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Relevance, Integrity, Innovation: Are Official Statistics Measuring up?

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Dear colleagues, ladies and gentlemen,

at first, I would like to thank the UNSD for choosing the topic "Relevance, Integrity, Innovation: Are Official Statistics Measuring up?" which I consider very relevant for discussion at this forum.

When I was thinking how to react, I asked myself another question, which seems to be more simple:

As official statisticians – when we discuss the present status and the future of our discipline, can we be optimistic?

Nevertheless, the answer is not so simple

Statistics and national borders, globalisation and information society impacts

We are living in the period of immense changes. Our capacity – as human beings - to adjust is so evident that we often have difficulties to imagine the world around us without mobile phones, computers or internet.

The role of official statistics is to reflect the reality in our data, to describe the status and the evolution of the society.

The necessity to compare data in international context as integral part of statistics led to very natural and fruitful co-operation of official statisticians all over the world. To ensure comparability of our data we agreed and implemented a set of international standards (classifications, definitions, methodology ...).

As a result, statistics was traditionally ahead of other disciplines as regards the description of phenomena and processes in international context.

And - despite national borders, the production of internationally comparable and aggregated data has always been a strength of official statistics.

New S&T developments, mainly information technologies (computers etc.) made the production of statistics easier. I will mention only several examples of new statistical tools - databases, metadata formats, documentation, integration tools (e.g. registers).

But at the same time, these developments had such significant impacts on our life (including statistics) that could not be imagined several decades ago.

The effect of globalisation changed the understanding of basic dimensions like space and time. While activity of global economic groups markedly decreases the significance of space, in contrast it increases the significance of time which it associates with flexibility and mobility .

The phenomenon of globalisation (including its economic and social aspects) does not respect national borders. Changes and interventions in one country can provoke - and do provoke - serious consequences on economic and social reality and further developments in other parts of the world.

The position of statistics is not easy - in spite of its international standardization – official statistics is still primarily based on nationally measured concepts, including key statistical aggregates. The description of the activities of multinational enterprises is limited partly due to the fact that statistics is based on its key principles like statistical confidentiality which complicates the exchange of confidential data among countries.

We are very experienced in production-type of statistics. Measurement of output variables like industrial production, value added, GDP is based on highly-developed methodology. But it is not always the case. In some statistics we are still oriented to inputs and measurement of knowledge in today's knowledge based society is still in its development phase. The measurement of productivity, mainly in the service sector could be mentioned as another theme as well as social statistics.

Social statistics

The phenomena of globalisation and information society have strong influence also on social sphere which is becoming more and more complex and complicated. The measurement of poverty, labour market, demographic evolution, digital exclusion are only several examples elaborated in the framework of social statistics.

This is also the reason why in social statistics - despite the necessity to describe global problems from global perspective – the demand for local and regional data is growing.

Faster response to users needs

The users of official statistics need faster response from our side as producer – and this aspect has even more dimensions:

In the conditions of primary statistics, we need time for the preparation of the survey, for testing its questionnaires and its methodology. We have to collect data and to produce them.

This traditional approach to statistics means - to have enough capacities and time at our disposal.

And it can even happen that – after preparatory works - at the time of the real statistical measurement, we have completely new situation to be measured. It occurs e.g. in the period of major transformations in countries when statistics has to describe new reality and to transform itself at the same time. There is no time for preparations, no time for long debates and testing.

Administrative data sources

Wider use of administrative data sources represents a good solution in many countries where there are still many data collected by other parts of the state administration. They can also be used by official statisticians. As well as data from other even non- administrative sources.

It is evident that – using administrative data or any other sources - we have

- to know and respect their limits
- to ensure the possibility to influence their content and their structure
- to ensure careful checks when data are used in statistical production
- to remember that it is not universal recipe in all situations
- take in mind the impact on staff of statistical offices, its qualification and structure (e.g. more methodologists instead of data capturing staff)
- to monitor changes (like reduction of administrative burden which might – as an opposite process - lead to the replacement of originally abolished administrative data sources by statistical surveys).

Acceleration of outputs x stability of statistical concepts

New emerging products and services provoke the obsolescence of the old ones. Their life cycles are becoming shorter. This general acceleration of outputs in the society stands against stability of statistical concepts.

As statisticians, we are conservative. We prefer long time series, stability of classifications, definitions and other concepts. We like (as our users) – besides international comparability - comparability in time.

More often than ever, we have to make decisions about changes in classifications, in definitions, in methods. E.g. in the calculation of consumer price indices due to new consumer goods and services and their quality. We are trying to reflect facts. But to get comparable data, we have to recalculate time series – in these conditions, are we still describing reality? Should we give more space to new and progressive methods (modelling etc)? Should statistics be more or less conservative?

Discussion about quality and its dimensions (relevance, comparability, accuracy, timeliness etc.) confirmed complexity and relativity of the issue. While for some purposes we can live with reasonable estimates, for other aims we must prefer more accurate data, especially when statistics is used as criterion for such measures as financial contributions.

Position of official statistics

Statistics is becoming more and more complex and complicated discipline. And it is not worthwhile that we often discuss how to maintain and improve the position of official statistics. In spite of the state monopoly, the official statistics has to prove its competitiveness, capacities and abilities to fulfil its mission and role in the democratic society.

That is why we concentrate so much on statistical quality and we implement quality management approach. We have to prove that we respect generally acknowledged norms in this field, that we are introducing those methods and procedures which allow constant improvements of our work and which even support our progress to be able to compete (like self assessments, audits, reviews, satisfaction surveys ...).

Independence

The main strength of official statistics and its main attribute as regards its position is its independence. This is the main feature which differentiate statistical institutes at national or international level from other agencies and companies which produce statistical data.

The independence of official statistics is included in statistical acts, it is usually the first principle in such documents like Fundamental principles of official statistics of the UN or the European Code of Practice. But it is not enough. Official statistics has to fight for its independence and credibility and has to prove it in its everyday work. Their role is not to replace other parts of the state administration in their decisions. On the other side, it has to take and to bear its responsibility for statistics produced and disseminated. Independence means professional independence, not isolation. Communication with politicians is also an integral part of our work. They are our users and more – they take decisions about financial sources for official statistics. They need information, statistical data as well as more “metadata” about our work.

Independence - it is the key word which we use in communication with our users and respondents. Their confidence is significantly related to our independence. And the quality of our data is often based on the confidence of our partners. And - as statistics is less and less trivial and more and more sophisticated – to maintain the confidence of our partners is becoming more and more complicated task.

Decreasing share of primary production

Nowadays, statistics is not only production of statistical data itself. The share of the primary statistical production in our work is decreasing. Less primary data collection and data processing. Statistics is more oriented on complex methodology of data acquisition and data treatment from other sources and data integration.

Analysis

Statistics is more about analysis of statistical data. Analysis is used - in its proper sense - to understand what is going on. And it also has therapeutic character. Majority of measures we

have adopted for the improvements in consistency and coherence of our data were based on statistical analysis.

Communication

Statistics is more and more about communication. Communication with other parts of the state administration about administrative data sources. Communication with respondents. Communication with data users. And all other partners.

The share of these activities in statistical institutes is increasing. It is similar to our economy – where the part of primary and secondary spheres (agriculture and manufacturing) is lower while service sector plays more important role. “Services” surrounding statistical production in statistical institutes are more and more contributing to the overall success of our work. They also lead to a higher level of integration of processes inside statistical institutes (e.g. coordinated system of data dissemination). Official statistics takes over more and more elements from business world and differs from the other parts of the state administration.

Statistical education

Contacts and relations to external partners use variety of forms and tools, which is evident mainly in dissemination of statistics. They are also oriented to improvements of wider statistical knowledge and its use, on prevention of misinterpretations and misuse of statistical data. Education of users (actual and potential), statistical literacy projects and popularisation of statistics are thus an integral part of the game.

In statistical education, the orientation to pure statistical methods and basic analysis of statistical data (as it is very often in our case) should be considered as dangerous. Statistics must be taught as complex discipline and must include areas such as statistical principles, quality concept, dissemination methods, integration tools (registers etc.). Such a comprehensive handbook of modern statistics is still a dream of us as official statisticians in our country.

We – as practical statisticians – have the right and the duty to contribute to this process and to explain that statistics is not only production of statistical data but a service to the society. Even more. Statistics is the investment of the democratic society in its future.

Internal organization

All the above mentioned factors have changed significantly the character of our work in statistical institutes, its internal organization. As the work in statistical offices integrates both production and scientific development of statistics, one of the most difficult managerial tasks is to find an optimal proportion between routine and innovation.

New profile of statistician

Modern statistics needs new profile of statistician. Knowledge of statistics (concepts and methods) must be accompanied by flexibility, invention, communicative and language abilities, capacities in team co-operation. We need more staff with managerial skills, understanding its own work in relation to other activities of the institution.

And it is not a secret that statistical offices in many cases compete with business and banking sphere as far as wages are concerned. – to recruit and retain qualified statisticians responding to the demands of official statistics of the 21st century, modification and development of our own and proper forms of staff motivation in the framework of human resources is needed.

How to react?

How to react to all these challenges?

- I would like to stress growing importance of complex assessment of the development of economy and society in a global (world-wide) scale and necessity to describe global changes.
- These needs support further strengthening of international co-operation including the role of international organizations and institutions and their co-operation.
- Standardization processes should be more oriented not only to data comparability, but also to the production of aggregates which do not respect national borders and serve transnational purposes.
- General and permanent orientation on independence of official statistics, quality and efficiency. Sharing experience within international statistical community, pro-active approach in this context. Development of international standards, assistance to less developed part of the world in statistical matters. It is not necessary to discover what has already been discovered by our colleagues elsewhere.
- We must profit even more from synergic effects in our co-operation, to avoid repetition of the same mistakes, to use closer and more efficient forms of developing and sharing our knowledge and experience.
- Last but not least – official statistics must be more open to new facts and to all the partners, actual and potential. To search new sources, to increase the involvement of important partners in our activities. E.g. universities, communication and dissemination experts.
Official statistics should be understood as multidisciplinary activity. New scientific developments need high level of involvement of experts from the fields of economy, sociology, but also gnoseology, informatics.

General truth is that we have to find the right balance between conservative and innovative approach in our work. But there is not a unique and simple recipe how to achieve it.

Conclusion

How to conclude?

When I see all the efforts of us as official statisticians working at national or international level, e.g.

- social statistics seminar in this building several days ago
- preparation of human resources and training seminar in the framework of the Conference of European statisticians
- ESS Task Force on statistical challenges where we discuss such problems of globalisation, migration etc.

my answer to my simple question is YES.

Our key role is

- to profit from the comparative advantage of official statistics which is based mainly on
 - independence
 - guaranteed and presented quality
 - complexity, supported by coordination at national level and close co-operation at international level.
- and to develop this approach in reaction to new stimulus and demands.

Yes, we can be optimistic.