



Financing The Statistical System

- Underlying question - Why and for whom are official statistics collected?

H3. 1



Two Polar Views Of Statistics

- Official Statistics are needed for decision making, as a public good or to inform the public.
- Official Statistics exist for government decision making only.

H3. 2



Two Polar Views of Funding

- Official statistics should be paid for by the government and distributed at marginal cost
- All funding for official statistics should be borne by the user.

H3. 3



Common Approaches To Funding

- Alignment with first view
- For most agencies vast majority of funding comes from appropriated funds
- For many agencies 10% may come from "market" products
- Very few get all or most of their funding from selling their products and services

H3. 4



Some Pros and Cons for Market Pricing

- Provides for supplemental (or entire) budget
- Provides a test for need for data product
- Ensures public does not fund specialized products

H3. 5



Pros and Cons (continued)

- May lead to abuse of monopoly power
- May marginalize some groups by denying them information
- May diminish the reputation of the statistical office as an instrument of public good

H3. 6



Main Financing Issues

- What is sold at a profit? What is distributed at marginal cost?
- If not marginal cost how do we decide on the price?
- What about intra-governmental sales?
- For some , this is not a question of marginal improvements but of survival.

H3. 7



Mobilizing Support for Public Funding

- Make friends and influence people
- Work on your network
- Be transparent and have well thought out multi-year strategic plans

H3. 8