community of the products and services produced by Stats SA, thus engendering trust and confidence in our statistical products and services. Stats SA also plans to implement a marketing and branding strategy, improving relations and communication with key stakeholders, providing training to the media on the usage and understanding of statistical information, and developing promotional strategies and plans for key products and services.

Strategic theme 2: Developing and promoting statistical advocacy and partnerships

South Africa has a fragmented statistical system, with Stats SA producing most of the core statistics required by government and a multiplicity of other government and quasi-governmental bodies producing additional statistical information. Stats SA is mandated by the Statistics Act to coordinate and improve the entire statistical system in order to effectively inform government priorities.

The Statistics Act provides a framework for improving the quality of statistics, enhancing the comparability of statistics and minimising unnecessary overlaps and duplication in the collection and publication of official statistics. The National Statistics System (NSS) is the vehicle for implementing this legal mandate. Stats SA will provide leadership in establishing and coordinating the NSS as a natural outcome of its strategic approach. The following strategic objectives must be achieved to ensure that the statistics system produces high quality statistical information:

The Production Price Index (PPI) for all commodities for South African consumption shows an annual change rate of +1,2% at February 2005 (i.e. the PPI at February 2005 compared with that at February 2004).



- Developing the National Statistics System:** This entails establishing coordination structures, compiling a statistical master plan, marketing the importance of official statistics and providing support to other government departments in the production of official statistics. The number of other government departments participating in the NSS and the increase in the number of official statistics produced by other government departments will measure this objective.
- Promoting integration among producers of official statistics:** The ten-year review of government's performance showed the inadequacies of the wider statistical system to produce statistical information to monitor government programmes and initiatives. Of the some 80 macro-indicators used in the ten-year review, approximately ten are derived from Stats SA's own internally produced statistics. The remainder are produced by the wider statistics system. This illustrates the importance of strengthening and integrating efforts among producers of statistics. Stats SA aims to achieve this objective by establishing monitoring and evaluation systems in other departments, leading the system of development indicators, coordinating the Millennium Development Goals (MDGs) process, and collecting information for the MDGs. The number of indicators sourced from the NSS to inform the monitoring and evaluation framework will measure this objective.
- Integrating and improving the quality of registers across government:** One of the core requirements of the NSS is to strengthen the capacity of departments to effectively monitor the delivery of their own programmes. Registers are potentially a comprehensive dataset of administrative records, which could provide a reliable and efficient source of statistical information. Stats SA aims to achieve this objective by identifying all registers and management information systems (MIS) in government, collecting metadata, evaluating data quality, definitions and standards in partnership with the producer, developing plans for improvements of data quality, assessing statistical capacity in government departments, and developing a training strategy to improve statistical competence. The number of registers and management information systems meeting approved quality standards will measure the outcome of this objective.
- Improving data governance:** The cornerstone of any national statistics system is the development and implementation of common standards and definitions for all government statistics. This will enhance their comparability and analytical value. Stats SA has the legal mandate to designate statistics as official if they meet certain quality criteria. The organisation aims to achieve this objective by developing a policy on data governance which will outline the usage of common frameworks, standards, definitions, classifications and methods; developing and implementing a certification and practice framework; and developing and implementing a management system for statistical information. The number of state organs which have adopted official standards will indicate if this objective has been achieved.

Strategic theme 3: Enhancing the quality of products and services

A flow of comprehensive, reliable, accurate and timely statistics is indispensable to informed policy-making, and helps provide discipline by supporting informed public debate and market assessment in an information society. Improving data quality is a high priority in Stats SA as it underpins our ability to inform government priorities and assists to coordinate other producers. This strategic theme aims to focus and align all quality efforts in the organisation into a systematic and continuous approach to quality improvement. This quality approach will assist Stats SA to systematically assess and identify quality problems in the internal processes of collection, processing, analysis and dissemination of data and metadata; increase the transparency of processes to assure quality; and develop sustainable solutions to problems of quality.

The strategy for enhancing the quality of products and services will focus, in the medium term, on the following strategic objectives:

- **Improving the accuracy of statistics:** This quality dimension refers to the ability of statistical outputs to sufficiently portray reality. It requires that source data provide an adequate basis for compiling statistics, that statistical techniques conform to sound statistical procedures and practices, and that source data and statistical outputs are regularly assessed and validated.

Stats SA aims to improve the accuracy of statistics by improving the response rates of business and household surveys through conducting research to move away from postal collections, introducing electronic capturing of data, and establishing regional offices to improve fieldwork collections. We will also focus our attention on improving our processing and dissemination processes. An increase in response rates will measure the outcome of this objective.

- **Improving the timeliness of statistics:** The timeliness of data products reflects the length of time between their availability and the event or phenomenon they describe, but considered in the context of the period that permits the information to be of value and still be acted upon. Timeliness enhances the usefulness of data. Potential sources of delay occur during collection, processing, analysis or dissemination.

Stats SA aims to improve the timeliness of its products and services by setting timeliness standards for internal processes, investigating and researching the automation of certain processes or activities such as coding, and identifying bottlenecks that impact negatively on timely dissemination. Compliance to international timeliness and periodicity standards and dissemination according to the release schedule will indicate if this objective has been achieved.

- **Implementing internationally acclaimed practices:** The credibility of data products rests on the confidence that users have in the quality and objectivity of the data. This implies that the data are perceived to be produced professionally in accordance with appropriate statistical standards, and that policies and practices are transparent. Credibility is determined in part by the integrity of the production process. Principle two of the United Nations Principles of Official Statistics (1994) states: '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 collections, processing, storage and presentation of statistical data.'

Stats SA aims to implement internationally acclaimed practices in relation to the methodologies and procedures for the collection, processing, storage and presentation of statistical data. Introducing a regular review and assessment programme for all surveys and censuses and developing and implementing sound methodologies will achieve this. The CPI direct price collection project and the diary method of the income and expenditure survey are examples of moving towards international best practice. This objective will be achieved once all surveys and censuses use certified methods in all aspects of the statistical production process.

- **Promoting coherence through integration of statistics:** The coherence of data products reflects the degree to which they are logically connected and mutually consistent. Coherence has four important dimensions: within a dataset, across datasets, over time and across countries.

In 2003, the Western Cape contributed 14,5% to the South African economy (GDP, 30 November 2004).

Stats SA aims to promote coherence of data by implementing the data management and information delivery (DMID) project, which will assist us to use common standards, definitions and classifications across different datasets over time. Any deviations or incoherence will be explained in the metadata. This approach will ensure that our statistics add up. The outcome of this objective will lead to comparability and reconcilability of different datasets.

- **Promoting the quality and coverage of frames:** The coverage and quality of frames impact on the accuracy of statistical information produced, as frames form the cornerstone on which samples for surveys are designed. Stats SA currently maintains two frames: the geographic frame and the business sampling frame.



The geographic frame is the sampling frame for all household-based surveys. Stats SA aims to improve the quality and coverage of the geographic frame, which links geographies and statistical data, and enables integration and analysis of socio-economic development on geographically detailed levels. This will be achieved through closer collaboration with municipalities, metros and other stakeholders. The allocation of physical addresses to all dwellings will contribute tremendously towards improving the coverage of the geographic frame.

The business register is the sampling frame for all business surveys conducted by Stats SA. Stats SA aims to improve the quality and coverage of the business register so that it covers consistently over time those businesses that account for a high proportion of total business activity in South Africa. This will be achieved through conducting a business register quality improvement survey and through closer collaboration with the South African Revenue Service, from where the business register is sourced.

- **Quality management:** Stats SA plans to systemise its approach to quality by instituting a quality management framework for the production of statistical information. This will require that all processes be mapped, documented, analysed and improved by linking international standards and frameworks to the production process.
- **Application of technology to improve the quality of statistics:** Stats SA wants to create an integrated enterprise-wide IT architecture, to increase efficiency and improve data quality in each stage of the statistical production process. Technological innovations such as computer-aided telephone interviews, digital pens and handheld computers will improve the accuracy of data collection and the timeliness of processing, through reducing the number of steps in data manipulation. The adoption of common technologies, programmes and systems for processing and analysis will support the feeding of statistical datasets into the data warehouse, which is built on a set of common data standards and definitions. The standardisation of storage of data in a data warehouse will improve the accessibility of coherent and comparable statistical information to users.

In line with South Africa's e-government strategy, Stats SA is exploring the use of open source solutions and is strengthening its hardware, network and security infrastructure to enable greater accessibility to its network.

Strategic theme 4: Ensuring good governance

Stats SA wants to ensure that good governance arrangements are in place throughout the organisation to support the statistical production processes effectively and comply with regulations. This should provide formal accountability mechanisms for the delivery of the work programme within agreed budgets and time frames, underpin the quality assurance of the statistical outputs, and ensure the efficient use of resources. Stats SA will seek improvements in governance and accountability arrangements through the development and implementation of a risk management framework and the enhancement of internal financial reporting to improve linkages with the government-wide budgeting systems.

The following are the strategic objectives for this theme:

- **Complying with legal frameworks:** As a government department, Stats SA is compelled to comply with various legal frameworks such as the Public Finance Management Act, the Public Service Act and others. Stats SA has received three consecutive qualified audit reports from the Auditor-General because of gaps in the compliance regime. Various strategies and projects have been initiated to remedy this. These include the business process improvement project, which aims to map, analyse and improve corporate support processes. A key output of the project will be the development of policies and guidelines where gaps exist. Implementing the risk management strategy will ensure that the organisation focuses on those areas of risk that have a high probability of affecting the performance of the organisation.
- **Improving the efficiency and effectiveness of administrative processes and systems** by enhancing capacity in the relevant areas, implementing policies, procedures and best practice, and redesigning processes to meet user requirements. We intend to achieve these requirements through the business process improvement project. Corporate support processes are being decentralised to the provinces on an incremental basis. Improvement in the lead times of key processes will be an indicator of success.
- **Improving the quality and usage of management information** is key to ensure sound management, decision-making and good governance. A central initiative in achieving this objective is improving the interface of Stats SA's in-house management information system with government-wide systems to provide relevant and regular updated management information.
- **Planning and executing activities within budget** is a key requirement to ensure that Stats SA provides cost-efficient products and services. Stats SA has adopted a project management approach which provides for detailed planning and budgeting to the lowest activity level. This will assist the organisation to monitor the execution of activities against plans and budgets.
- **Managing risks effectively** is a managerial responsibility. The internal control component will play an important role in assisting management in mitigating risks through audit and business continuity planning. All risks associated with projects and operations are being identified in the planning phase. Stats SA is in the process of planning the development of a module on the MIS to keep track of risks identified and mitigation plans developed.
- **Effective leadership, management and decision-making** are required to drive the organisational change needed to become the 'preferred supplier of quality statistics'. Stats SA aims to create and develop a cadre of organisational leaders and managers that will guide the organisation to deal with constant change, shape the culture to fit in with the opportunities and challenges that change affords, and provide the management skills to cope with the ramifications of constant change.

During 2003, 27,6% of households living in informal dwellings used electricity as their main source of energy for cooking (General household survey, July 2003).

One of the key requirements for effective decision-making and accountability is to ensure clear delegations of authority. Stats SA has established management structures to facilitate strategic decision-making and to monitor and evaluate the performance of the organisation. Various training programmes have also been identified for all leaders and managers to improve overall management skills and competence.

Strategic theme 5: Building human capacity

Well-trained staff are essential for the sustainable production of quality products and services. This requires a strategy which will guide and systematise investment in human resources in order to transfer knowledge, broaden the skills base and raise staff motivation. The strategy for developing human resources will focus in the medium term on achieving the following strategic objectives:



- **Becoming an employer of choice** that attracts and retains valuable employees by ensuring that the organisation is respected for its products and services, competitive in its compensation packages, concerned with the welfare of its employees, and appreciated for its overall contribution to the development of the country. Stats SA aims to achieve this through implementing a human resource strategy that focuses on competency-based career planning, rotation of staff, succession planning, aligning organisational and individual goals, and rewarding excellent performance. This will be measured through the staff satisfaction index.
- **Achieving equity in the workplace** by promoting equal opportunities and fair treatment of all employees, and implementing the Employment Equity Plan and Affirmative Action policy and programme, which include career advancement initiatives and the creation of a diverse workforce. The success of this objective will be measured against achieving the set equity targets.
- **Creating a learning organisation** calls on the organisation to ensure that it develops its people and continually learns from its experiences in the quest for excellence.

Stats SA aims to develop the necessary statistical skills and expertise to effectively produce official statistics. A programme for training with an emphasis on official statistics, based on the competencies required, will be developed. This will enable a career development system for all employees, which will promote retention of critical skills.

To increase learning opportunities, a variety of learning channels will be exploited including e-learning. Partners in the NSS will also benefit from the statistical training programme.

The essence of a learning organisation is its ability to harness and optimise its experiences and lessons. A knowledge management system will be introduced to effectively facilitate this objective.

- **Creating an enabling corporate culture and environment** where all people want to be involved in decisions that affect them, take pride in themselves, their jobs, one another and their place of work, and want to share in the success of their efforts. The staff satisfaction index will track achievement.

2.3 Implementing the strategy

(a) Role of the Statistician-General

The Statistician-General, as the head of the organisation, has the ultimate executive responsibility and authority in Stats SA. The primary responsibility of the Statistician-General is to lead the organisation and ensure that the programme of official statistics is implemented. The role of the Statistician-General is rooted in the mandate of the Statistics Act. The Act specifies that the Statistician-General:

- administers the Act;
- guides, directs and manages Stats SA;
- is the accounting officer for Stats SA;
- makes recommendations to the Minister on the policies and priorities of the organisation;
- determines and exercises final responsibility regarding the implementation of the work programme, which includes the time, manner, form, extent and the development of the statistical process;
- causes a population census to be taken;
- develops and maintains registers which may be used in producing statistics;
- formulates quality criteria and establishes standards, classifications and procedures for statistics;
- advances the quality, consistency, comparability and optimum use of official statistics;
- may designate statistics produced by Stats SA or another government department as official statistics;
- promotes coordination among producers of official statistics;
- provides statistical advice to other government departments;
- liaises with other countries and their statistics agencies and represents Stats SA internationally with regard to statistical matters; and
- seeks to ensure public awareness of statistical collections and activities.

In order to ensure the effective and efficient administration and management of the department, the Minister of Finance has approved the delegation of powers and authority to the Statistician-General in terms of the Public Service Act and the Public Service Regulations. These delegations form part of the key performance areas of the Statistician-General.

In executing his responsibilities, the Statistician-General is assisted by an executive management team (Exco) consisting of five Deputy Directors-General, the Chief Financial Officer, the head of the SG's office and the legal advisor. The detailed functions and targets of the Statistician-General's office are described in chapter seven. The five key performance areas of the Statistician-General are:

- setting the overall strategic direction of the organisation;
- directing, guiding and driving the timely release and effective production of high quality economic, social and population statistics;
- ensuring that official statistics meet internationally acclaimed standards and practices by improving statistical processes and ensuring effective statistical infrastructure to achieve operational excellence;
- managing relations with key stakeholders and international role-players; and
- improving governance processes to achieve operational excellence in relation to employee satisfaction, managing costs and compliance to legislation.

Key responsibilities of the Statistician-General

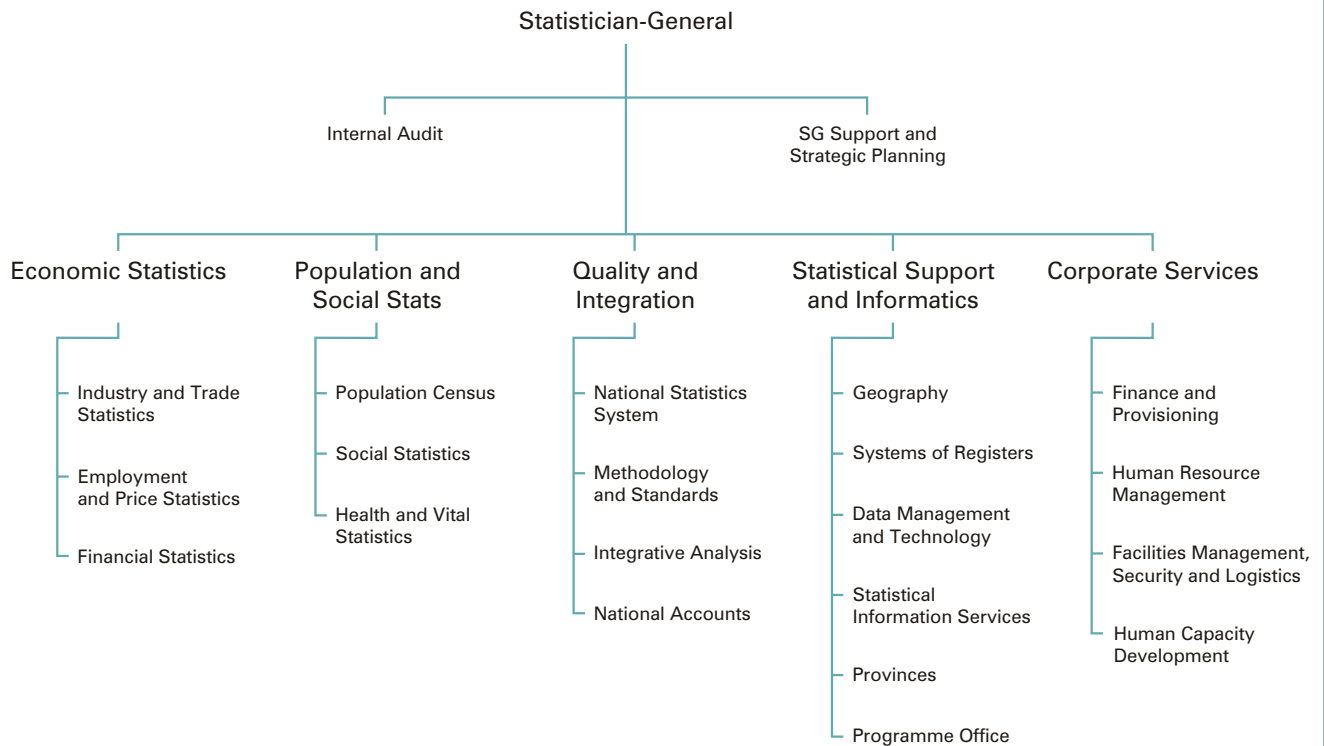
Key responsibility	Activities/Outputs	Supported by:
Setting the overall strategic direction of the organisation	<ul style="list-style-type: none"> • Establish vision, mission, organisational goals and targets • Define the work programme and priorities of the organisation • Determine the internal organisation of Stats SA and re-allocate resources according to the strategic plan • Oversee the overall operation, management and integration of the organisation • Monitor, report on and evaluate the performance of the organisation • Communicate regularly to all staff on strategic initiatives such as strategy, goals, priorities, and management decisions. 	SG's office Exco
Directing, guiding and driving the effective and accurate production of economic, social and population statistics	<ul style="list-style-type: none"> • Ensure timely release of high quality economic statistics • Ensure timely release of high quality social statistics • Ensure timely release of high quality population statistics • Produce quality national accounts statistics • Produce quality integrative statistics • Ensure effective quality controls and measures are in place across the statistical production value chain to manage process quality • Drive the implementation of the improvement strategy 	DDGs for: Economic Statistics Population and Social Statistics Quality and Integration Statistical Support and Informatics
Ensuring that official statistics meet internationally acclaimed standards and practices	<ul style="list-style-type: none"> • Ensure methodological soundness of all statistical series • Ensure adherence to recognised national and international standards • Ensure coherence of information through common standards, classifications and metadata • Promote usage of modern methods and technologies • Ensure availability of quality descriptors, technical notes and metadata • Provide quality frames for usage of survey areas • Ensure statistics are accessible • Develop a statistical data warehouse 	DDG: Quality and Integration DDG: Statistical Support and Informatics
Managing relations with key stakeholders and international role-players	<ul style="list-style-type: none"> • Public and media relations • Management of relations with: <ul style="list-style-type: none"> ○ Government departments ○ International statistics community ○ FOSAD Clusters ○ Statistics Council ○ Audit Committee ○ Minister of Finance 	SG's office National Statistics System Division

Key responsibility	Activities/Outputs	Supported by:
Improving governance processes to achieve operational excellence in relation to employee satisfaction, managing costs and compliance to legislation	<ul style="list-style-type: none"> • Determine the post establishment of the department, including the creation, grading and abolition of posts • Ensure the recruitment, appointment, promotion, transfer, discharge and other career incidents of staff • Manage and encourage people, optimise their outputs and effectively manage relationships in order to achieve organisational goals. • Ensure transfer of skills to previously disadvantaged individuals • Create training and development opportunities for all staff • Create work opportunities for people to release their full potential 	DDG: Corporate Services
	<ul style="list-style-type: none"> • Ensure the operation of basic financial management systems, including internal controls • Ensure that Stats SA does not overspend • Report on a monthly and annual basis • Promote sound, efficient, effective, transparent and accountable administration • Use financial management to support policy and strategy • Review and improve financial strategies and practices and manage risks 	DDG: Corporate Services Chief Financial Officer

(b) Aligning the organisational structure to the strategy

The organisational structure must be flexible for the future as well as fit for the present. Given the redefined vision, mission, values, strategic objectives and key projects, Stats SA reviewed and re-aligned its organisational structure to ensure alignment to shifting priorities. The re-aligned structure will enable the organisation to execute its work in a more effective and streamlined manner.

Statistics South Africa's organisational structure



(c) Implementing and managing the forward work programme

In order to ensure that Stats SA achieves its vision and mission, the organisation needs to implement and manage its forward work programme. The next chapters outline the specific goals, outputs and milestones for each programme.

(d) Monitoring and evaluation

Stats SA has adapted the perspectives of the balanced scorecard to suit its own requirements. The strategic themes and strategic objectives have been plotted in each perspective. The organisation will focus and align its effort through the utilisation of corporate measures. Organisational performance will be monitored and evaluated in terms of key indicators and targets set at organisational level.

The balanced scorecard approach will enable the organisation to:

- effectively measure how successfully the strategies and plans are being implemented;
- ensure long-term sustainable growth and development;
- understand, predict and improve performance in key focus areas;
- build a culture of continuous improvement through managing and measuring behaviours that drive the targeted organisational results; and
- provide the right information to the right people at the right time in the most efficient manner.

The four perspectives of the balanced scorecard are:

- **External stakeholders:** From this perspective, the organisation looks at what it needs to deliver to its stakeholders.
- **Statistical process:** From this perspective, the organisation has identified the focus areas in the value chain of the statistical process on which it should place emphasis.

- **Governance:** From this perspective, the critical governance or non-core business functions are measured.
- **Investment in the future:** From this perspective, the investment that the organisation is making in its people to ensure success and growth is measured.

Stats SA's balanced scorecard

Perspective	Strategic theme	Strategic objective	Key performance indicator
External stakeholders	<i>Providing relevant statistical information to meet user needs</i>	Assessing and monitoring the needs of users	Increase in customer satisfaction index Increase in number of functional advisory committees
		Increasing accessibility and usage of statistics	Increase in number of website visits per month Percentage of products with standardised metadata
		Providing statistical information to inform government priorities	Stats SA figures informing government M&E indicators
		Providing statistical information in line with international frameworks	Extent of compliance with GDDS list
		Improving the corporate image	Increase in proportion of positive news articles
	<i>Developing and promoting statistical advocacy and partnerships</i>	Developing the National Statistics System	Increase in number of non-Stats SA official statistics
		Promoting integration among producers of official statistics	NSS-sourced indicators informing government M&E indicators
		Integrating and improving the quality of registers across government	Number of registers meeting approved quality standards
		Improving data governance	Number of state organs which have adopted official standards
Statistical process	<i>Enhancing the quality of products and services</i>	Improving the accuracy of statistics	Response rates Number of releases amended post release
		Improving the timeliness of statistics	Compliance with international timeliness standards
		Implementing internationally acclaimed practices	Number of surveys using certified methods
		Promoting coherence through integration of statistics	Number of series with documented comparison procedure
		Promoting quality and coverage of frames	Percentage of business register units not classified correctly Percentage of country with geo-referenced dwellings
		Managing statistical quality	Compliance with quality criteria
		Applying technology to improve the quality of statistics	Functionality of data warehouse
Governance	<i>Ensuring good governance</i>	Complying with legal frameworks	Statistics Act compliance Auditor-General's opinion on financial statements
		Improving efficiency and effectiveness of administrative processes and systems	Lead time of payment process Lead time of recruitment process
		Improving quality and usage of management information systems	Number of reports generated by users
		Planning and executing activities within budget	Percentage deviation from budget
		Managing risks effectively	Decrease in overall risk profile
		Ensuring effective leadership, management and decision-making	Percentage change in leadership effectiveness index

Perspective	Strategic theme	Strategic objective	Key performance indicator
Investment in the future	<i>Building human capacity</i>	Becoming an employer of choice	Increase in staff satisfaction index
		Achieving equity in workplace	Percentage of black female staff from level 12 up
		Creating a learning organisation	Increase in average training hours per staff member Increase in number of professionals with Masters and PhD
		Creating an enabling corporate culture and environment	Increase in staff satisfaction index

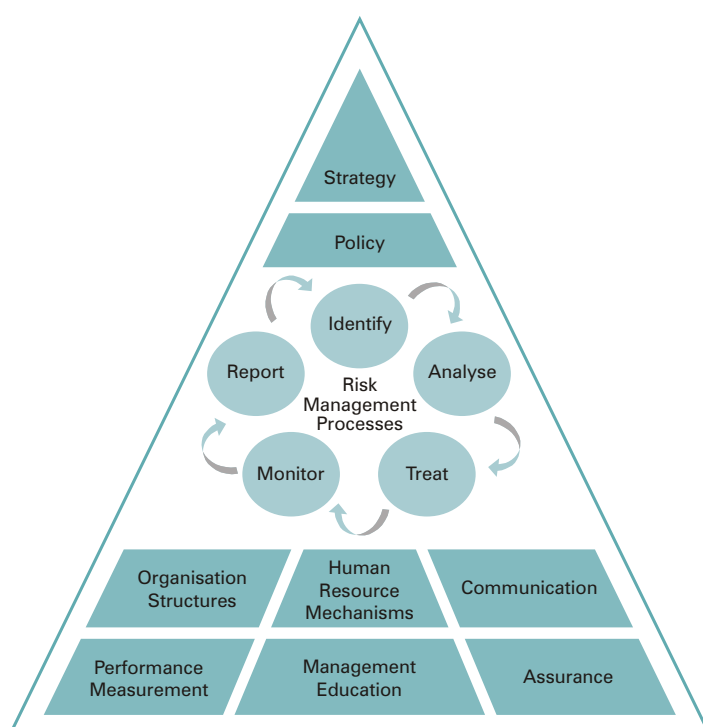
(e) Managing potential risks

Stats SA has conducted a risk assessment and potential risks have been identified in the following categories as possible key threats to the delivery of the agreed outputs:

- leadership and management;
- stakeholders;
- planning and design, collection, processing, analysis and dissemination;
- quality of products;
- information technology;
- internal audit;
- financial management;
- human resource management; and
- legal, regulatory, compliance and good corporate governance.

A comprehensive risk management strategy has been developed and control objectives identified to mitigate these risks.

Stats SA's risk management approach



Risk: any potential event, scenario or happening that could prevent the achievement of an objective. Risks can be thought of in three distinct senses – as threat, uncertainty or lost opportunity.

Threats or hazards: the risk of loss or a bad thing happening – typical examples include system failure, fraud, financial loss or a lawsuit.

Uncertainty: the distribution of all possible outcomes, both positive and negative. In this context, risk management seeks to reduce the variance between anticipated outcomes and actual results.

Lost opportunity: the risk that an opportunity is missed or of something good not happening.

section B

the forward work programme



The preceding section has focused mainly on the importance of national statistics in South Africa, and the long-term strategic objectives and priorities of the organisation.

The forward work programme describes what Stats SA plans to do over the next five years and how we are going to do it. It is about how Stats SA will fulfil its vision to become the *preferred supplier of quality statistics*.

This section focuses on each of the six programmes of Stats SA's work, namely:

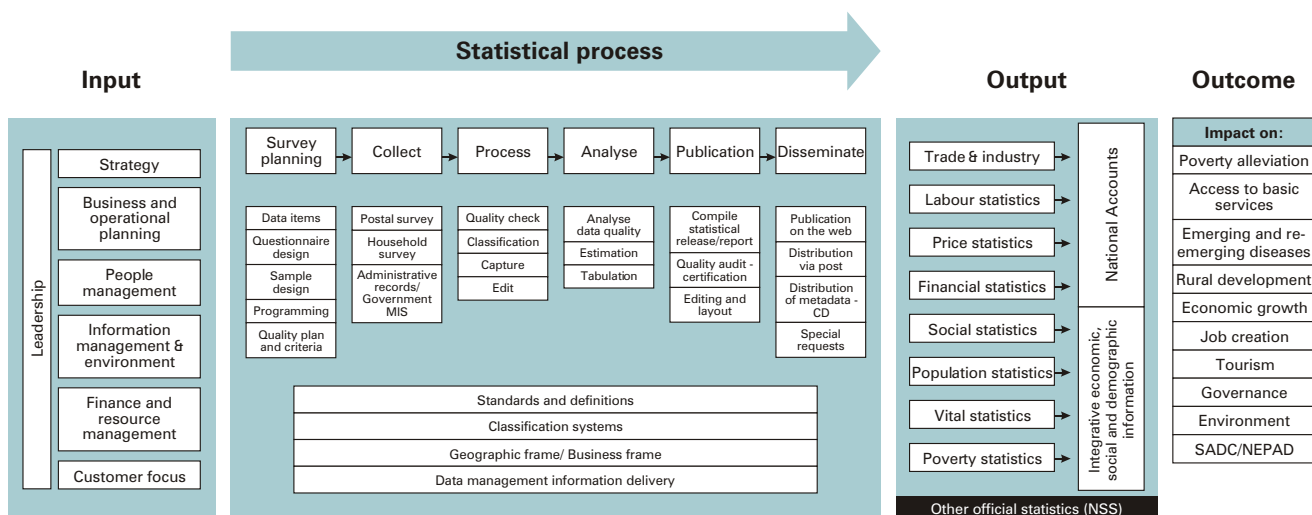
- Economic Statistics
- Population and Social Statistics
- Quality and Integration
- Statistical Support and Informatics
- Executive Management
- Corporate Services.

Details in each programme are discussed in relation to:

- strategic goals and initiatives – what we want to achieve and how we going to achieve it; and
- delivery – what specific outputs we will deliver, by when, and which division is responsible for them.

The forward work programme will be used to monitor the delivery of the high level strategic and operational outputs the organisation is committed to deliver. The outputs and resources are aligned with the three-year spending plans as detailed in the Estimates of National Expenditure published by National Treasury.

Stats SA's statistical production process



Chapter 3: Economic Statistics

3.1 Purpose

Produce economic statistics to meet user requirements.

3.2 Measurable objective

Inform economic decision-making by providing accurate, relevant and timely economic statistical information through the application of internationally acclaimed practices.

3.3 Strategic direction and goals

In pursuit of the vision of becoming the *preferred supplier of quality statistics*, the Economic Statistics cluster aims to deliver each economic series on time, right first time. This will be achieved through implementing ongoing quality improvements over the next five years. The strategy will focus on increasing the quality, coherence and coverage of economic statistics through long-term investment in systems, methodology and skills. Except where there is an explicit financial provision for a new survey, the most significant improvements will be in increased quality, greater integration and enhanced analysis of existing products.

Our five-year goals are to:

- improve the relevance and usage of economic statistics through better user consultations;
- satisfy new information needs and improve the coverage of the economy through the introduction of new surveys;
- improve the quality of economic statistics through accelerating the timeliness of our data, securing higher response rates, and adopting and applying best international standards and practices;
- reduce the burden on respondents by shorter and fewer questionnaires;
- improve the coverage of the economy as a whole through collecting information on the services, agriculture, and transport and communication sectors;
- provide information on the structure, inputs and outputs of individual economic sectors;
- produce economic data at provincial levels;
- improve the management of economic data through adopting a quality management approach in all surveys and managing the risks associated with executing our work; and
- improve economic statistical and analytical capacity and skills by on-the-job training, seminars and mentorship.

3.4 Key initiatives and developments to improve the quality of economic statistics

(a) Consumer price index

The consumer price index (CPI) indicates the variation over time in household expenditure aggregates that can be attributed to price movements. The expenditure aggregate comprises expenditures on goods and services that households acquire, pay for, or use for purposes of consumption. The CPIX, which is the CPI excluding mortgage payment, is the indicator of inflation used by the South African Reserve Bank and

government to measure inflation targets. It is used for analysing the economy as a whole and to adjust the prices of many long-term contracts.

For many years a significant component of the CPI has been compiled from forms completed by the head offices of retail enterprises. In recent times, it became apparent that these are not necessarily the same as prices collected at the point of transaction. Following a major revision of the CPI in 2003, Stats SA developed a strategy to improve the quality of the CPI over time. Its main focus was to implement a new enumerator-based monthly price collection methodology from retail outlets at the point of transaction, in line with international best practice, and to move away from the postal collection methodology.

The project was piloted during 2004 and is currently being implemented in Mpumalanga and Gauteng. It will be rolled out progressively to the rest of the country between January 2005 and August 2006.

(b) Income and expenditure survey

Stats SA will conduct a household income and expenditure survey (IES) during 2005/06, to provide information about the spending patterns of South African households. The survey forms the basis for determining the contents and weights of the components of the basket of goods and services used in the compilation of the consumer price index. It also provides an independent source of information for estimating and improving the data on private final consumption expenditure for national accounts.

In the past the IES was conducted every five years, and the most recent IES was conducted during 2000. The CPI basket has since been re-based and re-benchmarked to the data collected in the 2000 IES. The underlying assumption in the five-year frequency is that consumption patterns of households remain more or less constant over this period. However, in the light of rapid changes in consumer behaviour, resulting from the introduction of new goods and services in the market, the assumption of constancy of the composition of the basket over a period of five years can no longer be justified. In line with best international practice, Stats SA is moving towards a three-year cycle for the updating of the CPI basket. This requires that an IES be conducted every three years.

Stats SA has adopted the best international collection methodology for the IES. The previous IES was based on a recall method, where households were required to remember expenditure on non-durable goods purchased in the month prior to the survey. For semi-durable and durable goods the recall period was three months and 12 months respectively. The previous IES also collected information on various sources of income (monetary or in kind) received by households and details about how they disposed of such income. The IES 2005/06 will use a combination of the recall and the diary methods.

(c) Introducing new surveys in Industry and Trade

Stats SA is introducing new surveys to improve the coverage of economic statistics, which will ultimately improve the coverage and quality of the gross domestic product (GDP).

- **Agriculture:** A large sample survey on commercial agricultural activity will be conducted in 2007/08 as a joint venture between Stats SA and the Department of Agriculture. The survey will replace a full census. It will be a postal survey, with the sample drawn from the business register. The survey will include financial as well as product information.
- **Transport, post and telecommunications:** The current land freight survey is not an adequate indicator for the whole transport sector. Significant changes and growth in the telecommunication industry also necessitate collecting information on a regular basis. Therefore a new quarterly transport, post and

The annual percentage change in the Consumer Price Index excluding interest rates on mortgage bonds (CPIX) for the historical metropolitan and other urban areas is 3,1% at February 2005 (Consumer Price Index Headline, February 2005).

telecommunications survey will be introduced during 2007/08, and will incorporate the current land freight monthly survey.

- **Personal and business services:** A large sample survey is currently underway, but no short-term surveys are currently conducted in the services sector, which is a growing sector. Quarterly surveys will be introduced during 2007/08 and will cover both personal and business services.
- **Foreign trade:** Stats SA is currently not collecting information on foreign trade as proposed in the General Data Dissemination System. Funds have been allocated to investigate and research the feasibility of conducting a foreign trade survey in the future.



(d) Increased sample sizes

The business register is the sampling frame for all major economic collections. It is sourced from VAT and income tax data provided by SARS. Stats SA has improved the business register in the past year. New samples for selected economic surveys are scheduled to be drawn annually in August. Parallel surveys are conducted for four overlapping months to ensure comparability between the samples. Stats SA has received funds over the medium term to fund these increased activities.

(e) Average monthly earnings survey

Labour statistics are used extensively in the monitoring, analysis and evaluation of the economy, the labour market and a wide range of government policies and programmes. Statistics on labour costs are also used in compiling the national accounts.

The average monthly earnings survey (AME) conducted in the past was stopped in 2001 because of problems with the sample drawn from the old business register. The new improved business sampling frame allows for a more accurate sample to be drawn, based only on businesses which actually employ staff. In accordance with international best practice, Stats SA is re-introducing the AME to provide quarterly estimates on average monthly salaries and wages, average monthly hours paid and the total number of vacancies in South Africa at industry level. The survey will cover all formal non-agricultural enterprises.

(f) Financial statistics

Stats SA is in the process of implementing the 2001 Government Financial Statistics (GFS) framework in line with guidelines of the International Monetary Fund, but will report financial information on a cash basis of accounting. This will be rolled out over the next three years. The accounts of extra-budgetary accounts and funds, universities and universities of technology, and local government transactions, which are compiled on an accrual basis will be adjusted to a cash basis of accounting in order to be incorporated into the Statement of Sources and Uses of Cash. During 2006/07 to 2007/08 we will publish the Statement of Sources and Uses of Cash for provincial and national departments, local governments and total general government. Close cooperation with national accounts and the South African Reserve Bank is required to ensure that these changes are successfully implemented. These new developments will improve and promote the financial accountability and financial transparency of government.

Stats SA also plans to publish the quarterly local government financial statistics, which are currently unpublished data furnished to the SARB, as official statistics during 2005.

3.5 Service delivery



(a) Industry and Trade Statistics

The Industry and Trade Statistics division is divided into five components, namely:

- Primary Industries
- Secondary Industries
- Tertiary Industries
- Tourism Industries
- Large Sample Surveys (LSS)

Targets and priorities: Industry and Trade Statistics

Scope	The Industry and Trade Statistics division provides information on turnover and volumes in various industries of the economy to measure economic growth and stability. These statistics are collected or compiled on a monthly, quarterly and annual basis on industry-related activities in the primary, secondary, tertiary, services and transport sectors.
Outcome indicator	Increased usage and trust of economic statistics
Output indicator	The number of economic sectors reported on according to accuracy and timeliness standards
Target	Monthly, quarterly and annual information on the dynamics in seven sectors of the economy
Priorities	<ul style="list-style-type: none"> • Standardise processes • Improve quality control measures in processes and releases • Improve documentation of processes • Improve data confrontation between surveys

Total expenditure by the formal agriculture sector amounted to R45 039 million. Only 6,5% of this was capital expenditure on assets whilst 93,5% was current expenditure. (Census of commercial agriculture, 2002)

Medium-term outputs and milestones: Industry and Trade Statistics

Outputs – Statistics on	Milestones		
	2005/06	2006/07	2007/08
Mining, production and sales • Improving coverage and accuracy	Monthly release	Monthly release	Monthly release Research collecting information directly from mines (June 2008)
Generation and consumption of electricity	Monthly release	Monthly release	Monthly release
Manufacturing: Production and sales • Improving coverage and accuracy • Improving relevance	Monthly release New sample based on Stats SA's business register Introduction of sales per major group (September 2005)	Monthly release	Monthly release
Retail trade sales • Improving coverage and accuracy • Improving relevance	Monthly release New increased sample drawn Introducing sales by type of retailer (April 2005)	Monthly release	Monthly release Research breakdown to product categories
Motor trade sales • Improving coverage and accuracy • Improving relevance	Monthly release New increased sample drawn Introducing breakdown of sales (April 2005)	Monthly release	Monthly release
Wholesale trade sales • Improving relevance	Monthly release Introducing sales by merchandise category (April 2005)	Monthly release	Monthly release
Selected buildings completed – sample	Monthly release	Monthly release	Monthly release
Selected buildings completed – annual	Annual release (April 2005)	Annual release (April 2006)	Annual release (April 2007)
Liquidations and insolvencies	Monthly release	Monthly release	Monthly release

Outputs – Statistics on	Milestones		
	2005/06	2006/07	2007/08
Civil cases of debt • Improving timeliness and accuracy	Monthly release	Monthly release	Monthly release Increased capacity to conduct new sample
Restaurants, bars and canteens	Quarterly release	Quarterly release	Quarterly release
Accommodation: Short stay	Quarterly release	Quarterly release	Quarterly release
Manufacturing: Utilisation of production capacity by large enterprises	Quarterly release	Quarterly release	Quarterly release
Agriculture (in collaboration with the Department of Agriculture)		Survey planned	Survey conducted
Large sample surveys of manufacturing, wholesale trade, and retail trade	Surveys conducted (October 2005)	Reports produced (December 2006)	Surveys planned
Large sample surveys of electricity and water, motor trade, transport, communication, and business services	Surveys planned	Surveys conducted (October 2006)	Reports produced (December 2007)
Large sample surveys of mining, construction, accommodation, and personal services		Surveys planned	Surveys conducted (October 2007)
Transport, post and telecommunication		New survey planned	New survey conducted (January 2008)
Personal services		New survey planned	New survey conducted (January 2008)
Foreign trade			Research (December 2008)

(b) Employment and Price Statistics

The Employment and Price Statistics division is divided into two components, namely:

- Employment Statistics
- Price Statistics

Targets and priorities: Employment and Price Statistics

Scope	<p>The Employment and Price Statistics division provides information on employment in formal non-agricultural industries to inform job creation, and on changes in the prices of consumer and producer goods to inform monetary and fiscal policies.</p> <p>Employment statistics are collected on a quarterly basis on the composition and characteristics of the workforce in the South African business and government sectors.</p> <p>Price statistics are collected on a monthly basis on various goods and services bought by typical consumers or households to compile the consumer price index. The producer price index is based on prices collected from manufacturers, exporters and importers at the point of production.</p> <p>Data collected from the income and expenditure survey are used to obtain the weights given to each item in the basket of goods and services for the CPI.</p>
Outcome indicators	<ul style="list-style-type: none"> • Employment statistics informing job creation programmes • Price statistics informing inflation targeting
Output indicators	<ol style="list-style-type: none"> a) Number of industries for which labour market trends are reported, according to accuracy and timeliness standards b) Number of commodity price movements collected, according to accuracy and timeliness standards c) CPIX collection methodology in line with international best practice
Targets	<ol style="list-style-type: none"> a) Quarterly information on labour market trends in eight industries of the economy b) Monthly information on 1 500 consumer products and 1 700 producer products c) 75% rollout of CPIX direct price collection methodology
Priorities	<ul style="list-style-type: none"> • Conduct the IES • Roll out the new collection methodology for the CPI • Maintain and improve documentation of flowcharts, processing and quality improvement processes

Medium-term outputs and milestones: Employment and Price Statistics

Outputs – Statistics on	Milestones		
	2005/06	2006/07	2007/08
Employment and earnings	Quarterly release	Quarterly release	Quarterly release
Average monthly earnings	Planning the new survey	First quarterly release by September 2006	Quarterly release
Income and expenditure	Pilot survey and survey conducted	Survey conducted and completed	Results published Information provided for the re-weighting of the CPI
Consumer price index (postal collection)	Monthly release	Phase out postal collection methodology	End of postal collections
Consumer price index (direct collection)	New methodology rolled out in all nine provinces	Monthly release	Monthly release
Rural consumer price index	Monthly release	Monthly release	Monthly release
Producer price index	Monthly release	Monthly release	Monthly release
Building contracts adjustment indices	Monthly release	Monthly release	Monthly release
Services price index	Research, planning and design	Pilot survey and methodology review	Monthly release

In September 2004, according to the SEE, approximately 6,6 million people were employed in the formal sector excluding commercial agriculture.

(c) Financial Statistics

The Financial Statistics division is divided into three components, namely:

- National and Provincial Government Accounts
- Local Government Accounts
- Private Sector Financial Statistics

Targets and priorities: Financial Statistics

Scope	Financial statistics track public spending and the financial performance of private sector organisations to inform economic growth, stability and job creation. Financial statistics are collected on a monthly, quarterly and annual basis from local government institutions, the private sector and national and provincial government institutions.
Outcome indicator	Financial statistics informing economic growth and fiscal policies
Output indicator	Number of economic sectors reported on, according to accuracy and timeliness standards
Target	Quarterly and annual information on the performance of eight selected areas of the private and public sectors in the economy
Priorities	Produce improved statistics that are right first time, every time, through: <ul style="list-style-type: none"> • Improvement and maintenance of documentation of flowcharts, processing and quality improvement processes • Private sector statistics – Continuous improvements to collections, sampling frame and detail in publications • National and provincial government accounts from 2005 onwards – Introduction of the new government financial statistics (IMF 2001) methodology by publishing according to the new format (for example, the publication of the <i>Sources and uses of cash tables</i>).



Medium-term outputs and milestones: Financial Statistics

Outputs – Statistics on	Milestones		
	2005/06	2006/07	2007/08
Economic activity	Annual release (September 2005)	Annual release (September 2006)	Annual release (September 2007)
Quarterly financials of private sector	Quarterly release	Quarterly release	Quarterly release
Non-financial data of municipalities	Annual release (December 2005)	Annual release (December 2006)	Annual release (December 2007)
Financial data of municipalities	Annual release (October 2005)	Annual release (October 2006)	Annual release (October 2007)
Regional council levies – local government	Quarterly release	Quarterly release	Quarterly release
Quarterly financial statistics of local government	Quarterly release First official release	Quarterly release Incorporation of the new municipal accounting system (GAMAP) into questionnaires	Quarterly release
Capital expenditure	Annual release (June 2005)	Annual release (June 2006)	Annual release (June 2007)
Extra-budgetary accounts and funds expenditure	Annual release (August 2005)	Annual release (August 2006)	Annual release (August 2007)
Provincial government expenditure	Annual release (September 2005)	Annual release (September 2006)	Annual release (September 2007)
National government expenditure	Annual release (June 2005)	Annual release (June 2006)	Annual release (June 2007)
Universities and universities of technology	Annual release (September 2005)	Annual release (September 2006)	Annual release (September 2007)
Consolidated government expenditure	Annual release (November 2005)	Annual release (November 2006)	Annual release (November 2007)

Chapter 4: Population and Social Statistics

4.1 Purpose

Produce population and social statistics to meet user requirements.

4.2 Measurable objective

Inform policy and planning processes by providing relevant and accurate population and social statistics using ethical and internationally acclaimed methodologies.

4.3 Strategic direction and goals

In contributing to Stats SA's becoming the *preferred supplier of quality statistics*, the Population and Social Statistics cluster aims to deliver information on the life circumstances and living conditions of the population, including its distribution and composition by gender and age across different population groups and how this distribution is changing over time. This information is central to the formulation of social policies and the design of programmes aimed at improving service delivery. The Population and Social Statistics cluster has developed a strategy to improve the quality and comparability of population and social statistics over time through censuses, surveys and administrative collections. The strategy focuses on better understanding the needs of users, testing different methodologies and systems, and building capacity. It also focuses, in the medium term, on exploiting administrative processes and records of government as an important source of data. The linking of different administrative datasets such as the population register to census and household surveys can add greatly to the richness of the statistics produced.

Our five-year goals are to:

- be ready and prepared for undertaking a population census in 2011;
- conduct a community survey in 2006;
- provide relevant population and social statistics and increase the usage of statistics through better consultations with stakeholders;
- satisfy information needs, in particular the multi-dimensional understanding of poverty and HIV/Aids, through the introduction of new surveys;
- improve the governance of population and social statistics through compliance with international standards and guidelines, adopting a quality management approach in all censuses and surveys and managing the risks associated with executing our work; and
- improve the capacity and capability of the organisation to run large household surveys.

4.4 Key initiatives and developments in Population and Social Statistics

(a) Population Census 2011

Population and housing censuses are the most extensive and complicated statistical operations that a statistical office can undertake. Any gap in the planning can lead to costly inefficiencies in operations and compromise the validity of the results. Hence all measures are taken to ensure the achievement of maximum effectiveness when conducting the various operations. A balance has to be struck between the information that is

required and its utility on the one hand, and the costs of collecting, processing and using that information on the other.

The next population census is scheduled for October 2011. A comprehensive research programme to support the development of population census methodologies and content has been developed. The research will focus on ascertaining the pertinent information to be collected as well as questions to be asked, which will require in-depth user consultation; the effects of layout of the questionnaire; measurement of respondents' perceptions and attitudes as well as the level of stakeholder satisfaction; and process design, the piloting of operations and performance measurement. This research will form the basis for improving data collection, processing and analysis methodologies and logistics for Census 2011.

(b) Community survey

Statistics South Africa has undertaken two population censuses since 1994. This momentous endeavour has generated diverse demographic and socio-economic information that has enhanced policy decision-making at all levels. The magnitude of carrying out these censuses weighed heavily on the capacity of the organisation to deliver on other core economic and social statistics. In light of this, Cabinet has approved replacing the five-yearly census with a ten-yearly cycle.

The Cabinet stated: 'It is therefore imperative that census replacement surveys be carried out every three years starting in 2006 as a means of bridging the gap created by moving from five years to ten years.' It is envisaged that these surveys will provide, amongst other things, support to the planning of Census 2011, and to the National Address System (NAS).



The lowest reporting level for the present household-based surveys is provincial level. The 2006 community survey is designed to meet information requirements at a lower geographic level in support of planning, monitoring and evaluation. A pilot will be conducted during 2005/06 and the actual survey will take place during 2006/07. The community survey will be used by Stats SA to build human, management and logistical capacity for Census 2011.

The deliverables for the project are:

- measurement of demographic parameters needed for population analysis such as fertility, mortality and migration;
- measurement of access to facilities and services such as piped water, sanitation and electricity for lighting;
- testing of management information systems, payment systems and recruitment strategies for feeding into the planning for Census 2011; and
- a network of regional offices able to support data collection in the field.

(c) Second economy information

Inadequate knowledge exists about the second economy in South Africa. The survey of employers and self-employed (SESE) and the community survey seek to provide information and understanding of the second economy.

The aim of the household-based SESE is to collect reliable data about people running businesses that are not registered for VAT or income tax. The SESE will provide information on small and micro-businesses at national and provincial levels. This will enable Stats SA to determine the contribution of these businesses towards the economic growth of the country.

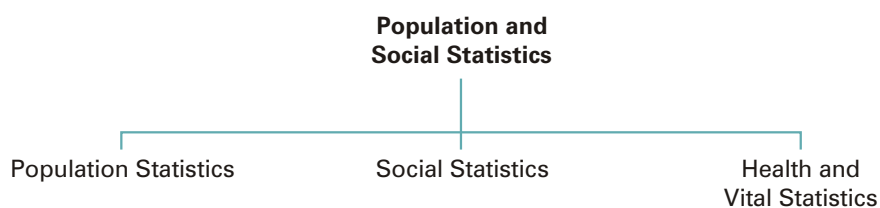
The regular labour force survey (LFS) will be used to screen households that fit the criteria for SESE. A questionnaire will then be administered to all the households that meet the SESE criteria immediately after the data-collection phase of the LFS. The survey will be conducted in 2005 and every two years thereafter.

This survey will assist decision-makers to develop programmes to create employment opportunities and to promote various other income-generating activities in an attempt to reduce unemployment in South Africa.

(d) Mortality statistics

Stats SA receives death notification forms from the Department of Home Affairs to be processed in order to produce mortality statistics. This information contributes to health information which informs public health interventions. Currently all deaths are manually coded according to the International Classification of Diseases (ICD 10) coding book, which complies with the World Health Organisation (WHO) standards. In some developed countries, coding the reported causes of death from the information provided on death certificates has evolved into a fully automated process which improves the accuracy and timeliness of data. Plans are underway to implement the automated process in 2006/07.

4.5 Service delivery



(a) Population Statistics

The Population Statistics division is divided into two components, namely:

- Population census
- Community survey

Targets and priorities: Population Statistics

Scope	To provide detailed statistical information at all levels of society on the number, distribution and characteristics of individuals and households in South Africa. The census also provides benchmark data for a range of surveys produced by Stats SA, and other public and private sector organisations.
Outcome indicator	Increase in the usage of statistical information to inform job creation, poverty alleviation and sustainable development
Output indicator	Small area data on the population dynamics at all levels of society to inform social and economic development
Target	Community survey conducted by October 2006 Population census conducted by October 2011
Priorities	<ul style="list-style-type: none"> • Finalise strategic and operational plans for the community survey and implement pertinent preparatory activities • Finalise planning documents for Census 2011 • Undertake census content research.

Medium-term outputs and milestones: Population Statistics

Outputs	Milestones		
	2005/06	2006/07	2007/08
Population census 2011	Strategic and operational planning in consultation with users and stakeholders Two research documents on development of content, publicity strategies and testing methodologies	Methodologies tested	Systems and processes designed
Community survey 2006	Pilot conducted in October 2005	Survey conducted in October 2006	Results published in October 2007
Allocation of physical addresses to dwellings (funded by this programme, but further discussed under the Geography division)	15% completed	50% completed	75% completed

(b) Social Statistics

The Social Statistics division is divided into four components, namely:

- Fieldwork Operations
- Methodology
- Development and Output
- Data Processing

Targets and priorities: Social Statistics

Scope	<p>Social statistics conducts detailed investigations on the state of the labour market, the living conditions of the population and other related matters.</p> <ul style="list-style-type: none"> • Data on the labour force are collected twice a year using a rotating panel survey specifically designed to measure the dynamics of employment and unemployment in the country. This information informs policies on job creation and economic growth in the formal and informal sectors. • Data on the living conditions of the population are collected annually and provide information on access to basic services such as water, electricity, healthcare and education. • Data on the second economy are to be collected every two years and will provide information on employers and the self-employed of small and micro-businesses to determine the contribution of the second economy to the economic growth of the country and buying patterns of consumers from these enterprises.
Outcome indicator	Increase in the usage of statistical information to inform job creation, poverty alleviation and sustainable development
Output indicator	The number of releases and reports produced according to accuracy and timeliness standards
Targets	<ul style="list-style-type: none"> • Two six-monthly releases (LFS) on unemployment and employment with a response rate of 85%, according to the release schedule • One annual release (SESE) on unemployment and employment in the second economy with a response rate of 85%, according to the release schedule • One annual release (GHS) on the living conditions of South Africans with a 90% response rate, according to the release schedule
Priorities	<ul style="list-style-type: none"> • Restructure Social Statistics • Improve the turn-around time for the publication of the LFS to three months • Improve the turn-around time for the publication of the GHS to six months • Collect information on the second economy



Medium-term outputs and milestones: Social Statistics

Outputs – Statistics on	Milestones		
	2005/06	2006/07	2007/08
Living conditions (General household survey) <ul style="list-style-type: none"> Improving quality and relevance 	Annual release (May 2006)	Annual release (May 2007) Processes assessed and reviewed (June 2006)	Annual release (May 2008) User needs assessed and reviewed (June 2007)
Labour force <ul style="list-style-type: none"> Improving quality and relevance 	Bi-annual release (March and September 2005) Improved fieldwork training (August 2005)	Bi-annual release (March and September 2006) User needs assessed and reviewed (June 2006)	Bi-annual release (March and September 2007) Processes assessed and reviewed (June 2007)
Second economy (SESE)	Survey conducted (September 2005)	Results published (April 2006)	SESE and consumer surveys conducted
Tourism		Survey planned	Survey conducted
Master sample	Updated master sample (January 2006)	Updated master sample (January 2007)	Updated master sample (January 2008)

The proportion of households using boreholes as their main source of water was 2,5% in July 2003 (General household survey, July 2003).

(c) Health and Vital Statistics

The Health and Vital statistics division is divided into three components, namely:

- Mortality, Morbidity and Births
- Marriages and Divorces
- Tourism and Migration

Targets and priorities: Health and Vital Statistics

Scope	<p>Health and Vital Statistics acquires, processes, analyses and disseminates statistics on mortality and causes of deaths, births, migration, tourism, marriages and divorces. These statistics reflect changes in the profile of the South African population in relation to these health and vital events.</p> <ul style="list-style-type: none"> • Death and health information can be used in understanding mortality and morbidity patterns in various sections of the population, their causes, and the prevalence of emerging and re-emerging diseases. • Information on recorded live births provides crucial information on the number of births that contributed to the size of the population. • Marriage and divorce statistics provide information on the formation and dissolution of marriages. • Tourism and migration statistics provide the country with information about the flow of migrants and tourists into and out of the country.
Outcome indicator	Increased availability of relevant, accurate and timely information on births, deaths, health, tourism, migration, marriages and divorces in order to inform health and sustainable development policies and programmes
Output indicator	The number of releases and reports produced according to accuracy and timelines standards
Target	Twelve monthly and seven annual series produced according to the publication schedule
Priorities	<ul style="list-style-type: none"> • Improve the content, quality and presentation of our releases • Recruit senior staff, which will facilitate the verification of our statistical releases (in terms of expertise and numbers), the research methodologies to be applied in re-vamping health and vital statistics, and the quality assurance of capturing, processing and analysis. • Document procedures and guidelines for processing various series to enable standard application of procedures.



Medium-term outputs and milestones: Health and Vital Statistics

Outputs – Statistics on	Milestones		
	2005/06	2006/07	2007/08
Causes of death • Improving timeliness and accuracy	Release of 2003 data (March 2006) Research into automation of coding of causes of death and proof of concept for scanning of death notification forms (March 2006)	Release of 2004 data (November 2006) Implement automated process (April 2006)	Release of 2005 data (July 2007) Fully automated system (June 2007)
Marriages and divorces • Improving relevance	Release of 2004 data (May 2005) Re-assess the viability of the series (June 2006)	Release of 2005 data (May 2006)	Release of 2006 data (May 2007)
Recorded live births	Release of 2004 data (June 2005)	Release of 2005 data (June 2006)	Release of 2006 data (June 2007)
Tourism and migration • Improving timeliness	Monthly release Eliminate processing backlog due to migration of data processes from the main frame	Monthly release	Monthly release
Health	Processes for acquisition, analysis and dissemination of health statistics put in place (December 2005)	Thematic report (July 2006)	Thematic report (July 2007)

There were 621 887 births that were registered in 2003 compared to 557 573 in 2002 (Recorded live births, 2003).

Chapter 5: Quality and Integration

5.1 Purpose

Provide expertise on quality and methodology for official statistics, build the National Statistics System, compile national accounts and analyse statistical data.

5.2 Measurable objective

Provide integrated social, economic and demographic information, according to acclaimed best practice, to improve the quality and usage of national statistics.

5.3 Strategic direction and goals

In support of Stats SA's vision of becoming the *preferred supplier of quality statistics*, this cluster aims to improve the quality, integration and integrity of our statistics by setting standards, giving advice and auditing the quality of statistical production. This will be achieved through implementing a strategy that focuses on strengthening the core statistical infrastructure, building key partnerships within the NSS, modernising and improving our statistical processes and systems, improving the coverage of our national accounts and ensuring that our products meet the emerging needs of our customers in line with international best practice.

Our five-year goals are to:

- examine registers and other data produced by other government departments in order to improve the integrity and coordination of the National Statistics System in South Africa;
- improve the quality of statistics across the organisation through setting standards and practices for all surveys, and building sound methodologies into statistical sources and outputs;
- adopt a continuous improvement approach through ongoing quality monitoring and introducing a quality management framework for statistical processes and products;
- ensure compliance with international standards and practices and ensuring that products meet the needs of stakeholders by introducing a systematic review and assessment programme for all statistical processes and products resulting in methodological certification;
- offer an increased range of customer-specific data tabulations and integrative analyses;
- strengthen our economic, demographic and social statistical and analytical capacity and skills; and
- improve the scope and coverage of national accounts in an integrative framework for all statistics.

5.4 Key initiatives and developments in Quality and Integration

(a) Developing standards and definitions

A key challenge facing Stats SA as a statistical agency is to successfully link statistical units, data items, classifications and standards in the statistical production process. There are only a few areas in the agency in which common definitions and classifications are currently used. The Methodology and Standards team will play an important role to ensure that a common approach to quality management in the statistical processes is

introduced. To this end, various initiatives have already been introduced, which include:

- compiling a compendium of concepts and definitions for the statistical system;
- developing a standard operating procedure for household-based surveys;
- developing policies, procedures and standards for maintaining confidentiality in the dissemination of statistics; and
- developing quality assurance procedures for Stats SA publications.

A quality management framework for the production of official statistics is still in its infancy stage and is regarded as a key strategic initiative that will be rolled out over the next five years.

(b) Natural resource accounts

Internationally, there is a growing awareness of the need to introduce natural resource and environmental accounting into national income accounts and to use them in the formulation of development policy, even though a standard or generally accepted methodology for these accounting systems is still in the process of development. The aim of environmental accounting is to assess the sustainability of economic activities and economic growth by quantifying the depletion and degradation of natural resources. Natural resource accounts (NRA) are satellite accounts to the 1993 System of National Accounts.

Stats SA has started the process of developing NRA for 2000 and has published accounts for water and minerals as official statistics, and land accounts as a discussion document. The natural resource accounts are developed in a three-phased approach. A feasibility study is conducted, followed by the publication of a discussion document. Comments and suggestions are then invited from key stakeholders, after which the document is published as official statistics.

Accounts for the following resources should be developed over the next three to five years: energy, water quality, air quality, land use and cover, timber and forestry, aquatic resources and biodiversity, and monetary accounts for water.

(c) A review of responsibilities regarding the compilation of national accounts

Stats SA is mandated by the Statistics Act (Act 6 of 1999) to produce official statistics and is therefore responsible for compiling and publishing national accounts statistics for the country and its provinces.

Stats SA and the South African Reserve Bank (SARB) presently share the compilation of national accounts statistics in South Africa. This close cooperation between the two institutions is required to ensure that a coherent and consistent set of macro-economic statistics is produced. South Africa is in a fairly unique situation in this regard, as international practice has shown that statistical offices are usually the sole custodians of the entire suite of national accounts, with some exceptions such as balance of payment statistics. Only the data published by Stats SA are deemed to be official.

The current distribution of activities related to national accounts is as follows:

- Stats SA is responsible for compiling the quarterly GDP estimates using the production approach; annual GDP estimates using both the income and production approaches; annual supply and use tables; and periodic social accounting matrices and satellite accounts.
- SARB is responsible for compiling the quarterly GDP using the expenditure approach and for producing annual integrated economic accounts.

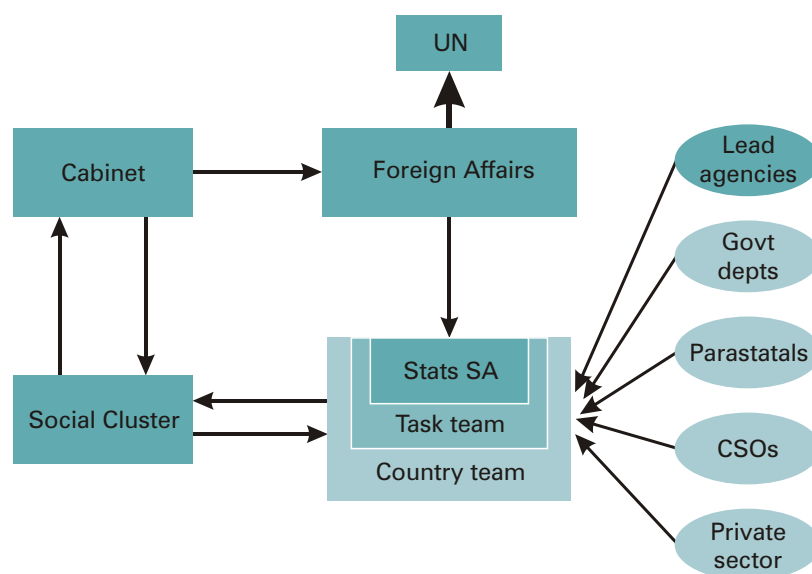
Real annual GDP increased by 3,7 percent in 2004 following an increase of 2,8 percent in 2003 (GDP, Fourth quarter 2004).

It is evident from discussions with stakeholders that a review of the existing division of responsibilities is required. Given the expansion of activities within the framework of the International Monetary Fund's 1993 System of National Accounts (SNA93) and the suggested improvements to current activities, it will not be possible to maintain the existing division of responsibilities. The cooperation of SARB through the National Statistics System is crucial. Stats SA will investigate the formalisation of such a partnership and the possible re-allocation of national accounts responsibilities.

(d) Millennium Development Goals

South Africa is a signatory of the Millennium Declaration of 2000. Associated with the eight Millennium Development Goals (MDGs) identified as relevant to South Africa are 18 targets and 48 indicators. The Department of Foreign Affairs has overall responsibility for the MDG process. Stats SA, the statutory agency responsible for official statistics, is the lead agency responsible for managing the roll-out of the process as well as for providing a secretariat for MDG activities. The FOSAD Social Cluster has constituted a MDG Country Team which consists of representatives from all government departments and parastatal organisations, a selection of civil society organisations and the private sector. The process is schematically presented below.

MDG system in South Africa



The NSS provides a framework for monitoring MDGs. The NSS is responsible for compiling a compendium of national development indicators, developing a management system for statistical information (MSSI) and developing standards within the framework of international good practice to enable government to plan, monitor and evaluate its own performance, and to make evidence-based decisions. MDG indicators fit well into this compendium of indicators.

(e) Statistical capacity building in the NSS

South Africa currently has a fragmented statistical system, with Stats SA producing most of the core statistics required by government, and a multiplicity of other government and quasi-government bodies producing their own statistics. In addition, South Africa has a private statistical sector, with a number of market research agencies producing research reports for both government and private consumption. There are increasing pressures from users to improve the quality and coherence of statistical information in the statistical system.

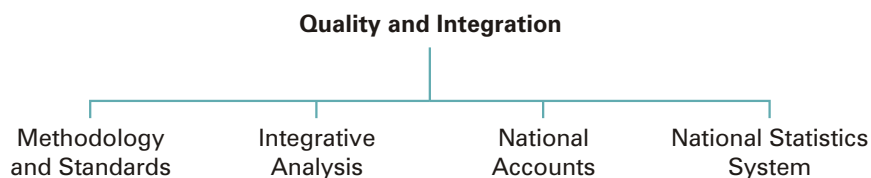
In 2001, an 'audit' was conducted of the National Statistics System in South Africa which comprises information from Stats SA, information in the form of registers or administrative records kept by the various organs of government, and the use of the data by departments and organisations.

The core needs from other government departments to be met by the NSS are summarised as follows:

- provide training to develop human statistical capacity in departments;
- verify the quality of data being produced by departments;
- improve the scope and quality of information collected by departments;
- standardise definitions, classifications and concepts;
- develop capacity to analyse data relating to other departments;
- provide expertise in commissioning statistical activities from external contractors;
- provide advice on developing monitoring and evaluation systems; and
- improve the service delivery of Stats SA by identifying a contact person in each section with expertise in a subject matter, and shortening response times.

Three departments have been selected for a pilot project on implementing the NSS. The work includes the identification of potential official statistics and the declaration of them as official. The World Bank will continue to assist Stats SA in developing and implementing the NSS in South Africa.

5.5 Service delivery



(a) Methodology and Standards

The Methodology and Standards division is divided into three components, namely:

- Methodology and Audit
- Analysis and Consulting
- Standards and Classifications

Targets and priorities: Methodology and Standards

Scope	The Methodology and Standards division provides statistical expertise to producers of official statistics. It also oversees the implementation of standards in the compilation of official statistics in Stats SA. Before statistics can effectively be used in policy- and decision-making, they must adhere to certain quality standards to enhance comparability and accuracy. This division provides a statistical quality and methodology support service to ensure the application of appropriate quality criteria, standards, classifications and procedures.
Outcome indicator	Improved quality of statistical information produced in line with international best practice
Output indicator	The number of surveys where the statistical methodology complies with international standards
Target	100% methodological compliance on all economic, population and social series in the next three years
Priorities	<ul style="list-style-type: none"> • Roll out the new CPI • Provide methodological support to the income and expenditure survey, the community survey and the business register



Medium-term outputs and milestones: Methodology and Standards

Outputs	Milestones		
	2005/06	2006/07	2007/08
Methodological compliance on economic series	100%	100%	100%
Methodological compliance on population and social series	85%	100%	100%
Review and assessment of standards and methodology in economic series	Published quality review on employment and price statistics by March 2006	Published quality review on trade and industry statistics by March 2007	Published quality review on financial statistics and National accounts by March 2008
Review and assessment of standards and methodology in population and social series	Population statistics (Community survey)	Social statistics	Health and vital statistics
Methodological research and development	Defined standard methodologies for estimation and validation		
Internship programme	Training and development of 15 new interns	Training and development of 60 new interns	Training and development of 60 new interns

The unemployment rate decreased to 26,2% in September 2004 from 27,9% in March of the same year (Labour Force Survey, September 2004).

(b) Integrative Analysis

The Integrative Analysis division is divided into four components, namely:

- Data Integration
- Demographic and Social analysis
- Economic and Socio-economic Analysis
- Poverty Analysis

Targets and priorities: Integrative Analysis

Scope	Integrative Analysis compiles reports based on data sourced throughout the statistics system. This information is used for measuring the outcomes and impact of policy formulation and implementation. This is achieved through the integration of different datasets, in-depth data confrontation and analysis.
Outcome indicator	Demographic, economic and social information meeting the specific needs of users
Output indicator	Number of thematic reports on the demography, society and economy of South Africa
Target	Three thematic reports per annum and at least one international peer-review article per annum
Priorities	<ul style="list-style-type: none"> • Integrate activities of the new unit • Appoint skilled staff, especially for economic analysis

Medium-term outputs and milestones: Integrative Analysis

Outputs	Milestones		
	2005/06	2006/07	2007/08
Demographic reports	Mid-year population estimates Estimates of HIV prevalence Detailed analysis of mortality in SA (March 2006)	Mid-year population estimates	Mid-year population estimates Demography of South Africa, Part II
Social reports		Unemployment and employment trends (March 2007)	
Economic reports	Establish economic analysis unit	Labour force participation in South Africa	
Integrative reports	Monetary poverty report (May 2005)		

(c) National Accounts

The National Accounts division is divided into three components, namely:

- Gross Domestic Product and Supply and Use Tables
- Application of National Accounts
- National Accounts Development

Targets and priorities: National Accounts

Scope	The National Accounts division provides data on the level of economic activity within a coherent system of concepts and classifications (1993 System of National Accounts). National accounts serve as a coordinating framework for economic and other statistics and can be used as a statistical and analytical tool. National accounts are used to monitor the behaviour of the economy to inform policy and decision-making on the economy, job creation and sustainable development. They are also used for international comparison.
Outcome indicator	Macroeconomic information informing policy formulation and decision-making relating to economic growth, job creation and monetary and fiscal policies
Output indicator	Number of sectors and topics for which economic activity is reported on, according to international best practice
Target	Quarterly, annual and periodic information on the performance of 95 sectors of the economy
Priorities	<ul style="list-style-type: none"> • Continue to publish quarterly estimates of national accounts according to the recommendations of SNA '93 within the requirements of the SDDS • Improve the quality of GDP estimates through research papers, e.g. lessons learnt from the 2004 benchmark project and the linking of annual supply and use tables with annual GDP estimates • Improve the quality of data to measure the contribution of tourism to GDP



Medium-term outputs and milestones: National Accounts

Outputs – Statistics on	Milestones		
	2005/06	2006/07	2007/08
GDP and GDPR estimates	Quarterly release Annual release (November 2005)	Quarterly release Annual release (November 2006)	Quarterly release Annual release (November 2007)
Social accounting matrix (SAM)	SAM for 2000 (March 2006) Discussion document on extending the labour accounts in the SAM (August 2006)	Discussion document on introducing labour accounts to the 2000 SAM (March 2007)	Updated 2000 SAM including labour accounts (March 2008)
Tourism satellite accounts (TSA)	One discussion document on the status of the TSA in South Africa (March 2006)	One discussion document on the status of the TSA in South Africa (March 2007)	One discussion document – First draft set of TSA for South Africa (March 2008)
Natural resource accounts (NRA)	Position papers on: Biodiversity (July 2005); Aquatic resources (November 2005); Timber and forest (March 2006); and Water monetary accounts (June 2005) Report on energy use (October 2005) Discussion document on air quality (November 2005) Report on land use/cover (March 2006)	Position paper on the application and policy uses for NRA (March 2007) Discussion documents on: Biodiversity; Aquatic ecosystem; Timber and forest; and Water monetary accounts (March 2007) Report on air quality (March 2007)	Position paper on emissions (March 2008) Discussion document on applications and policy uses for NRA (March 2008) Reports on: Biodiversity; Aquatic ecosystem; Timber and forest; and Water monetary accounts (March 2008)
Supply and use tables	Annual release (June 2005)	Annual release (June 2006)	Annual release (June 2007)

Outputs – Statistics on	Milestones		
	2005/06	2006/07	2007/08
Research activities – improving national accounts	<p>Research papers on: Linking annual supply and use tables to annual GDP estimates (November 2005)</p> <p>Implications of the non-observed economy for national accounts in Stats SA (March 2006)</p> <p>Assessment of the division of SNA responsibilities in South Africa (October 2005)</p> <p>Lessons learnt from the 2004 benchmark project (July 2005)</p>	<p>Research paper on the implementation of linking annual supply and use tables to annual GDP estimates (November 2006)</p>	<p>Preparation for benchmarking (March 2008)</p>

During 2004, the transport, storage and communication industry grew by 5,5% (GDP, Fourth Quarter 2004, 15 February 2005).

(d) National Statistics System Division

The National Statistics System division is divided into four components, namely:

- Statistical Advocacy and Partnerships
- Coordination and Liaison
- Statistical Standards and Support
- Skills Development and Assessment

Targets and priorities: National Statistics System Division

Scope	The NSSD drives the establishment and coordination of a process of integrating national statistics (called the National Statistics System) in South Africa. The unit engages with government agencies and FOSAD clusters to identify indicators necessary to measure delivery of government priorities within the framework of the Monitoring and Evaluation system of government. It provides standards and criteria for certifying as 'official' statistics produced by organs of state other than Stats SA. It also provides frameworks for assessing statistical capacity and developing skills in government agencies. In addition, the unit is developing a one-stop shop for users to access development indicators.
Outcome indicator	The number of indicators, certified for quality, addressing specific policies and programmes of government.
Output indicators	The number of partnerships established, statistical assessments conducted in other government organs, statistical units established in other government organs, performance indicators identified for monitoring and evaluating government performance, and annual Millennium Development Goals (MDGs) country reports and related products.
Targets	Establishing five partnerships, assessing the statistical capacity of three government departments, identifying an agreed number of indicators pertaining to a given government priority, programme or project, and establishing a governance structure
Priorities	<ul style="list-style-type: none"> • Establish four partnerships and transform one government register into a statistical frame (for census and sampling purposes) • Establish a governance structure for the NSS

Medium-term outputs and milestones: National Statistics System Division

Outputs	Milestones		
	2005/06	2006/07	2007/08
Statistical advocacy and partnerships	Five MOUs signed with partners of the NSS Targets: Departments of Health, Home Affairs, Housing, Minerals and Energy and the provincial government of Limpopo	Five MOUs signed with partners of the NSS Targets: Departments of Social Development, SARB, DPLG, National Treasury and Agriculture	Five MOUs signed with partners of the NSS Targets: Departments of Trade and Industry, Labour, South African Revenue Service, Foreign Affairs and Environmental Affairs and Tourism
Statistical assessments conducted	Departments of Home Affairs, Education, Health, Housing, Agriculture, Labour, Provincial & Local Government, and Science & Technology	Departments of Minerals and Energy, Trade & Industry, Environmental Affairs and Tourism, and Land Affairs	Departments of Arts and Culture, Correctional Services, Transport and Public Works
Statistical units established in other departments	Department of Education	Departments of Health and Home Affairs	Departments of Agriculture, and Provincial & Local Government
Indicators for the M&E System	One priority area of government (to be identified)	Two priority areas of government (to be identified)	Two priority areas of government (to be identified)
Statistical master plan for the NSS	Strategic plan for NSS	Business plans for the Departments of Education and Home Affairs	Business plans for the Department of Health and provincial government of KwaZulu-Natal
NSS framework document	Capacity assessment capacity building framework and governance	Update	Update
MDGs country report and related products	One annual MDG country report One annual MDG baseline report	One annual MDG country report One annual MDG baseline report	One annual MDG country report One annual MDG baseline report

Chapter 6: Statistical Support and Informatics

6.1 Purpose

Promote and provide better access to official statistics by optimising the management of information in the production and use of official statistics.

6.2 Measurable objective

Improve service delivery and increase accessibility through supporting the entire statistical production cycle with best practice information management infrastructure.

6.3 Strategic direction and goals

In enabling Stats SA to become the *preferred supplier of quality statistics*, the Statistical Support and Informatics cluster aims to ensure that the organisation continues to develop, adapt and adopt best practice in the efficient and effective development of frames for the collection, processing and management of data, and the dissemination of statistical information. It also strives to provide an excellent and client-focused service to users of statistics and subject matter areas. The strategic direction over the next five years will focus on increasing the access to and use of statistics, supporting subject matter areas in information services by embracing technological advances, and building an effective and efficient fieldwork force to support data collection in the field.

A phased approach is envisaged in order to optimise the use of technology to improve the quality of statistics and the cost-effectiveness of production. The first phase will involve stabilising the service delivery, followed by standardising the infrastructure, governance and systems. With this in place it will then be possible to maximise the usage of technology in statistical production.

Through following this strategy, a solid technology base will first be established. It is envisaged that during the next phase, a detailed study will be undertaken to establish how technology can assist and enhance the production of statistics through the use of mobile technologies and evolving communication tools.

Our five-year goals are to:

- improve and maintain up-to-date, detailed geographic data on the geographic frame through establishing effective partnerships with municipalities and other stakeholders that provide this data;
- improve the classification of businesses on the business register;
- improve data governance in Stats SA across the statistics value chain by storing, managing and processing data electronically using standardised classifications, metadata and software;
- automate processes for the collection of data and information;
- automate processes for the production of statistical releases;
- improve service delivery by providing easy and widespread access to statistics and promote better client understanding and awareness of the range of statistical products produced by Stats SA;
- steadily increase the use of information products through effective dissemination of products on the website and personal interactions with users;

- train all managers in Stats SA in the use of project management methodologies; and
- increase the capacity in the provinces and districts to improve collections in the field and better serve the needs of stakeholders on provincial and local levels.

6.4 Key initiatives and developments in Statistical Support and Informatics

(a) Allocation of physical addresses

The national address system and register is a unified spatial framework that assigns one unique identifier to every physical dwelling, site or structure. Stats SA is leading a team of intergovernmental role-players in an attempt to coordinate all address initiatives and related activities. These role-players include the South African Post Office which falls under the Department of Communications, local municipalities and metropolitan councils, the Departments of Land Affairs, Home Affairs, Housing, Water Affairs & Forestry, Social Development, Public Service & Administration, Minerals & Energy, the State Information Technology Agency (SITA) and National Treasury. The Governance and Administration cluster of FOSAD will serve as a steering committee for the project. The project is intended to create a complete, authoritative set of addresses for South Africa. Pilot projects have already begun to provide addresses in three traditional areas, and consolidate address data in three metros. We plan to roll out the project over the next five years in time for the demarcation of enumerator areas for the next population census in 2011.

(b) Data Management Information Delivery Project (DMID)

Central storage of data and metadata is a key element in improving the quality of, and access to, authoritative and reliable statistical information. At present, originating components develop, structure and store data and metadata according to different standards and procedures. This limits analysis and comparability of data, and renders it difficult for both internal and external users to access and use data in a consistent manner. Adoption of a corporate standard for storage of, access to and management of data and metadata is required to address these weaknesses in the statistical cycle.

While data warehousing cannot address all deficiencies in and of itself, the prerequisites for successful data warehousing, such as centralisation and standardisation of metadata and the development and adoption of standards and classifications, are key elements in remedying weaknesses in the total statistical cycle. Data warehousing is viewed as the lever or catalyst through which these elements will be addressed, and statistics raised to a higher level of quality.

Successful data warehousing, as a basis for increased data quality and improved analytical capacity, is based on:

- two key deliverables (a central metadata repository, including a repository for classification, concordances and code files; and a central data repository);
- a core pre-condition (the identification and adoption of standards); and
- an additional enabler (development, adoption and regularisation of data management policies).

(c) Customer needs and monitoring

Statistics South Africa seeks to align its statistical products and services with user needs. Stats SA has developed a survey to measure the level of satisfaction of users regarding the products and services delivered by Stats SA which will be conducted annually. The questionnaire will be distributed via email and post to all users in national, provincial and local governments, and to all research and educational institutions. A sample of users in the following categories will also be included in the survey: parliamentarians; constitutional and public enterprises; the media; the private sector; non-governmental organisations; and international agencies. The coverage of the survey will be limited to those users who have used one or more information products from Stats SA. The number of organisations to be included in the sample in 2005 is 3 000.

The satisfaction levels of users will be measured in three areas:

- access to Stats SA, which includes the website, information centre, postal contact, fax, library, SMS and email;
- the presentation of information products, which includes treatment by contact staff, competency of contact staff, efficiency of services, environment and user consultation; and
- the quality of statistical products and services, which includes the coverage, timeliness, accuracy, supporting documentation and usefulness.

The results of the survey will form part of the organisational performance evaluation, which will feed into the development of strategies for improvement of services to our stakeholders.

(d) Regional offices

The ever-increasing demand for small area statistics and the need to improve quality through better coverage of data collection has prompted Stats SA to set up a network of regional offices in each district municipality. This will enable the organisation to achieve more cost-effective data collection in the field and decentralisation of payments. There are currently 30 regional offices, not all of which are fully operational. An additional 23 regional offices will be phased in over the next three years. Stats SA is responding to the needs of users to provide a statistical information service at municipality level. The role of the regional offices is not only to carry out field collections for household surveys and censuses and update master sample sizes, but also to provide a statistical service to the community such as promoting statistical literacy at schools, giving feedback to stakeholders, and being the ears and eyes of the business register.

(e) Management Information System

Coordinated and integrated management information on all operations and projects is important for all managers at all levels of the organisation in order to improve service delivery; ensure relevant, accessible and timely results; and enhance good and effective governance of resources.

The management information system (MIS) at Stats SA focuses on collection, storage and retrieval of information according to set standards and guidelines for managing programmes and projects, programme and project communication, and knowledge transfer. The MIS framework consists of three main components, namely:

- the business management system;
- the financial management system; and
- the project and operational management system.

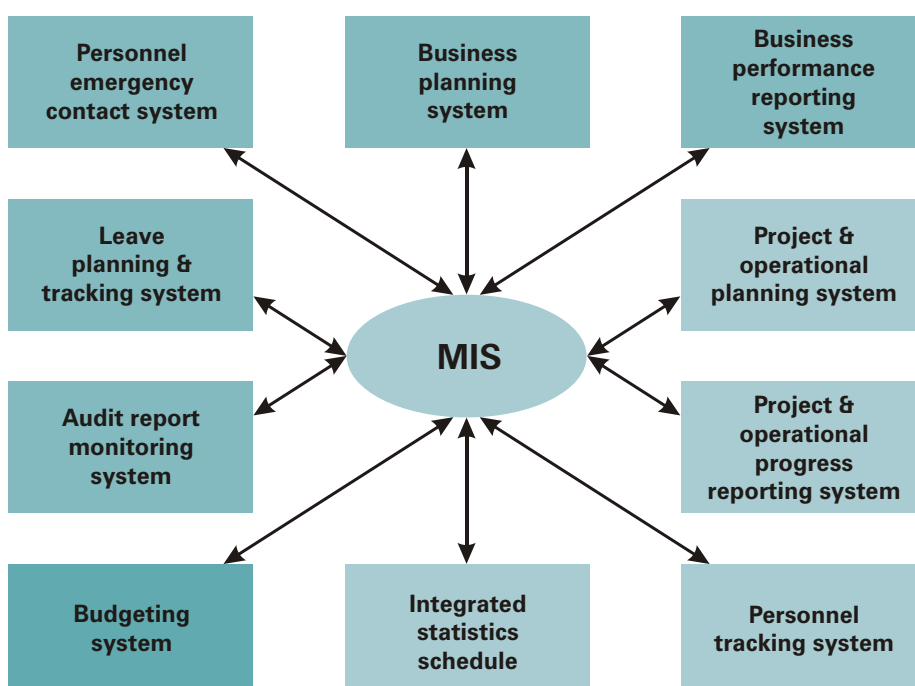
The business management system consists of business planning and performance monitoring, emergency personnel contact information, leave planning and tracking, and audit report monitoring systems. The business management system is partially functional and will be rolled out during 2005/06.

The financial management system consists of the one-year project and operational budgets based on the MTEF budgets of divisions. Future systems within the business management component include a risk management system and a training and development tracking system.

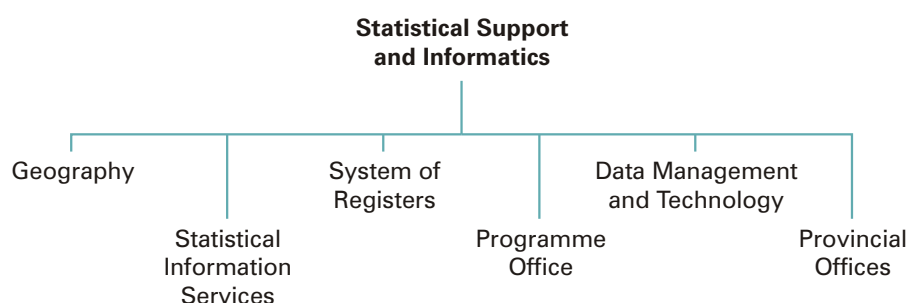
The project and operational management component consists of planning and performance monitoring, project progress reporting and personnel tracking systems, and an integrated statistics schedule. This component is already functional.

Once the MIS is finalised, it will contain all relevant management information across all operations of Stats SA to enable evidence-based decision-making.

Elements of the Management Information System



6.5 Service Delivery



(a) Geography

The Geography division is divided into four components, namely:

- Geographic Database
- Geographic Frame
- Geographic Support Services
- National Address System and Register

Targets and priorities: Geography

Scope	Geography provides the geographic infrastructure (i.e. geographic system, geographic frame and geographic knowledge) required to improve the quality of data collection, analysis and dissemination. Geography is responsible for the updating, maintenance and dissemination of the spatial data infrastructure, the development of standards and concepts of the geographic frame, and interdepartmental coordination of spatial data activities. The division also provides a support service to surveys, censuses and registers, as well as for the integration of data and value-added products, and for analysis and product development.
Outcome indicator	A physical address for each dwelling in South Africa to facilitate improved service delivery to the people of the country and improve the quality of data collections
Output indicator	Geographic coverage and completeness of the frame at dwelling level
Target	90% coverage within the next four years
Priorities	<ul style="list-style-type: none"> • Collect and make available the most up-to-date spatial information (i.e. orthophotography and vector data) through partnerships with other government departments and acquisitions from various private sector data suppliers, in order to provide key projects with up-to-date fieldwork maps in support of improving data collections • Create the system and register of addresses for South Africa (i.e. standards and infrastructure) interactively with other stakeholders • Standardise the geographic frame through aligning enumerator areas to administrative areas and maintaining a quality place name database • Support surveys and censuses through effective map-reading training, up-to-date fieldwork materials and researched fieldwork technologies

Medium-term outputs and milestones: Geography

Outputs	Milestones		
	2005/06	2006/07	2007/08
Maintenance of the Geographic Database	90% coverage of imagery and spatial data from selected metropolitan councils and municipalities Selected private sector spatial datasets (25% of country)	90% coverage of imagery and spatial data from selected metropolitan councils and municipalities Selected private sector spatial datasets (50% of country)	90% coverage of imagery and spatial data from selected metropolitan councils and municipalities Selected private sector spatial datasets (75% of country)
Maintenance of the Geographic Frame	Aligning new municipal, ward and provincial boundaries (100% of country) Maintenance of place name database (25% of country)	Maintenance of place name database (50% of country)	Maintenance of place name database (75% of country)
Geographic Support Services	Demarcation of EAs (25% of country) Updated maps for survey fieldwork (3 000 for surveys) Urban Function Index – research	Demarcation of EAs (50% of country) Updated maps for survey fieldwork (3 000 for surveys and 100 000 for the community survey) Urban Function Index – implementation	Demarcation of EAs (75% of country) Updated maps for survey fieldwork (3 000 for surveys) Urban Function Index – implementation
National Address System & Register*	Addresses for 15% of country	Addresses for 50% of country	Addresses for 75% of country

* Funding provided in the Population and Social Statistics cluster

(b) System of Registers

The System of Registers division is divided into five components, namely:

- Operations and Maintenance
- Large Business Unit
- Quality Improvement Survey
- Systems Development
- Integrated Business Register

Targets and priorities: System of Registers

Scope	Registers are a comprehensive dataset of administrative records which provide a reliable and efficient source of statistical information. Stats SA compiles its own register of businesses based on information downloaded from SARS information systems. The business register drives all major economic statistics surveys.
Outcome indicator	Improved quality of economic statistics, which are based on a comprehensive and complete business frame
Output measure	Coverage and completeness of the business register
Target	Full coverage of income tax registered businesses, of which 85% are correctly classified
Priorities	<ul style="list-style-type: none"> • Identify and classify complex businesses • Re-classify incorrectly classified businesses • Develop a new Standard Industrial Classification manual in line with international frameworks

Medium-term outputs and milestones: System of Registers

Outputs	Milestones		
	2005/06	2006/07	2007/08
Operations and maintenance	Monthly updated business sampling frame	Monthly updated business sampling frame	Monthly updated business sampling frame
Business survey (improving the quality of the frame)	Improved classification of 50% of size group 2 (March 2006)	Improved classification of 100% of size group 2 (March 2007)	Improved classification of 100% of size group 1 (March 2008)
Preliminary business sampling frame snapshot	April 2005	April 2006	April 2007
Final business sampling frame snapshot	July 2005	July 2006	July 2007

(c) Data Management and Technology

The Data Management and Technology division is divided into five components, namely:

- Technology Management Support
- End User Support
- Networking and Server Development and Maintenance
- Application and Database Development and Maintenance
- Data Management and Information Delivery

Targets and priorities: Data Management and Technology

Scope	<p>Data Management and Technology is a support unit responsible for providing reliable and secure IT services and infrastructure, training, application and database development, including hardware, software and network facilities, for use by all Stats SA staff and specifically catering for the statistical production process.</p> <p>This unit is also responsible for the implementation and maintenance of centralised storage and retrieval repositories. This includes defining clear guidelines and procedures for data governance to ensure proper management of data and metadata. This will form the framework in which statistics are collected, compiled, processed, stored, retrieved, analysed and disseminated.</p>
Outcome indicator	Timely and cost-effective statistical products and services
Output indicators	<ul style="list-style-type: none"> • Percentage of time of network availability • A statistical data warehouse with standardised metadata
Target	<ul style="list-style-type: none"> • Network available 98% of the time • 75% of products produced with standardised metadata which is in the metadata repository and roll-out of data warehouse
Priorities	<ul style="list-style-type: none"> • Fill vacancies and develop technical IT skills • Implement policies and guidelines • Decrease incidence of server downtime / slow network / virus attacks • Improve tracking of equipment

Medium-term outputs and milestones: Data Management and Technology

Outputs	Milestones		
	2005/06	2006/07	2007/08
Management and user support • Research and implement	Disaster recovery system implemented (June 2005) COBIT/ITIL Market-related methods according to audit guidelines Asset Management System	Outsourcing activities of the support component	Merging all help/support desk functions to establish one centre to log calls and monitor support on all problems
Networking • Research and implement	Virtual Private Network (VPN) ICT Security Network Infrastructure upgrade	Expansion on VPN – convergence of voice and video Mobile and wireless systems Cyber security and authentication (biometrics) Web servers consolidation	Network and server infrastructure upgrade
Application and database development	SDLC methodology researched and established Established Systems Analysis and Development section	Open source software utilised Handheld devices for survey data collection investigated and tested	All surveys applications Web-based and easily accessible Handheld devices implemented for survey data collection
Central metadata repository	Repository developed 25% of all products metadata stored	50% of all products metadata stored	75% of all products metadata stored
Data warehouse	Data warehouse developed	50% populated with data series	100% populated with data series
Standards development and implementation	Infrastructure developed		
Policy	Framework developed	Policies of work areas stored	

(d) Programme Office

The Programme Office division is divided into three components, namely:

- Programme and Project Coordination and Integration Management
- Operational Planning, Implementation, Monitoring and Reporting
- Management Information System

Targets and priorities: Programme Office

Scope	<p>The Programme Office division coordinates, monitors and supports all programmes, projects and operations across Stats SA.</p> <p>The division is responsible for providing coordinated and integrated management information on all operations and projects at all levels of the organisation in order to improve service delivery, enhance good and effective governance of resources and ensure high quality project results.</p> <p>They are also responsible for providing project management administrative support and guidance to projects in Stats SA.</p>
Outcome indicator	Successful implementation of projects across the organisation in line with best practice project management principles
Output indicators	<ul style="list-style-type: none"> • The number of management reports that inform management decisions • The number of trained project managers
Targets	<ul style="list-style-type: none"> • One report per division per month • 90 project managers trained over the medium term
Priorities	<ul style="list-style-type: none"> • Further build project management capacity in Stats SA • Further improve project and operational planning across Stats SA • Improve monitoring and reporting on key projects • Further improve the MIS

Medium-term outputs and milestones: Programme Office

Outputs	Milestones		
	2005/06	2006/07	2007/08
Project management training	20 staff	30 staff	40 staff
Business management			
• Business planning system	Roll out phase 1 and develop phase 2	Roll out phase 2 and develop phase 3	Roll out phase 3 and develop phase 4
• Quarterly reporting system	Develop and roll out phase 1	Develop and roll out phase 2	Develop and roll out phase 3
• Audit reporting system	Develop and roll out phase 3	Develop and roll out phase 4	Develop and roll out phase 5
• Leave planning and tracking system	Develop and roll out phase 1	Develop and roll out phase 2	Develop and roll out phase 3
• Personnel emergency contact system	Develop and roll out phase 1	Develop and roll out phase 2	Develop and roll out phase 3
• Risk management system	Develop and roll out phase 1	Develop and roll out phase 2	Develop and roll out phase 3
Operational and project management			
• Operational and project planning system	Develop and roll out phase 3	Develop and roll out phase 4	Develop and roll out phase 5
• Progress reporting system	Roll out phase 1 and develop phase 2	Roll out phase 2 and develop phase 3	Roll out phase 3 and develop phase 4
• Integrated statistics schedule	Roll out phase 2 and develop phase 3	Roll out phase 3 and develop phase 4	Roll out phase 4 and develop phase 5
• Personnel tracking system	Develop and roll out phase 1	Develop and roll out phase 2	Develop and roll out phase 3
• Ideas bank	Develop and roll out phase 1	Develop and roll out phase 2	Develop and roll out phase 3
• Contract management system	Develop and roll out phase 1	Develop and roll out phase 2	Develop and roll out phase 3
Business and operational financial management			
• Operational and project budgeting system (one year)	Develop and roll out phase 3	Develop and roll out phase 4	Develop and roll out phase 5
• MTEF business budgeting system (five years)	Develop and roll out phase 1	Develop and roll out phase 2	Develop and roll out phase 3
• Project expenditure monitoring system	Develop and roll out phase 1	Develop and roll out phase 2	Develop and roll out phase 3

(e) Statistical Information Services

The Statistical Information Services division is divided into two components, namely:

- User Management Services
- Publishing, Printing and Distribution

Targets and priorities: Statistical Information Services

Scope	<p>The Statistical Information Services division focuses on ensuring that Stats SA makes its statistics accessible to all users in accordance with its obligations to disseminate statistical information for the public good. The integrity of our data is judged by the content, quality, timeliness and relevance of the information provided. This division provides a design service for publications and promotional material, an editing service for publications and reports, a printing service for publications and a distribution service.</p> <p>This division is also responsible for marketing and promoting Stats SA's information products and services through conferences, workshops and presentations.</p>
Outcome indicator	Increased usage and quality of statistical products and services
Output indicators	<ul style="list-style-type: none"> • Accessibility of Stats SA's statistics to all users • Number of documents downloaded and percentage increase in customer satisfaction index
Targets	<ul style="list-style-type: none"> • 850 000 documents downloaded per year • 2% increase in customer satisfaction index
Priorities	<ul style="list-style-type: none"> • Conduct stakeholder workshops in provinces • Continue to develop and improve the website • Identify and service key stakeholders

Overall, in September 2004, there were 7,7 million people employed in the formal sector, about 1,9 million in the informal sector and 0,9 million in domestic work (Survey of Employment and Earnings).

Medium-term outputs and milestones: Statistical Information Services

Outputs	Milestones		
	2005/06	2006/07	2007/08
User management services <ul style="list-style-type: none"> • Increased accessibility • Assessing and monitoring the needs of users 	48 000 user queries handled 10% increase in website visitor sessions 18 stakeholder workshops conducted (two per province)	48 000 user queries handled 10% increase in website visitor sessions 18 stakeholder workshops conducted (two per province)	48 000 user queries handled 10% increase in website visitor sessions 18 stakeholder workshops conducted (two per province)
Publishing, printing and distribution	52 regular series, publications, releases and questionnaires printed and distributed Cross-sectional publications compiled and published <ul style="list-style-type: none"> • <i>Stats In Brief</i> • <i>Bulletin of Statistics</i> • <i>SA Statistics</i> 	52 regular series, publications, releases and questionnaires printed and distributed Cross-sectional publications compiled and published <ul style="list-style-type: none"> • <i>Stats In Brief</i> • <i>Bulletin of Statistics</i> • <i>SA Statistics</i> 	55 regular series, publications, releases and questionnaires printed and distributed Cross-sectional publications compiled and published <ul style="list-style-type: none"> • <i>Stats In Brief</i> • <i>Bulletin of Statistics</i> • <i>SA Statistics</i>



(f) Provincial Offices

The Provincial Offices division consists of three tiers, namely:

- (i) Provincial Coordination
- (ii) Nine Provincial Offices
- (iii) Thirty Regional Offices

Targets and priorities: Provincial Offices

Scope	Stats SA's provincial and regional offices provide fieldwork capacity for Stats SA surveys and censuses, and statistical and geographical information services to provincial and local stakeholders. Local and provincial authorities increasingly require information at these levels in order to plan and monitor development.
Outcome indicator	Improved accuracy of statistical products through high quality data collection methods in the field
Output indicator	The number of completed questionnaires for all censuses, household-based and economic surveys according to standards of quality and timeliness
Target	90 000 questionnaires collected during 2005/06
Priorities	<ul style="list-style-type: none"> • Improve support services to ensure compliance and good governance. • Build capacity in the provinces to enable them to do in-depth analysis and provide better statistical services. • Ensure full functionality of regional offices.

An estimated 2,2% of households reported that it takes between 30 and 45 minutes on foot to reach the nearest hospital (General household survey, July 2003).

Medium-term outputs and milestones: Provincial Offices

Outputs	Milestones		
	2005/06	2006/07	2007/08
Provincial coordination	Strategic plan developed for coordination and liaison amongst provinces	Progress of coordination and liaison activities monitored and reported on	Coordination and liaison activities improved
Provincial offices	Fieldwork support and coordination provided to all household-based surveys (GHS, LFS, SESE and CPI)	Fieldwork support and coordination provided to all household-based surveys (GHS, LFS, SESE, CPI and community survey)	Fieldwork support and coordination provided to all household-based surveys (GHS, LFS, SESE, CPI and agriculture large sample survey)
	Statistical information provided to provincial stakeholders	Increased provision of statistical information to provincial stakeholders	Planning for fieldwork collection of population census 2011
	Statistical capacity in provinces	Increased participation in provincial NSS activities	
Regional offices	30 fully functional regional offices	37 fully functional regional offices	Statistical information services in all offices
	7 additional offices established	16 additional offices established	

Chapter 7: Executive Management

Executive management consists of the Statistician-General and five Deputy Directors-General. The primary roles of the Statistician-General and Executive Management were discussed in section 2.3. The SG is supported by his office and the Internal Audit function.



(a) SG Support and Strategic Planning

The SG Support and International Relations division is divided into seven components, namely:

- SG Support
- International and Interdepartmental Relations
- Statistics Council Support
- Communications
- Strategic Planning
- Monitoring, Reporting and Evaluation
- Legal Services

Targets and priorities: SG Support and Strategic Planning

Scope	<p>The SG Support and Strategic Planning division plays an important external role by providing support to policy-makers relating to statistical information, managing public relations and interacting with international statistics agencies.</p> <p>It also aims to ensure that Stats SA effectively plans, implements, manages and monitors its strategic goals. Internally this unit supports the Statistician-General with management decision-making processes, and effective communication activities, and provides secretariat and statistical support to the South African Statistics Council.</p> <p>The legal services component provides legal advisory services to Stats SA and coordinates all interactions with the State Attorneys and State Law Advisors in order to reduce legal risk and improve compliance with the Statistics Act.</p>
Outcome indicators	<ul style="list-style-type: none"> • Improved relations with critical stakeholders and achievement of organisational goals • Legally informed management decisions
Output indicators	<ul style="list-style-type: none"> • Internal communication products, media and public relations activities, regular news articles, and increased contact with other statistical agencies • Planning and monitoring reports on the performance of the organisation
Targets	<ul style="list-style-type: none"> • Weekly and monthly communication to staff, daily media scanning and regular positive news articles • Strategic plan and annual and quarterly performance reports
Priorities	<ul style="list-style-type: none"> • Increase international and regional collaboration • Enhance support to the SG to perform his strategic role within the organisation and the country • Enhance Stats SA's reputation as the preferred supplier of quality statistics, especially in the media • Strengthen internal communication in terms of capacity, messages and channels • Monitor strategy implementation through the balanced scorecard • Strengthen the Legal Services component • Standardise contracts in Stats SA

Medium-term outputs and milestones: SG Support and Strategic Planning

Outputs	Milestones		
	2005/06	2006/07	2007/08
International relations	Commonwealth Conference of Statisticians	SADC capacity-building on MDGs	ISI Conference
Internal communications	Weekly newsletter Monthly report to staff Bi-annual staff meetings Branding strategy developed and implemented	Capacity within the internal communication section strengthened in terms of both human resources and skills	Internal communication audit Development of new channels of internal communication
Public and media relations	Weekly news article Bi-annual magazine Regular relationship building sessions with journalists	Ongoing publicity campaign to position Stats SA as the preferred supplier of quality statistics	Conference on statistics: Uses, value and abuses
Statistics Council	New Statistics Council established Quarterly council meetings Role definition of the council and its individual members	Quarterly council meetings Relationship building sessions with council members	Plan and call for nominations for new council Quarterly council meetings Relationship building sessions with council members
Strategic planning and development	Annual strategic plan (May 2005) ENE compiled (December 2005)	Updated annual strategic and business plans (April 2006) ENE compiled (December 2006)	Updated annual strategic and business plans (April 2007) ENE compiled (December 2007)
Strategy scorecard	Corporate and cluster performance indicators (April 2005) Performance indicators cascaded to division level (October 2005)	Corporate indicators reviewed (April 2006) Performance indicators cascaded to component level (May 2006)	Corporate indicators reviewed (April 2007)
Monitoring and reporting	Annual report (September 2005) Quarterly review meetings and reports	Annual report (September 2006) Quarterly review meetings and reports	Annual report (September 2007) Quarterly review meetings and reports

(b) Internal Audit

An integrated audit approach, which places emphasis on the identification of risks, the prioritising thereof and the testing of controls over key risk areas, is followed in all internal audit reports. The integrated audit approach combines the following different types of audits in a logical way and these are therefore not seen as separate components or functions:

- the traditional audit (financial, compliance, human resources, etc.) on the systems of internal control;
- the operational audit on the efficiency and effectiveness of activities as indicated in the annual internal audit coverage plan;
- the management audit (performance audit) on the effectiveness of management processes; and
- fraud prevention and investigation.

Targets and priorities: Internal Audit

Scope	The Internal Audit division provides an independent professional internal audit service to Stats SA in accordance with the requirements of the PFMA. This is to ensure that all statutory requirements are complied with and that policies and procedures are implemented in an economic, efficient and effective manner. The internal audit plan includes financial and compliance audits, as well as performance audits and ad hoc investigations.
Outcome indicator	Reducing risk to the organisation to ensure better management of public funds and ensure stakeholders receive value for money
Output indicator	The number of audit reports containing recommended areas of improvement
Target	17 reports
Priorities	<ul style="list-style-type: none"> • Advisory and consulting services to the BPI project • Performance audit on project management within Stats SA • Various compliance audits to test the effectiveness of internal controls to enhance governance, risk management and financial management within Stats SA

Medium-term outputs and milestones: Internal Audit

Outputs	Milestones		
	2005/06	2006/07	2007/08
Population and Social Statistics	Assurance and advisory service to community survey	Results of audits in year 1 will determine plans for year 2	Results of audits in year 2 will determine plans for year 3
Provincial and regional offices	Audit all nine provincial offices		
Financial management	Nine planned audits		
Human resources management	Audit of various HRM processes		
Information technology	Audit of general application controls		
Governance relating to core business	<p>Performance audit on project management</p> <p>Assurance and advisory service to risk management</p> <p>Performance audit on policies and procedures</p> <p>Assurance and advisory service to the BPI project</p>		

The proportion of households with access to piped water in dwelling or on site was 68,3% in July 2003 compared to 67,6% in 2002 (General household survey, July 2003).

Chapter 8: Corporate Services

8.1 Purpose

Provide sound infrastructure and support that enable Stats SA to achieve its mandate.

8.2 Measurable objective

Provide strategic leadership, management and corporate support services to all activities to ensure optimal performance of the organisation.

8.3 Strategic direction and goals of Corporate Services

In supporting the attainment of Stats SA's vision to be the *preferred supplier of quality statistics*, the Corporate Services cluster aims to provide an effective and efficient corporate support service to all activities of the organisation to enable the production of high quality statistics. This will be achieved through cultivating a performance management culture with emphasis on results, upholding good governance and effective financial resource management despite an ever-changing environment, and instituting effective human resource management and development strategies to retain staff.

Our five-year goals are to:

- improve the recruitment and employment practices to deliver the right outcomes and value diversity;
- identify and nurture the development of staff who will provide leadership to the organisation in the future through implementing an effective career pathing and succession plan;
- improve the financial and procurement practices to ensure effective and efficient service delivery to the organisation;
- improve business processes to ensure good governance, compliance to relevant legislation and improved organisational effectiveness;
- develop and train a competent and skilled workforce that is able to produce high quality statistics;
- decentralise corporate support functions to provinces and line functions;
- implement and manage policies that ensure compliance to relevant legislation; and
- communicate effectively to the organisation on corporate support activities.

8.4 Key initiatives and developments in Corporate Services

(a) Competency profiling

'The development of employees should be in line with the overall employment equity objectives of the employer including the attainment of targets. Thus, the training that employees receive should link up with the skills and competencies that are required in order to meet the overall training objectives of the employer as well as employment equity objectives.' (from a summary of the Employment Equity Act by the Department of Labour)

Stats SA has identified *building human capacity* as a key strategic initiative to move the organisation forward. In order to achieve this objective, Stats SA needs to put in place several related processes, including a complete

competency profile of the organisation. Competency profiling aims to achieve alignment between processes, functions, staff competencies and remuneration levels. Competencies can be described as the knowledge (related to prior learning), skills (related to the ability to act or do) and aptitude (related to character) that an employee demonstrates in performing his/her work and that are the key employee-related levers for achieving results.

Stats SA has initiated a competency profiling project to identify the specified skills, knowledge and aptitude required for all functions in the organisation. This process will be rolled out during 2005/06. Competency profiling informs related human resource processes such as recruitment and selection, job evaluation and grading, performance management, skills assessment and development, career planning and succession planning.

(b) HIV/Aids campaign

As HIV/Aids continues to spread through the world and the country, its potential impact on our organisation and our stakeholders is becoming increasingly evident. Its prevalence may threaten productivity and, in some cases, stability in our business units and projects. Management, employees and stakeholders should take cognisance of the actual and potential impact of the disease.

Stats SA has taken the first step towards developing a standardised approach to reporting on HIV/Aids. The aim for the organisation is to learn, identify and benchmark best practices on HIV/Aids. A strategy and plan have been developed which focus on awareness and advocacy, information and advice, education and training, and counselling and support. Various campaigns and programmes such as daily email messages, flyers and monthly posters have been initiated. This has created a platform for dialogue about the future, and empowers employees through information sharing. The programme also provides a peer-support group, where people living with HIV/Aids engage in dialogue with their peers at both head office and provincial offices. Stats SA is in the process to establish a HIV/Aids 24-hour help line, staffed by an HIV-positive employee and accessible to all, run a family outreach programme, develop parenting skills in line with the changing needs of children, and establish partnerships with external organisations supporting people with HIV/Aids.

(c) Training and development

In order to ensure that Stats SA has a sustainable supply of skilled expertise, significant emphasis is being placed on a comprehensive training and career development system.

Based on the competencies required for key jobs, a generic career path will be outlined for each job. Specific skills required, and the associated qualifications and experience, will be identified. This will form the basis for a structured overall training programme in the organisation, which will be rolled out over the medium term.



The training programme will consist of several dimensions. Stats SA is partnering with selected academic institutions to offer courses in official statistics and related subjects. These courses will be complemented by a bursary scheme enabling more generic studies at tertiary level. In-house courses targeting specific skills required in the statistical production areas will be run to complement the skills learnt on the job. A range of management, IT and other support skills courses are also offered in house.

A variety of channels including e-learning will be utilised to provide training. Once the statistical training programme has been developed in Stats SA, it will be made available to partners in the NSS.

(d) Risk management

Risk management is broadly defined as the policy, structure, process and infrastructure applied to mitigate threats, reduce uncertainty and capture lost opportunities. Stats SA has developed a risk management strategy in accordance with the international standard for a risk management framework, formulated by the Committee of Sponsorship Organisations of the Treadway Commission (COSO). The activities applied in a risk management process include the identification, assessment, management, monitoring and reporting of risks.

Stats SA will implement the risk management strategy in the following management activities:

- strategic and business planning;
- project planning and management;
- monthly management and Exco reporting;
- assurance and internal audit reviews;
- new contracts/ supply chain management; and
- major change initiatives or large business projects.

It is the responsibility of management to develop and drive the risk management process in Stats SA.

(e) Business process improvement

Stats SA has received three consecutive qualified audit reports relating to corporate governance. During the risk assessment process it was also identified that there is poor documentation and control of processes and that Stats SA does not comply with all legislative requirements.

Stats SA has initiated a project to streamline its corporate governance processes. The business process improvement (BPI) project aims to map and document all current processes, identify gaps, analyse and benchmark against best practice, and improve and redesign processes to meet user requirements. This will assist the organisation to monitor and manage the performance of corporate services. The outcome that the organisation wants to achieve is compliance to legislative requirements and improved service delivery to stakeholders.

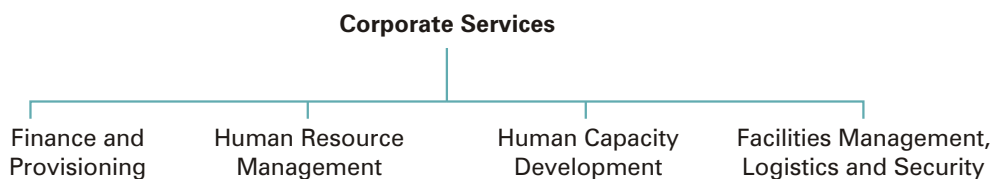
The business process management approach will provide a simple, standardised means of communicating process information and related information among users, customers and suppliers.



(f) Internship programme

Stats SA has initiated an internship programme to address the skills shortage of professional staff. This programme will be rolled out over a period of three years. The selection criteria for interns include the equivalent of a four-year degree majoring in any of the following subjects: Statistics, Economics, Computer Science, Mathematics, Demography, Geography, Accounting, Business administration and Quantitative analysis.

Stats SA believes that people are the key to successfully achieving our mission, and through this programme, aims to add energetic, intelligent and motivated interns to join the organisation. Interns have been assigned a coach and a mentor to guide and support them during the year to ensure intensive training in the assigned work areas. The interns will be rotated during the year to ensure that they gain experience in several work areas of Stats SA. After each quarter, they will be evaluated on their performance and experience gained. Permanent employment will be offered to those interns who have excelled during the course of the year and meet the set requirements. The internship programme for 2005/06 was marketed at only four universities and 15 interns were appointed. For the following years, the internship programme will be marketed at all South African universities.

8.5 Service delivery

(a) Finance and Provisioning

The Finance and Provisioning division is divided into four components, namely:

- Financial Management
- Financial Administration
- Financial Management Support to Surveys and Censuses
- Procurement

Targets and priorities: Finance and Provisioning

Scope	The Finance and Procurement division provides financial and procurement support services to the entire organisation. This takes place within the requirements of the Public Finance Management Act (PFMA) and related legislation. Stats SA runs numerous projects from decentralised sites and thus requires special financial management and control skills. The division aims to improve the system of financial management, procurement and risk management.
Outcome indicator	Sound financial management and effective support
Output indicator	Compliance with regulations
Targets	<ul style="list-style-type: none"> • Unqualified audit report • Risk management strategy implemented • Supply chain management implemented
Priorities	<ul style="list-style-type: none"> • Replace the financial management system to ensure effective financial management and reporting • Improve workflow of procurement activities • Pay suppliers on time • Improve financial support to users.

Medium-term outputs and milestones: Finance and Provisioning

Outputs	Milestones		
	2005/06	2006/07	2007/08
Financial accounting and reporting <ul style="list-style-type: none"> Improving administrative systems and processes 	Monthly reporting Debt management system improved (June 2005) Functions decentralised to provinces (January 2006)	Monthly reporting Ways of improving financial systems researched	Monthly reporting
Financial management <ul style="list-style-type: none"> Expenditure reports on actual and estimated expenditure MTEF budget submission Improvements 	Monthly reports August 2005	Monthly reports August 2006 Improved cash loan system (September 2006) Integrated activity and spending plans (March 2007)	Monthly reports August 2007
Procurement <ul style="list-style-type: none"> Adherence to supply chain management Improvements 	75% Supplier payment process improved (October 2005) Credit management unit implemented (May 2005)	100% Tender process reviewed and improved (May 2006) Procurement policies reviewed (June 2006)	100% Procurement functions decentralised to the provinces (June 2006)
Risk management	Integrated risk management strategy implemented	Progress on implementing strategy reviewed	Effectiveness of risk management strategy audited

(b) Human Resource Management

The Human Resource Management (HRM) division is divided into six components, namely:

- Planning and Reporting
- Recruitment
- Remuneration
- Benefit Administration
- Labour and Employee Relations
- Performance Management
- Organisational Development and Change Management

Targets and priorities: Human Resource Management

Scope	Human Resource Management provides a timely, comprehensive and cost-effective human resource management service to support the operations of Stats SA. This includes the attraction, retention and rewarding of high calibre staff and the promotion of a fair, supportive, diverse and safe working environment for employees. Human Resource Management is responsible for ensuring compliance with relevant legislation and regulations governing employment relations as a whole and the public service in particular. This division is also responsible for ensuring the improvement of business processes and managing change.
Outcome indicator	Employee commitment and alignment
Output indicator	Compliance to regulations
Targets	<ul style="list-style-type: none"> • Unqualified audit report • 2% improvement on staff satisfaction index
Priorities	<ul style="list-style-type: none"> • Develop and implement the recruitment strategy, plan and guidelines • Improve administrative processes and systems in HRM to ensure compliance to legislative frameworks and improve service delivery to stakeholders • Drive the business process improvement project • Develop and implement HRM policies • Implement a change management programme in Stats SA

Medium-term outputs and milestones: Human Resource Management

Outputs	Milestones		
	2005/06	2006/07	2007/08
<p>Becoming an employer of choice</p> <ul style="list-style-type: none"> Recruitment, remuneration and appointment strategy Enhancing quality of statistics through continuous supply of competent field workers for survey areas HR administrative processes and systems 	<p>90% vacancies filled within EE targets</p> <p>E-recruitment researched and introduced</p> <p>4 000 contract staff recruited and appointed</p> <p>Electronic systems to modernise HR processes researched and developed</p>	<p>95% vacancies filled within EE targets</p> <p>E-recruitment implemented</p> <p>24 000 contract staff recruited and appointed</p> <p>Systems for reporting, contract management, record keeping and customer service and satisfaction implemented</p>	<p>98% vacancies filled within EE targets</p> <p>E-recruitment and recruitment processes improved</p> <p>4 500 contract staff recruited and appointed</p> <p>Integrated HR information system implemented</p> <p>Automation of HR processes researched</p>
<p>Achieving equity in the work place</p> <ul style="list-style-type: none"> Employment equity, succession planning, career advancement and retention strategy Employee assistance programme 	<p>EE plan implemented</p> <p>Career advancement and succession frameworks and plans compiled</p> <p>Individual career advancement plans for 25% of staff implemented</p> <p>HIV/Aids peer group education programme implemented</p> <p>Counselling and professional support implemented</p>	<p>Successors for key strategic positions identified</p> <p>Individual career advancement plans for all staff rolled out</p> <p>Education programme monitored and evaluated</p> <p>Ongoing support provided</p>	<p>Implementation of policies and plans monitored and reviewed</p> <p>Employee assistance programme reviewed</p>
Organisational development	Re-aligned structure implemented by April 2005	Alignment of organisational structure reviewed by April 2006	Alignment of organisational structure reviewed by April 2007

Outputs	Milestones		
	2005/06	2006/07	2007/08
Business process improvement project	Processes in Corporate Services mapped and improved by August 2005		
Change management	Change management and communication strategy and plan for BPI, risk management and re-aligned structure implemented	Change management programme implemented	
	Values communicated to all staff by October 2005		

(c) Human Capacity Development

The Human Capacity Development division is divided into two components, namely:

- Training and Development
- Planning and Quality Assurance

Targets and priorities: Human Capacity Development

Scope	The Human Capacity Development division is tasked with the development and implementation of a people development programme to enhance the qualifications, skills and competencies of staff, including both technical and non-technical training. Special emphasis is placed on the development of statistical qualifications and competencies including statistical literacy and advocacy. Developing and promoting statistical skills is applicable not only to Stats SA, but also to partners in the NSS, who are responsible for supplying, producing and using official statistics.
Outcome indicator	Narrowing the skills gap
Output indicators	<ul style="list-style-type: none"> • Training results that meet organisational and individual development needs • Number of person training hours per year
Target	40 hours training per person per year
Priorities	<ul style="list-style-type: none"> • Establish a training committee • Compile training and development strategy and plan • Draw up competency profiles • Appoint skilled staff.

Medium-term outputs and milestones: Human Capacity Development

Outputs	Milestones		
	2005/06	2006/07	2007/08
Planning and quality assurance <ul style="list-style-type: none"> • Competency profiling • Skills audit and career pathing 	Workplace skills plan compiled (May 2005) 16 occupational profiles compiled (November 2005) Skills audit conducted for 16 occupations (October 2005)	Workplace skills plan compiled plan (May 2006) 23 occupational profiles compiled and reviewed (November 2006) Skills audit conducted and career paths compiled for five occupations (October 2006)	Workplace skills plan compiled plan (May 2007) 16 occupational profiles compiled (November 2007) Annual skills audit (October 2007)
Training and development <ul style="list-style-type: none"> Internal training provided on <ul style="list-style-type: none"> • Master maths • Statistical training • IT training Management training and development Survey training provided (IES, SESE, LFS and GHS, community survey and consumer survey) Curriculum development E-learning 	40 students 15 students 20 students External management training courses attended by all SMS Fieldworkers trained for IES, SESE, LFS and GHS 2 courses developed (February 2006) E-learning system acquired (October 2005)	45 students 30 students 25 students Ongoing management training Fieldworkers trained for community survey, LFS and GHS 4 courses developed (February 2007) E-learning system developed (October 2006)	50 students 40 students 30 students Fieldworkers trained for SESE, consumer survey, LFS and GHS Statistical programme developed and implemented (March 2008) E-learning system implemented
External training attended <ul style="list-style-type: none"> • Tertiary and higher level education • Short courses • EASTC and ISAE 	100 employees 100 employees 6 employees	110 employees 120 employees 6 employees	130 employees 150 employees
Statistical training institute		Strategy developed	Business plan compiled and required funding determined

(d) Facilities Management, Security and Logistics

The Facilities Management, Security and Logistics division is divided into four components, namely:

- Facilities Management
- Security
- Logistics
- Project Logistics

Targets and priorities: Facilities Management, Security and Logistics

Scope	This division is responsible for providing a secure, safe and healthy working environment for all staff; accommodation that meets the needs of stakeholders and promotes the corporate image; and an effective and efficient logistical service that is timely and cost effective to support all operations in the organisation. This includes fleet management, asset management and property management.
Outcome indicator	A safe working environment conducive to high productivity
Output indicators	<ul style="list-style-type: none"> • Compliance to relevant legislation • Logistical service to departmental activities
Target	<ul style="list-style-type: none"> • Unqualified audit report • Providing support when required
Priorities	<ul style="list-style-type: none"> • Compile a complete and accurate asset management register • Investigate alternative accommodation

Medium-term outputs and milestones: Facilities Management, Security and Logistics

Outputs	Milestones		
	2005/06	2006/07	2007/08
Facilities management	<p>Accommodation needs of Head Office reviewed (February 2006)</p> <p>Visibility of building improved (August 2005)</p> <p>Video and telecommunication facilities enhanced (September 2005)</p>	Alternative accommodation investigated	Move to new building/ current building revamped
Security	Security system reviewed (September 2005)	Revamped system implemented (September 2006)	
Logistics	<p>New fleet management system implemented (October 2005)</p> <p>Asset register implemented (May 2005)</p> <p>Disposal process improved (February 2006)</p>	Asset register reviewed and improved (April 2006)	Asset register maintained (April 2007)



Capital expenditure by the public sector for the year 2003 amounted to R50,65 billion. This reflected an annual increase of 38,3% compared with the R36,62 billion capital expenditure by the public sector for the year 2002 (Capital Expenditure by the Public Sector 2003, 2004, 2005 and 2006).

section C

operating framework for national statistics



Chapter 9: Stats SA's environment and stakeholders

The preceding sections have focused on the importance of national statistics in South Africa, the long-term strategic objectives and priorities of the organisation and the forward work programme to implement these strategies. This section focuses on how Stats SA is implementing the Statistics Act in terms of the organisational environment in which we operate, stakeholders and their needs, the service delivery improvement plan in response to those needs, and the resources required.

9.1 Legislative mandate

Stats SA is a national government department accountable to the Minister of Finance. The activities of the department are regulated by the Statistics Act (6 of 1999) which ensures independence from political interference in the production and dissemination of official statistics.

In the Statistics Act, the role of the department is defined as informing organs of state, businesses, other organisations and the general public to assist them in planning, decision-making, and monitoring and assessment of policies.

Further, Stats SA is to:

- Promote coordination among statistical producers in South Africa in order to advance the quality, consistency, comparability and optimum use of official statistics and thereby avoid unnecessary duplication;
- Provide statistical advice to government departments; and
- Liaise with the statistical agencies of other countries and other international agencies.

9.2 Statistics Council

Section C of the Statistics Act makes provision for a Statistics Council consisting of between 15 and 25 members, whose appointment has to be approved by Cabinet. These members include one representative from each province, and nominated members from organs of state, organised business and labour, the statistics community, researchers and the general public. The role of the Statistics Council can be described as follows:

- (a) Advise the Minister, the Statistician-General and other organs of state on statistical matters with regard to:
 - the collection, processing, analysis, documentation, storage and dissemination, including the undertaking of a population census; and
 - the elimination of unnecessary overlapping or duplication of activities
- (b) Promote and safeguard official statistics and the coordination of statistical activities
- (c) Furnish the Minister and the Statistician-General with an annual report which should be tabled in Parliament
- (d) Issue public statements on any matter relating to its functions in terms of the Act, but only after consultation with the organ of state, business or organisation involved.

9.3 Stakeholders and their needs

Stats SA has a wide range of stakeholders from which it collects information and to which it supplies statistical information. Our stakeholders include:

- **Government:** Central, provincial and local government use statistical information extensively to inform policy development and to measure the impact of government programmes on economic and social well-being. Government is both a major user and supplier of data.
- **The public:** The community at large is mainly interested in basic information on the economy and society such as economic growth, employment, inflation, population etc. This information is largely communicated through the media. Stats SA's strategy strives to inspire confidence in the quality of these key measurements. The public also supplies data through household survey collections and the census.
- **The media:** The media plays an important role in the publication of statistical information on both national and local levels. It also influences public opinion. For this reason Stats SA has embarked on a communication and development strategy to empower key role-players in the media arena. This ensures that the right information is published at the right time and that it is properly described and imparted in the appropriate form to the public.
- **Business:** The business community shares similar interests in quantitative information, and in principle, all economic variables are potential subjects for comparison. Important attributes include the number of employed, the size of the market, and the rate at which prices are adjusted.

Businesses are also important sources of our statistical information. Reducing the burden of surveys on the business community continues to be an important factor in the design of statistical programmes.

- **The academic sector:** The academic sector uses statistical information for both research and teaching purposes. Other users require statistics to inform decision-making but the academic community is also interested in how the data are generated. The academic sector can play a strategic role in evaluating the quality of statistics produced and promoting interest in statistics amongst students.
- **Foreign and international bodies:** Official statistical information is an essential basis for mutual knowledge, comparison and trade among the states and peoples of the world. It is for this reason that Stats SA meets the international information requirements of bodies such as the IMF. Stats SA also has regular contact with other international statistical agencies to share professional expertise and experiences. This promotes common concepts, standards, classifications and practices that support international comparisons of statistics.

9.4 Service delivery improvement

This section contains information that is required in the Service Delivery Improvement plan by the Public Service Act and that is not contained elsewhere in the Strategic Plan.

(a) Main services provided to our customers

Stats SA aims to assist and encourage informed decision-making, research and discussion within government and the community by providing high quality, objective, reliable and responsive statistical products and services.

Stats SA provides a wide range of statistical information on economic and social matters to government, business and the community in general. The statistics

are released in publications and other products. We also provide customised reports to meet specific needs.

In future we will strive to enhance the following services to our stakeholders:

- research into current and historical statistics;
- survey, sample and questionnaire design;
- statistical training; and
- survey evaluation and reviews of methodology.

(b) Consultation arrangements

The Statistics Council represents a vast range of stakeholders and users and meets four times a year to provide advice to the Minister and the Statistician-General on statistical matters including the needs of users. The Council members are required to represent the needs of their constituency and should therefore consult with them to ensure sound advice to the Minister and the Statistician-General.

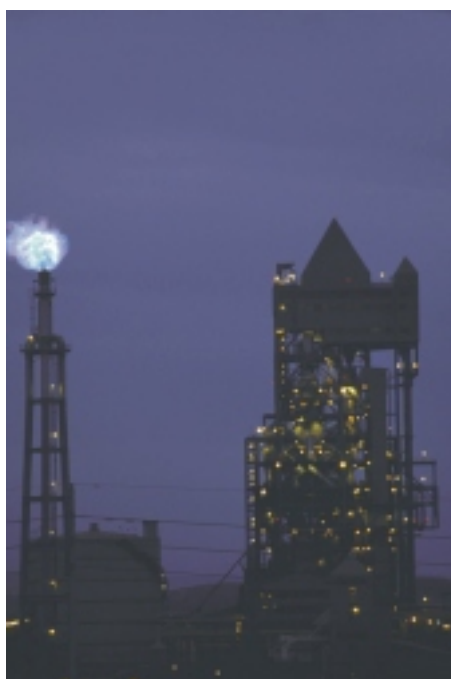
Each statistical series conducted by Stats SA should have an advisory committee comprised of key stakeholders in that particular series. These advisory committees meet periodically, or whenever changes to a questionnaire or statistical release are proposed. Stats SA also conducts periodic workshops in order to seek advice, comments and suggestions from key stakeholders.

The National Statistics System division is in the process of establishing partnerships with other national government departments aimed at ensuring coherence in statistical information produced by different government departments, as well as promoting the use of statistics in evidence-based decision-making. These government departments are both producers and users of statistics. Stats SA approaches these partnerships as an opportunity to engage with the departments on their requirements for statistical information.

Stats SA aims to systemise and structure user consultations as part of the statistical production process and establish a continuous process of monitoring and evaluating the value added to the work of our users.

(c) Accessing the products and services

- **Information service:** The Statistical Information Services division is the first point of direct contact with our customers. The user information centre is the gateway to all statistical products. Staff handle telephone, email, fax and written enquiries. Customers can also approach Statistical Information Services in the provinces to provide prompt responses on published data. Stats SA can be contacted for user information services at (012) 310 8600 for telephonic enquiries, (012) 310 8500 for fax enquiries or emailed at info@statssa.gov.za.
- **Subscription service:** Stats SA's standard products can be acquired through subscribing to specific publications. Customers may indicate whether the publication should be emailed or posted to them free of charge.
- **StatsOnline:** Stats SA's publications can be viewed, accessed and downloaded free of charge from Stats SA's website at www.statssa.gov.za. Statistical information is placed on the website at the exact time of release. A newsletter is emailed each week to inform stakeholders of the current activities and releases for the following week.



- **Personal visits:** Customers can personally visit head office or any provincial Stats SA office to obtain access to statistical products and services. In addition head office provides a library facility to users.
- **Dissemination services:** In an attempt to promote the use and access to statistical information, Stats SA has established a marketing unit. The unit has been primarily focusing on facilitating access to data generated by the population census. The service provided by the unit includes installation of software and data, and training of users and the media on the correct reporting of statistical information. In the medium term this unit will also be focusing on increasing access to data generated by economic and social surveys.

(d) Providing more and better information

Stats SA has a catalogue of its reports and releases that is available in hard copy as well as on our website. In addition, the website advertises releases planned for the forthcoming week as well as all releases planned for the quarter. The weekly schedule indicates the specific time that the statistics will be released.

9.5 Key products and services

(a) Core business

The department's core business is the production of a range of economic, social and population statistics. More specifically, these include:

- **Economic statistics** on various aspects of the economy derived from information from businesses, enabling the compilation of indices such as the producer price index and consumer price index; trends in employment, production volumes and prices in various sectors; and financial statistics of government and the private sector;
- **Social, employment and population statistics** based on household surveys, a ten-yearly population census and administrative records;
- **National accounts** such as the gross domestic product, supply and use tables and social accounting matrices; and
- **Analyses** of the demographic, social and economic data.

A further core activity of the department is the development of the National Statistics System which coordinates the production of official statistics; creates a set of development indicators to measure national, provincial and local government performance; and promotes statistical literacy and capacity building in government.

(b) Support activities

Support activities consist of both statistical and organisational support functions.

Statistical support activities include:

- spatial referencing and analysis through a geographic information system (GIS);
- publishing and promotion of all statistical information including a user information service;
- maintenance of a register of businesses, which forms the sampling frame for economic surveys;
- enhancement of data processing and management through the application of information and communication technology; and
- development of statistical quality and methodology concepts for application in the various survey areas.

Management, organisational and administrative support functions include:

- an executive management structure responsible for strategy and policy;
- programme management with a management information system to monitor operational performance and spending;
- financial and provisioning management;
- an internal audit component guided by an independent internal audit committee;
- human resource management to attract, develop and retain skilled staff; and
- improvement of service delivery through strategic planning, monitoring and evaluation, organisational development and change management.



9.6 Resource plan

Stats SA's head office is located in Pretoria and there are nine provincial offices and thirty regional offices. The head office is mainly responsible for planning, coordination and statistical production at a national level whilst the provincial and regional offices play a key role in user liaison and data collection at a provincial and municipal level.

(a) Number of posts

Stats SA has 1 461 funded positions in the organisation and establishment with effect from 1 April 2005.

Breakdown of funded posts per cluster

Economic Statistics	390
Population and Social Statistics	201
Quality and Integration	104
Statistical Support and Informatics	436
Corporate Services	284
Statistician-General's Office	46
Grand total	1 461

An estimated 57,8% of the households in South Africa lived in a formal house on a separate stand or yard.

(b) Expenditure estimates for Stats SA

Summary of expenditure estimates by programme

	2005/06	2006/07	2007/08
	Medium-term estimates		
	MTEF Baseline R thousands		
1. Administration	145 964	151 223	162 661
2. Economic Statistics	126 370	116 113	153 022
3. Population and Social Statistics	267 951	439 739	262 881
4. Quality and Integration	38 325	56 384	71 539
5. Statistical Support and Informatics	112 647	117 308	129 263
Departmental total	691 257	880 767	779 366
Change to 2004 Budget Estimate	38 289	(476 423)	

Summary of economic classification of payments

	2005/06	2006/07	2007/08
	Medium-term estimates		
	MTEF Baseline R thousands		
<u>Current payments</u>			
Compensation of employees	311 754	381 399	379 120
Salaries and wages	275 329	335 332	334 187
Social contributions	36 425	46 067	44 933
Goods and services	352 338	459 334	368 336
Consultants & special services	125 459	134 853	95 287
Travel & subsistence	94 249	167 310	142 077
Communication	18 033	19 814	21 742
Inventory	16 806	38 099	24 693
Computer services	36 407	38 590	28 341
Equipment < R5 000	8 570	6 297	6 533
Maintenance, repair & running cost	12 779	12 215	6 392
Personnel agency fees	355	461	309
Other	39 680	41 695	42 962
Total current payments	664 092	840 733	747 456
<u>Total transfers and subsidies to:</u>			
Provinces and municipalities	935	1 081	1 132
Provinces	-	-	-
Provincial revenue funds	-	-	-
Provincial agencies and funds	-	-	-
Municipalities	935	1 081	1 132
Municipalities	935	1 081	1 132
Municipal agencies and funds	-	-	-
Total transfers and subsidies	935	1 081	1 132
<u>Payments for capital assets</u>			
Buildings and other fixed structures	-	-	-
Buildings	-	-	-
Other fixed structures	-	-	-
Machinery and equipment	23 420	35 533	27 659
Transport equipment	3	20	21
Other machinery and equipment	23 417	35 513	27 638
Cultivated assets	-	-	-
Software and other intangible assets	2 810	3 420	3 119
Land and subsoil assets	-	-	-
Total payments for capital assets	26 230	38 953	30 778
<i>Of which: capitalised compensation</i>	-	-	-
Total payments	691 257	880 767	779 366

(c) Expenditure trends

The expenditure peak in 2006/07 is due to the new community survey. This survey has been introduced to replace the planned 2006 population census. There have also been significant increases in underlying expenditure as the department has invested in new surveys and methodological improvements to existing ones. The Economic Statistics programme will see very rapid growth over the next three years, as new surveys are introduced and the methodology for compiling the CPIX is improved. Similarly, the Quality and Integration programme will see rapid growth, as the department improves its management of the data it collects.

The 2005 Budget allocates additional funds to the department. In 2005/06, R46 million has been allocated for the introduction of a direct collection method for the CPIX, conducting the three-yearly income and expenditure survey to reweight the basket of goods used by the CPIX, and introducing a two-yearly survey of the informal economy. R14 million in 2006/07 will fund a survey of average monthly earnings, which will improve information on employment, and R20 million is for the direct price collection for the CPIX. In 2007/08, R117 million will be for new surveys for a series of short-term economic indicators, mainly covering the service sector, and a broader set of measures on the informal sector. Improvements to the business register, the direct price collection for the CPIX, and the survey of average monthly earnings will also be funded from this amount in 2007/08.

Additional funding of R542 million has been provided for the community survey in 2006, and additional funding of R198 million for the address register project and Census 2011 over the medium term.

(d) Proposed acquisition of assets and information technology

Stats SA intends to implement a statistical data warehouse, a disaster recovery system and a knowledge management system over the medium term. Funds have been allocated in 2007/08 to fund a management system for statistical information cutting across departments.

Provision has been made for the replacement and maintenance of hardware and software over the medium term. Funds have been allocated for the establishment of regional offices in relation to building maintenance, acquiring computers and other hardware and software.

Chapter 10: The National Statistics System

'During the course of this year we will speed up the implementation of the comprehensive plan to improve the capacity of the National Statistics System, including Statistics SA.' (President Mbeki, 2005 State of the Nation Address)

10.1 Role of the National Statistics System

Stats SA has the legal mandate in terms of the Statistics Act (6 of 1999) to produce and coordinate official statistics in the country. The National Statistics System (NSS) is the coordinating framework within which information in the form of indicators is generated. The NSS consists of a grouping of suppliers, producers and users of official statistics with the objective of ensuring that the set of national statistics produced is relevant, consistent and comparable over time.

Outputs of the NSS will be indicators and databases within the context of a management system for statistical information. In order for government to become more effective, it will be necessary for implementing agencies to monitor and measure process inputs, progress, outputs and outcomes.

10.2 National statistics

National statistics are the coherent body of data quantifying the economic, social and development situation in the country over time and space and are used for policy formulation, decision-making, monitoring progress and evaluating performance.

As the official statistics agency of South Africa, Stats SA is concerned with the collection, dissemination and utilisation of statistical information. In conjunction with the national policy coordination authority (the Presidency), the resourcing authority (National Treasury), other line ministries, the private sector and the public, statistics support the management of development of the nation in a fact-based and orderly fashion. Much effort continues to be made in advocating the use of statistics, and making access to statistical information easier for decision-makers at different levels of government.

Nowhere in the world has a country vested the responsibility to collect all the official statistics of a nation in a single institution. South Africa has a system of national statistics with an array of actors playing different roles in the system. However, a number of key policy issues are wider than the remit of any single government department and must be tackled on a government-wide basis. These cross-cutting issues clearly indicate a need for a set of national statistics within a coordination framework where statistical units, data items, classifications and standards are harmonised across government.

A national integrated statistical information framework is being developed and implemented by Stats SA in partnership with other government departments with the objective of ensuring that the set of national statistics is relevant, consistent and comparable over time. This is in line with Section 14 of the Statistics Act which authorises the Statistician-General to lead and facilitate the coordination of official statistics in South Africa, which will in

turn advance standardisation, quality, consistency and comparability while eliminating unnecessary and costly duplication.

The portfolio of statistics produced by Stats SA comprises economic statistics, which are mainly collected from businesses, and social and population statistics, which are collected through household surveys, a five-yearly population census and administrative records. As a result of the nature of work done by others who generate statistics, the system by definition has many elements, and the collection and production of many statistics is the responsibility of other government departments. These include administrative records and sector-specific statistics in areas such as education, health and housing.

10.3 Official statistics

As the official statistics agency, Stats SA produces statistical information that forms the foundation for all national statistics. More and more, statistical agencies are being asked to certify and capacitate other bodies in the collection of statistics. In South Africa, section 14(7)a of the Statistics Act empowers the Statistician-General to designate statistics produced by Statistics South Africa or any other organ of state as official. Stats SA is therefore responsible to provide, within the integrated National Statistics System, standards and definitions to be used by all producers of statistics, to ensure the comparability and relevance of official statistics in South Africa.

A high proportion of households in Western Cape (92,1%) used electricity for lighting compared to 54,9% in Eastern Cape. Again in Western Cape, 88,3% of households used electricity for cooking compared to 29,7% in Limpopo

For the Statistician-General to designate statistics as official, they must pass certain criteria. Any institution wishing to have its statistics designated as official must belong to the National Statistics System. The agency must demonstrate the capacity for the production of the statistics to be sustained in terms of people, infrastructure and equipment. The statistics must also satisfy the following quality requirements, which are identified in the Data Quality Assessment Framework (DQAF) developed by the International Monetary Fund (IMF).

- **Relevance:** Statistics must meet current and diverse information needs for major users and anticipate future information needs.
- **Integrity and credibility:** Professionalism, transparency and ethical standards help to create a brand name associated with independence and separation from political influence.
- **Methodological soundness:** The collection and handling of statistics must follow internationally accepted standards, guidelines, or good practice.
- **Accuracy and reliability:** This quality dimension refers to the ability of statistical outputs to sufficiently portray reality. The dimension requires that source data must provide an adequate basis to compile statistics, that the statistical techniques used conform to sound statistical procedures, and that source data and statistical outputs are regularly assessed and validated.
- **Consistency:** There should be data reconcilability within datasets, over time and with other major datasets in the country.
- **Timeliness:** There should be the minimum time lag between data collection and release of information. Timeliness enhances the usefulness of data.
- **Accessibility:** There should be assurance on the extent to which information is available to users, as well as that data and metadata are clear and easily available, and assistance to users is adequate to help them find and use the data.

Not all statistics will be designated as official statistics, nor would this be desirable. For this reason a five-tier hierarchy is used, of which only the top category constitutes official statistics.

The five-tier hierarchy is given below:

Five – Official statistics: Statistics will be designated as official if they are sustainable, meet the quality requirements and are relevant beyond the needs of the organ or agency that collected them.

Four – Significant statistics: Statistics collected on a once-off basis which satisfy the quality requirements and are relevant beyond the organ or agency that collected them. By definition, once-off statistics cannot be sustainable.

Three – Departmental statistics: Statistics which satisfy all the quality criteria, but which are relevant only to the department collecting them may be classified as departmental statistics. Departmental statistics may be once-off or sustainable.

Two – Acceptable statistics: These are statistics which meet most quality standards. Statistics will be designated as acceptable to the extent that, despite their limitations, some deductions can be made and they can therefore be utilised.

One – Questionable statistics: Statistics will be labelled as questionable if the methods used to collect and compile them are suspect or if conclusions that could be drawn from the sample are inappropriate. This would include uncontrolled measurement error, reporting standards not defined, problems of over-generalisation or systematic error.

It is intended that all statistical indicators and datasets that have a bearing on public policy be classified according to this typology.



Fundamental principles of official statistics

In order to safeguard official statistics and guide national statistics offices in their work, the United Nations has adopted the following fundamental principles of official statistics:

- a) **Impartiality:** Official statistics provide an indispensable element in the information system of 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.
- b) **Professional independence:** To retain trust in official statistics, the statistical agency needs to decide, according to strictly professional consideration including scientific principles and professional ethics, on the methods and procedures for the collection, processing, storage and presentation of statistical data.
- c) **Transparency of methods applied:** To facilitate a correct interpretation of the data, the statistical agency is to present information according to scientific standards on the sources, methods and procedures of statistics.
- d) The statistical agency is entitled to **comment on erroneous interpretation** and misuse of statistics.
- e) **Use the most efficient sources:** Data for statistical purposes may be drawn from all types of sources, be they statistical surveys or administrative records. The statistical agency is to choose the source with regard to quality, timeliness, costs and the burden of respondents.
- f) **Confidentiality:** Individual data collected by the statistical agency for statistical compilation, whether they refer to natural or legal persons, are to be strictly confidential and used exclusively for statistical purposes.
- g) **Transparency of laws:** The laws, regulations and measures under which the statistical system operates are to be made public.
- h) **Cooperation among institutions:** Coordination among statistical agencies within countries is essential to achieve consistency and efficiency in the statistical system.
- i) **Adherence to international standards:** The use by the statistical agency in each country of international concepts, classifications and methods promotes the consistency and efficiency of statistical system at all official levels.
- j) **International cooperation:** Bilateral and multilateral cooperation in statistics contributes to the improvement of the system of official statistics in all countries.

The Statistics Act is based on these fundamental principles and translates them into a practical application for the South African context.

10.4 A coordination structure for the NSS

It is important to link statistical information to different levels of the policy process. The following outlines the structure required to link statistical information for policy planning and decision-making with the actual production of official statistics to measure the outcome of policy and programmes.

Policy formulation

Planning starts with policy formulation by the planning authority, Cabinet, which comprises the political leadership of the country. Cabinet is a key beneficiary of the statistical information collected through the NSS and should therefore provide political leadership to the NSS by defining the political priorities of government to be measured.

Policy interpretation

Policy interpretation is the responsibility of the Policy Coordination and Advisory Service (PCAS) in the Presidency, which involves identifying programmes and setting goals. PCAS is in the process of developing a monitoring and evaluation framework to assist government in keeping track with the progress of the implementation of policies, programmes and projects. The role of PCAS in the NSS is to identify indicators, especially outcome and/or impact indicators, which measure policy and programme performance and outcomes. These indicators are reflected in the ten year review document which forms an organising framework for the NSS. PCAS will also be a beneficiary of the NSS by using the information coordinated through the NSS to inform policy planning and decision-making.



Supervision of priority areas and programmes

Priority areas and programmes in government are supervised and coordinated by the FOSAD clusters. The FOSAD clusters will be beneficiaries of the NSS as it will inform the impact and outcome of cross cutting programmes and projects. The Governance and Administration (G&A) cluster is responsible to oversee and supervise the implementation and coordination of the NSS.

Policy, programme and project implementation

Policy, programme and project implementation and refining goals are the responsibility of individual departments and parastatal organisations. At this point in time government departments are some of the key users, producers and suppliers of statistical information and are therefore the main partners in the NSS. It is foreseen that the private sector will play a role in the NSS in the future. Statistical units must be established in those departments which are key producers of statistical information in order to ensure that high quality statistics are produced within required standards and methods.

The role of Stats SA

The primary role of Stats SA within the NSS can be described as twofold.

As the national statistical authority, we:

- collect, compile and disseminate a wide range of economic, social and population statistics that inform stakeholders in planning and policy formulation, decision-making, monitoring progress and evaluating performance; analyse and monitor trends of the economy and society;
- provide advice and consultancy services on statistical matters to government, private sector and the public;

- develop and maintain databases for national statistics on businesses and enumeration areas, which constitute sampling frames for economic and social surveys; and
- promote a culture of measurement in the public service.

Stats SA's main business in this regard is to produce and disseminate statistical information that highlights the outcomes and impact of policy and programmes, rather than inputs or outputs. By definition, this requires a cross-cutting and integrative focus.

As the national statistical coordinator, we:

- develop national statistical standards;
- standardise definitions, classifications and procedures for use in statistical activities;
- enhance statistical competence of producers of official statistics;
- implement filters and triangulation facilities for quality assessment of statistics;
- promote statistical advocacy and partnerships; and
- designate statistics as official.

This requires an emphasis on capacity-building both within Stats SA and other departments, the establishment and development of quality standards and certified methodologies within the context of national statistics, and the promotion of common systems and integration tools such as a system of registers and a national spatial frame.

10.5 Implementing the NSS

Cabinet has approved the conceptual framework for the NSS. The following activities outline the action plan to be implemented by the NSS over the short and medium term:

- Strategy and planning:** Stats SA is to compile a strategic and business plan for the NSS;
- Establishing a coordination structure:** Approval and implementation of a coordination structure which links the requirement for statistical information in policy planning and decision making with the actual production of official statistics to measure the outcome of policy programmes;
- Identifying development indicators:** PCAS to develop, in conjunction with Stats SA, the matrix on indicators which will form the organising framework of official statistics in the country and in future becomes the master plan for official statistics;
- Improving quality of statistical information in the NSS:** Stats SA to play the leading role in ensuring quality of statistical information. This will require Stats SA to review potential official statistics produced by other government departments, to set up procedures for meeting quality standards and certification of official statistics, develop and promote statistical standards by compiling a compendium of definitions, classifications and methodology for official statistics, defining standards and policy for publishing official statistics, and designating statistics as official that comply to certain quality criteria and are sustainable over time;
- A management system for statistical information (MSSI):** Stats SA to establish, develop and maintain the MSSI which will feed into the monitoring and evaluation system of government;

- f) **Developing databases:** Databases utilised in the compilation of indicators will be assembled together in a national data warehouse for further analysis. This will be accessible to stakeholders. Interdepartmental steering committee to agree on the custodianship of databases which includes rights to edit and change data etc.; Stats SA to develop a website for the NSS to increase accessibility to cross-cutting statistical information;
- g) **Assessing statistical capacity:** Stats SA to conduct statistical audits in government departments to determine the statistical capacity and propose a business plan to advance statistical activity in those departments. This will require that a joint working party between Stats SA and the relevant department be set up. Stats SA will, during the first year only, include three departments in the pilot;
- h) **Building statistical capacity:** Interdepartmental steering committee to agree on training and development strategy for statistics in government; Stats SA to develop statistical training and development material and courses; Stats SA to coordinate statistical training initiatives across government.
- i) **Providing statistical support:** Interdepartmental steering committee to agree on the procedures for processing users' questions and inquiries; Stats SA to provide support to stakeholders on statistical matters.
- j) **Establishing statistical units:** Producers of statistical information should establish sustainable statistical units in their departments to ensure high quality official statistics are produced. Stats SA to provide support to these departments in setting up statistical units.
- k) **Facilitating transformation of departmental registers** into frames suitable for censuses and sample surveys.