Statistics Iceland

Act

on Statistics Iceland and official statistics
Approved by the Althingi on 10 December 2007

Official translation

Section 1
Role and organisation

Art. 1
Statistics Iceland is an independent institution under the aegis of the Prime Minister which handles official statistics under this Act. It is the centre for official statistics in Iceland and has the leading role in the organisation, coordination and conduct thereof, and also in cooperation with international organisations concerning statistics.

The term official statistics in this Act refers to the operations of Statistics Iceland and other competent state institutions on the collection of data for the generation of statistics on the Icelandic economy and society, the processing of the data and the dissemination of statistical information to the public, businesses, institutions and public authorities on the basis of law and in accordance with instructions issued under this Act.

Art. 2
Statistics Iceland shall decide on and prioritise its tasks taking account of the needs of the government for statistical information for policy-formation and decisions on public issues, international obligations of the state on statistical production and the needs and demands of the public, businesses, labour market organisations, and research and educational institutions for statistical information. For this purpose, the institution shall carry out active consultation with these parties.

Statistics Iceland organises its operations and its individual tasks within the framework determined by the central government budget, other appropriations and its own revenue, cf. Art. 14.

Art. 3
Statistics Iceland coordinates official statistical activities for which it and other state institutions are responsible under Art. 1. The coordination
involves tasks and methods applied, including the application of standards and classifications, requirements for quality and publication, and the treatment of data collected for statistical purposes.

Statistics Iceland shall institute and maintain a process of regular consultation between the state institutions which are engaged in official statistics or collect data which are important for that purpose.

Art. 4

Statistics Iceland shall be directed by a Director General, appointed by the Prime Minister for a term of five years, renewable. The Director General shall be a university graduate in economics, statistics, sociology or related disciplines and have knowledge and experience of the production or use of statistics.

The Director General appoints other managers and staff of Statistics Iceland. He/she is responsible for the running of the institution and organises its operations in accordance with the provisions of Arts. 1-3.

The Director General bears professional responsibility for the statistical activities of Statistics Iceland. He/she makes decisions on methods and practices applied in the statistical operations, on the application of classifications and standards, on the content, timing and dissemination of statistical releases, publications, statistical findings and reports of the institution.

Section II

Data collection

Art. 5

Statistics Iceland may require public authorities, institutions, businesses and self-employed persons to provide data and information which it requires for statistical purposes under this Act, and they must supply the information in a format specified by the institution or agreed between the parties and within the time limits it sets. Statistics Iceland shall always provide information on the purpose of the data collection, the conditions for the processing, the safekeeping of the data and the dissemination of the results.

Art. 6

Statistics Iceland shall conduct its data collection in such a way that the burden on the data suppliers of providing the data is moderate. It shall seek to obtain data from administrative registers and other public registers where possible. Public authorities which collect data and maintain
registers for their operations shall furnish Statistics Iceland with such data which it requests for statistical purposes, free of charge.

State institutions and municipal authorities which collect or plan to collect data for major statistical processing shall notify Statistics Iceland of their activities and plans in this field in order to ensure coordination in undertakings, methods and practices, and the best use of the data for statistical purposes. Statistics Iceland may in such instances request the parties concerned to collect additional information for statistical purposes provided that reasonable considerations with respect to costs are taken into account.

State institutions and municipal authorities which operate registers for their activities or plan to establish such registers shall consult Statistics Iceland on the organisation of new registers and the renewal of or change in existing registers, in order to ensure their best use for statistical purposes. Statistics Iceland is authorised to request that changes be made in registers for this purpose. Such requests shall be honoured as far as possible, taking into account reasonable considerations with respect to costs.

Art. 7

Businesses and self-employed persons are obliged to provide Statistics Iceland with the information it requests about their activities and operations. When the data are collected directly from businesses, Statistics Iceland shall strive to ensure that data collection is as easy and efficient as possible. Electronic data collection methods shall be employed where possible, such as for filling questionnaires, submitting data and by direct linkages with the information systems of the enterprises.

Art. 8

Statistics Iceland shall as far as possible obtain the necessary statistical data on individuals and households from administrative registers and records. The institution is otherwise authorised to obtain personal data directly from the individuals themselves.

Art. 9

For the processing of data and generation of statistics, Statistics Iceland is authorised to link, on the basis of identification numbers or other identifiers, its own registers and registers from others containing information on private persons and legal entities.
Section III
Confidentiality in official statistics

Art. 10

All information which Statistics Iceland collects for statistical purposes concerning specific persons or legal entities is subject to confidentiality. Such information is deemed to be confidential data and shall be used solely for statistical purposes. The same applies to data on persons and legal entities in administrative registers which Statistics Iceland utilises for statistical purposes and data generated by linking registers as provided in Art. 9. In the case of administrative records, however, Statistics Iceland may provide the relevant administrative authority with information obtained from the data which the same authority has previously participated in collecting or with which it has provided Statistics Iceland.

When statistics are published and disseminated, all possible measures shall be taken to prevent data being traceable to specific private persons or legal entities. This does not apply if the relevant private person or legal entity has consented to such publication, nor in case of public information which is not subject to confidentiality.

Art. 11

Staff of Statistics Iceland must observe confidentiality and the utmost secrecy concerning all confidential data and information and issues of a private nature of which they may become aware in their activities, and should remain confidential, cf. Art. 18 of the Rights and Obligations of Public Employees Act No. 70/1996. The obligation of confidentiality persists after employment ceases. Statistics Iceland staff shall also treat all other information on private persons and legal entities with caution and respect, even in cases of public information.

Art. 12

Statistics Iceland must store all statistical data on private persons and legal entities in a secure manner, and apply appropriate measures to ensure the safety of data.

Confidential statistical data shall be destroyed after they have been utilised unless reasons are deemed to exist for utilising them further for research purposes within or outside of Statistics Iceland; in such cases their identifiers shall be erased or obscured.

Legislative provisions on the obligation to submit documents to the National Archives, cf. Art. 5 of the National Archives of Iceland Act No. 66/1985, shall not apply to confidential statistical data and they shall not be submitted to be archived there.
Statistics Iceland shall issue special rules on the security and safekeeping of confidential data, including provisions on the archiving or destruction of hard-copy data, and if and when computerised data are to be deleted and the identifiers of such data erased or obscured.

Art. 13

Statistics Iceland shall facilitate the utilisation of its data for statistical scientific research. For such purposes it may grant recognised or trustworthy researchers access to data, or supply data from data banks containing general information on private persons or legal entities. The provision or utilisation of such data is subject to the conditions that the identifiers of private and legal persons have been erased or obscured, and that measures been taken as far as possible to prevent information being traceable to identifiable individuals or legal entities.

Statistics Iceland may also grant access to databases containing sensitive private information provided that any one of the conditions of Art. 9 of the Act on the Protection of Privacy as regards the Processing of Personal Data No. 77/2000 are met, and provided that the researcher in question undertakes to return the data or erase their identifiers upon completion of the research project or at the latest within specified time limits. Should the researcher wish to maintain the identifiability of the data for a longer period of time, Statistics Iceland should be so notified, and its permission sought to extend the period of storage of the data.

Statistics Iceland shall issue more detailed rules on the provision or utilisation of data under this article and on more specific conditions in that respect, for instance with respect to applications, the purpose of the research and the research plan, the relationship between data requirement and the planned research, the safekeeping of the data, and their destruction after the research project has been completed.

Section IV

Various provisions

Art. 14

Statistics Iceland may earn its own revenues and charge for special services in statistical processing or services for researchers and other data users, and for the utilisation of the information systems of the institution and special services in that context.

Art. 15

In the case of non-compliance with a request to provide Statistics Iceland with information for statistical purposes under this Act, the institution may compel compliance with the duty to provide information, imposing
fines of ISK 10,000-50,000 per diem. The fine shall be levied by a formal ruling, and shall apply for every day from the day of the decision until the duty to provide information has been fulfilled. The accrued fine shall be cancelled when Statistics Iceland deems the duty to provide information to have been fulfilled. Fines are payable to the Treasury, and are enforceable without a prior legal verdict.

Art. 16

The Prime Minister shall issue a Code of Practice for statistics on the basis of this Act and of internationally-recognised principles on official statistics.

The Prime Minister may make further provision in regulations for the implementation of this Act.

Art. 17

This Act enters into force on 1 January 2008. At that time the following Acts are abolished:

2. Statistical Reports Act no. 29, 8 November 1895.
3. Act on a supplement to the Statistical Reports Act no. 29 of 8 November 1895, no. 64, 10 December 1934.

Temporary provisions

When this Act takes effect, Statistics Iceland staff appointed on the basis of a written contract of employment, cf. the Rights and Obligations of Public Employees Act no. 70/1996 and para. 3 of the temporary provision to that Act, shall retain their posts and terms of employment.

When this Act takes effect, Directors of Division at Statistics Iceland shall retain their posts and terms of employment under Art. 23, Act no. 70/1996 and temporary provisions to that Act. The Director General of Statistics Iceland shall be offered the post of Director General under this Act on the same terms of employment.

Regarding the allocation of jobs under this Article, the provisions of Art. 7 of the Rights and Obligations of Public Employees Act no. 70/1996 are not applicable.
Notes to Statistics Iceland Bill

In addition to the proposed articles of legislation, Icelandic Bills of Law contain notes in two parts, a general justification for the Bill and an explanatory note for each of the articles of the Bill. The following text is a translation of the first section of the general justification and the explanatory notes for the individual articles.

General justification

Section 1: The necessity for a new Statistics Iceland Act

Under Act no. 109 of 25 June 2007, amending the Government Ministries Act no. 73/1969, it was decided *inter alia* that Statistics Iceland would be abolished as a government ministry from year-end 2007. The notes to the government Bill to amend the Government Ministries Act stated on this matter that Statistics Iceland will be changed from a ministry into an autonomous state institution, but that the change will not take place until the beginning of 2008. Hence time will be available to revise the Statistics Iceland Act. The Prime Minister referred specifically to this when he introduced the Bill on government ministries. He stated that a revision of the old Statistics Iceland Act was planned, with the aim of creating a legal framework for it as an autonomous state institution. The intention was that it would be under the aegis of the Prime Minister’s office. He stated that the work of Statistics Iceland differed in many ways from that of other ministries. Conventional policy-formation work was not carried out there as in other ministries. The planned change would be conducive to achieving greater consistency between ministries than at present, and to adapting the work of Statistics Iceland to its true role.

The work of Statistics Iceland is now based partly upon very old legislation, partly on the Government Ministries Act and Regulations, and on various specific Acts on individual matters. The basic legislation applying to Statistics Iceland comprises three categories. The oldest legislation is the Statistical Reports Act no. 29 of 8 November 1895. Under this Act the colonial government of Iceland [still under Danish rule at that period] was required to have statistical reports prepared each year on economic activities, and employers were required to provide the authorities with reports on their business each year. Statistics Iceland was founded under the Statistics Iceland Act no. 24 of 20 November 1913. The Act provided for the foundation of Statistics Iceland, listed its principal tasks, and made provision for its collection of information and reports. Finally, in 1934 legislation was enacted on a supplement to the Statistical Reports Act, which extended the obligation to submit reports to economic activities which had not been specified in the older Act.

The second category of legislation on the work of Statistics Iceland comprises Act and Regulations on government ministries. Under the Act
and Regulations of 1969, Statistics Iceland was a government ministry with responsibility for matters concerning official statistics, their organisation and implementation. It was also responsible for the National Registry and civil registration; after an amendment to the Regulations in 1997 it was also responsible for registration of companies and corporations. With the issue of the present Government Ministries Regulations of 2004 and subsequent amendments to it, the provisions on Statistics Iceland were adapted to the changes which had taken place in its role. Most important were the transfer of statistical tasks of the National Economic Institute to Statistics Iceland in 2002, the transfer of the Register of Enterprises from Statistics Iceland to the Director of Internal Revenue in 2003, and transfer of the National Registry to the Ministry of Justice in 2006. Under Art. 6 of the present Regulations, Statistics Iceland is responsible for matters concerning:

1. Organising, coordinating and producing Iceland's official statistics.
2. Collecting data and processing statistics on economic and social conditions in Iceland, providing statistical information and issuing statistical reports.
3. Compiling national accounts.
4. Developing and computing price and wage indices.
5. Communications and cooperation with international bodies in the field of statistics.

In addition to the above-mentioned laws and regulations, three Acts are in force which make provision for indices which are calculated by Statistics Iceland: the Consumer Price Index, the Building Cost Index and the Wage Index. These laws were enacted due to the role played by these indices in the indexation of financial obligations.

When Statistics Iceland ceases to be a government ministry as of 1 January 2008, the provisions of the Government Ministries Regulations regarding the activities of Statistics Iceland will no longer be valid. Thus only the old Statistics Iceland Act, the Statistical Reports Act, and the above-mentioned Acts on indices will remain in force. They do not constitute an adequate legal basis, and this is for two main reasons:

On the one hand, Art. 6 of the present Government Ministries Regulations contains important provisions on the activities of Statistics Iceland which must be enacted in law, especially the provisions of item 1 on the organisation, coordination and production of Iceland's official statistics, the provisions of item 2 on the general role of Statistics Iceland in official statistics, and the provisions of item 5 on international interaction in the field of statistics.

On the other hand, the old Statistics Iceland Act and Statistical Reports Act do not contain certain provisions which are deemed indispensable in legislation on statistical institutes and official statistics. These include for instance broad and up-to-date mandates for gathering of data from individuals, businesses, institutions and government, mandates for access to administrative records and utilisation of data from such
records and data banks, provision for the duty of government and others to provide information for official statistical purposes, requirements for confidentiality and security with respect to collection and storage of personally-identifiable data, and authorisation for Statistics Iceland to provide access to data for statistical research.

The Bill is introduced with the purpose of creating a suitable legal framework for Statistics Iceland and official statistical work, in which the above-mentioned matters will be included.

[Translator’s note: Other sections of the general justification of the Statistics Iceland Bill, which are not translated here, are: International developments in statistical legislation, Formal status of Statistics Iceland – a historical account, Development of the tasks of Statistics Iceland in recent years, and Overview of the main proposals of the Bill].

Notes to the articles of the Statistics Iceland Act

On Art. 1

The article deals with the status of Statistics Iceland, its work in official statistics and its role as a centre of official statistics in Iceland.

Para. 1 states that Statistics Iceland is an independent institution under the aegis of the Prime Minister. Thus Statistics Iceland is assigned a status comparable to that of most statistical institutes in the neighbouring countries. They are government bodies under the aegis of a certain minister/ministry, are subject to the general rules governing such bodies, operate on the basis of Budget allocations, have a clearly defined legal basis, and make autonomous decisions on individual tasks, methods and procedures. In the international arena great priority is placed upon the autonomy of statistical institutes, and this is clearly manifested in the UN’s Fundamental Principles of Official Statistics, the European Statistics Code of Practice, and new EU draft legislation on statistics. Long and well-established tradition in this respect, such as in Iceland, is not deemed sufficient; professional autonomy is to be safeguarded by law. This appears in a recent peer review carried out earlier this year at Statistics Iceland under the auspices of the European statistical cooperation, whose conclusions include the recommendation that a provision of this nature be made in the new comprehensive statistical legislation for Iceland.

Para. 1 also provides that Statistics Iceland handles official statistics under this Act, and that it is also the centre for official statistics in Iceland. As such it is to play a leading role in the organisation, coordination and conduct of official statistics, and international cooperation in the field. Provisions materially the same as these are at present in art. 6 of the Icelandic Government Ministries Regulations no. 3/2004.
Para. 2 defines Icelandic official statistics. It states that the term applies to the statistical operations of Statistics Iceland and other competent state institutions, on the basis of law and in accordance with instructions issued under this Act. In this context it is deemed right that official statistical work should be subject to the condition that it be based on law. It is also necessary that such activities meet certain criteria for their premises, procedures and quality, such as exist in the Code of Practice for Statistics of 9 June 2006. As stated in the general notes to the Bill, above, this Code of Practice is an Icelandic version of the European Statistics Code of Practice compiled by a task force of statistical institutes of European Economic Area nations and Eurostat in February 2005, and issued as a Recommendation in May 2005. The Recommendation has been included in the EEA Agreement, and thus applies in all EEA nations. Art. 16 provides that the Prime Minister issues a special Code of Practice on the basis of this legislation and internationally-recognised principles of official statistics.

It should be pointed out that “dissemination of statistical information” refers both to the dissemination of statistical findings and the provision of statistical data for research and further processing as provided in art. 13. Both are part of the traditional work of a statistical institute.

On Art. 2

In Art. 2, instead of a long enumeration of specific tasks and matters for statistical processing, it is proposed that Statistics Iceland is to decide upon its tasks and prioritise them, taking account of the needs of the government for statistical information for policy-formation and decisions on public issues, international obligations of the state on statistical production and the needs and demands of the public, businesses, and research and educational institutions for statistical information. For this purpose, the institution shall carry out active consultation with these parties.

It is not deemed necessary for the Act to determine the nature of the consultation; such consultation is made obligatory for Statistics Iceland, and this is deemed sufficient. It is specified that the consultation is to be active, which means that it is to be carried out in a continuous, regular manner.

The nature of such consultation in the neighbouring countries varies greatly. In some countries statistical boards perform diverse roles, e.g. as representatives of users, or to provide advice on statistical matters, etc. Experience of the activities of such boards is regarded as variable. Some statistical institutes consult with users through user groups. Statistics Iceland has excellent experience of using consultant/user groups in the various fields of statistics. The following standing committees and groups now operate:

• Advisory committee on wage surveys and other labour market surveys, which functions on the basis of an agreement between Statistics Iceland and the Committee of Labour Market Research of 2004, under which Statistics Iceland took over the labour market research for which the Committee had been responsible.

• User group on price indices.

• User group on national accounts.

The user groups function at the request of Statistics Iceland. They comprise representatives of the Ministry of Finance, Central Bank, university faculties of business and economics, the Confederation of Employers, Federation of Labour and banks’ research departments. They meet about twice a year, or more often if deemed necessary. Further information on the groups may be found on the Statistics Iceland website.

Work is now in progress to establish a user group on labour market statistics. In addition, Statistics Iceland has often called together temporary advisory groups on specific projects, the introduction of new classification systems etc. One such group now in operation is concerned with the implementation of a new classification of economic activities.

In the judgement of Statistics Iceland the experience of these arrangements and the work of the groups has been excellent, and it plans to continue to carry out its duty of consultation with users in this manner. It would also be desirable to extend this work to more fields, such as social and welfare matters.

On Art. 3

Para. 1 states that Statistics Iceland coordinates official statistical activities in Iceland. This is one of the roles now carried out by Statistics Iceland for which provision is now made in Art. 6 of the Government Ministries Regulations. The material content of the provision is further developed here, and the principal fields of coordination are specified, i.e. the use of standards and classification systems, requirements for quality and publication, and the treatment of data collected for statistical purposes.

In para. 2 it is also proposed that Statistics Iceland institute and maintain a process of regular consultation between the state institutions which are engaged in official statistics or collect data which are important for that purpose. The objective of this is, on the one hand, to ensure that consultation be active and continuous, and on the other that public bodies be aware of the importance of administrative data being utilised for statistical purposes where possible. The more and better such utilisation, the more economical and efficient is the data collection, and the less need to inconvenience people and businesses with requests for data and information.

The proposals made in this article are inter alia modelled on similar provisions in law and rules on the Norwegian and Finnish statistical institutes. Consultation of this nature has been deemed productive there.
On Art. 4

The article deals with the appointment, role and responsibility of the Director General of Statistics Iceland. It is proposed that the Prime Minister appoint the Director General for a term of five years, renewable; with regard to the term of appointment, the present rules on appointment of officials are followed.

It is also proposed that the Director General be required to hold a university degree in economics, statistics, sociology or related disciplines and have knowledge and experience of the production or use of statistics. The principle is here followed that it is important that the Director General of Statistics Iceland has expert knowledge of official statistics and their processes.

Para. 3 provides that the Director General appoints managers and staff of Statistics Iceland, and that he/she is responsible for the running of the institution and organises its operations in accordance with the provisions of Arts. 1-3.

Para. 3 provides for the Director General’s professional responsibility for the statistical activities. It should be pointed out that the proposals of paras. 2 and 3 entail in practice a confirmation of the existing role and responsibility of the Director General of Statistics Iceland, and are consistent with what is customary in the neighbouring countries, such as the other Nordic nations.

On Art. 5

Provisions on data collection by Statistics Iceland are made in Arts. 5-8. Art. 5 makes general provision for Statistics Iceland’s authority to collect data for statistical purposes, and Arts. 6-8 make more detailed provisions on these matters.

Under Art. 5 Statistics Iceland is authorised to collect data for statistical purposes from public authorities, institutions, businesses and self-employed persons, and they are required to provide the information requested. Similar provisions are made in existing legislation, in the Statistical Reports Act of 1895 and the supplement to that Act of 1934. The provisions also have parallels in the statistical legislation of neighbouring countries.

It is also proposed that Statistics Iceland should inform providers of data and information about the purpose of the data collection, the conditions for the processing, the safekeeping of the data and the dissemination. This is in effect a confirmation of the existing working procedure of Statistics Iceland. It should be pointed out that information of this nature is provided in introductory letters to participants in sample studies and other surveys, and in information material on specific surveys where applicable, including on the Statistics Iceland website.
On Art. 6

The statistical institutes of the EEA nations base their data collection both upon direct surveys of the public and businesses, and upon administrative information. Administrative information/data refers to information and data collected by public authorities for administrative purposes, and provided for this purpose by information providers. The Nordic countries have a long tradition of utilising administrative data for statistical purposes. This is done extensively here in Iceland, either on the basis of Statistics Iceland’s general mandate to gather data, or on the basis of special legal provisions. Provisions on submission of data and information to Statistics Iceland are contained in the National Registry and Civil Registration Act, in the Register of Enterprises Act, tax law, customs law etc. This method of collecting statistical data is highly important in small nations. It is of especial importance in Iceland due to the small size of the society and the expense of gathering information via surveys and questionnaires submitted to businesses and the public. Three principal reasons may be mentioned for limiting the use of direct surveys of businesses and the public in Iceland:

- Provision of data inevitably requires expenditure of work and time by the information provider. A national statistical institute should thus strive to be as moderate as possible in direct data collection, and not to request the same (or similar) information as has already been supplied to the authorities.

- The number of data providers involved in sample surveys and other direct surveys is proportionally far higher in Iceland than in large nations. The cost of such methods of data collection is, by the same token, greater.

- In small nations, the same businesses and individuals have to be requested to supply information far more often that in large nations. This increases the likelihood that businesses and the public will become disenchanted with requests for information.

Art. 6 makes firstly a general provision that Statistics Iceland shall conduct its data collection in such a way that the burden on the data suppliers of providing the data is moderate. This is followed by provisions on utilisation of administrative data for statistical purposes. Para. 1 provides that Statistics Iceland shall seek to obtain data from administrative registers and other public registers where possible, and that public authorities which collect data and maintain registers for their operations shall furnish Statistics Iceland with such data which it requests for statistical purposes, free of charge. As stated above, similar provisions exist in various legislation, and Statistics Iceland has for some decades based much of its data collection on administrative records.

Para. 2 proposes that State institutions and municipal authorities which collect data for major statistical processing or have plans to do so shall notify Statistics Iceland of this, in order to ensure coordination in undertakings, methods and practices, and the best use of the data for statistical purposes. Provision is also made that Statistics Iceland may in
such instances request the parties concerned to collect additional information for statistical purposes.

Para. 3 proposes that State institutions and municipal authorities which operate registers for their activities or plan to establish such registers shall consult Statistics Iceland on the organisation of new registers and the renewal of or change in existing registers, in order to ensure their best use for statistical purposes. Provision is also made that Statistics Iceland be authorised to request that changes be made in registers for this purpose, and that such requests be honoured as far as possible. This wording, like that of the end of para. 2, is of course phrased moderately; the objective here is to make general provision for the duty of national and local government agencies to comply with requests from Statistics Iceland to gather additional information and change registers, provided such requests are within reasonable limits with respect to the work and expense involved. Comparable provisions on gathering of additional information and on consultation on the form of records, etc. are made in legislation on other Nordic statistical institutes. These are deemed to have worked well, and contributed to enhancing the statistical institutes’ data-gathering from administrative records and sharing of public records.

Statistics Iceland has for many years enjoyed extensive and fruitful collaboration with public bodies for utilisation of data. In some cases Statistics Iceland has requested the collection of certain additional data for statistical purposes, with both good and bad results. In a few cases, public bodies have sought consultation with Statistics Iceland on the development of their data banks with respect to utilisation of the data for statistical purposes, and Statistics Iceland has occasionally requested specific changes to be made in registers in order to optimise utilisation of data. These provisions should be considered *inter alia* in context with the proposals of Art. 3 on regular consultation between Statistics Iceland and government agencies involved in official statistics or collect data important for that purpose. By these two provisions, the intention is to ensure consultation and collaboration among public bodies in this field.

On Art. 7

The article provides that businesses and self-employed persons must provide Statistics Iceland with the information it requests about their activities and operations. On the other hand, when the data is collected directly from businesses Statistics Iceland shall strive to ensure that data collection is as easy and efficient as possible. Provision is made that electronic data collection methods shall be employed where possible, such as for filling questionnaires, submitting data and by direct linkages with the information systems of the enterprises.

In recent years various methods have been developed and introduced by statistical institutes which utilise electronic technology for data gathering. Statistics Iceland has done this to some degree, and is working on the further development of such methods. This includes, for instance, the electronic collection of data from the accounting/payroll systems of
businesses, data collection via the internet, and the use of internet solutions for transfer of data banks and records. It is vital that this should continue, as these are very efficient methods which save both data-providers and Statistics Iceland time and trouble.

On Art. 8

This article deals with collection of information on individuals and households. Provision is made that Statistics Iceland shall as far as possible obtain the necessary statistical data on individuals and households from administrative registers and records, while it is otherwise authorised to obtain personal data directly from the individuals themselves. Here again the emphasis is upon use of administrative data, both to reduce the demand on individuals in providing information, and to encourage the sharing of information by public bodies for administrative and statistical purposes.

On Art. 9

This article proposes that Statistics Iceland be granted clear authority to link registers for its statistical purposes, by a provision that for the processing of data and generation of statistics, Statistics Iceland be authorised to link, on the basis of identification numbers or other identifiers, both its own registers and registers from others containing information on private persons and legal entities.

Under the present legislation, Statistics Iceland is authorised to utilise the National Register of Persons and Register of Enterprises for its statistical purposes, and hence also to link them with other data on the basis of identification numbers or other identifiers. It also has extensive powers to use other records, such as tax records, customs records, etc. Statistics Iceland has, over the years, and throughout the period when it operated the National Registry and Register of Enterprises, based much of its statistical work on the utilisation of registers, *inter alia* by linking together different data banks and records. This method is very useful in statistical work. It is extensively applied by the Nordic statistical institutes, which base much of their statistical work on administrative records. The censuses of Denmark, Finland and Norway, for instance, are based upon administrative records, some of the information being acquired by linking together different records and data banks.

In this context it should be borne in mind that under this Bill the handling of data on identified individuals and legal entities is subject to strict conditions. The condition is stated that such data which are collected for statistical purposes may only be used for that purpose and no other, cf. Art. 10, para. 1. Provision is also made that publication of statistics shall be in such a manner as to prevent as far as possible information being traceable to individual parties, as provided Art. 10, para. 2. A strict duty of confidentiality is also placed upon Statistics Iceland and its staff in Arts. 10 and 11. Finally, in Art. 12 general provisions are made on security of data, and a specific provision that confidential data shall be
destroyed after utilisation, or their identifiers erased or obscured, if reasons exist to preserve them for further research.

On Arts. 10 and 11

These articles propose provisions on Statistics Iceland’s duties of confidentiality. Art. 10 para. 1 provides that all information which Statistics Iceland collects for statistical purposes concerning specific persons or legal entities is subject to confidentiality, and that such information is deemed to be confidential data and shall be used solely for statistical purposes. This is a principle of official statistics in most countries. It is based upon provisions in the United Nations Fundamental Principles, which have been adopted in the legislation of many countries on statistical institutes, in the European Statistics Code of Practice, and in the Icelandic Code of Practice of 9 June 2006.

Art. 10 para. 2 provides, as stated above, that when statistics are published and disseminated, all possible measures shall be taken to prevent data being traceable to specific private persons or legal entities. This principle is also stated in the above-mentioned codes and in legislation of other nations. It should be pointed out that this matter is more problematical in small nations than in large ones, and that Statistics Iceland constantly strives to address this issue.

Icelandic law has hitherto not contained any specific provisions on duties of confidentiality in official statistics. Statistics Iceland has, however, taken great care in this respect, though without formal provision, and in these matters it has followed the principles and procedures which have applied in western Europe for many years. It has also followed the provisions of the UN Fundamental Principles since they were issued. Finally, Statistics Iceland issues its own Rules of Procedure on the handling of confidential data in statistical work, and this is published on the Statistics Iceland website.

Art. 11 makes special provision on staff’s duty of confidentiality, in accord with the rules of Art. 18 of the Rights and Obligations of Public Employees Act. It should be stated that, on the basis of those rules, all Statistics Iceland staff sign a pledge of confidentiality when they commence work, and this has been the case for many years.

On Art. 12

The provisions of the article are concerned with the keeping of data, and especially with the handling of personally-identifiable data. The principle is stated that confidential data for statistical purposes shall be destroyed after use, unless reason is deemed to exist to keep them for further research, in which case personal identification shall be erased or obscured. It is proposed that special rules be issued on this matter.

Statistics Iceland has for some years applied its own rules of procedure on handling of confidential data, and these are published on its website. The presumption may be made that the rules, and the procedures
which have been applied under those rules, will, as applicable, form the basis for the rules whose issue is proposed on the handling of confidential data. The present rules provide *inter alia* that data shall be kept until processing has been completed and findings published, and that after utilisation the data shall be destroyed or their identifiers erased or obscured. In addition, the principle applies that confidential data shall not normally be kept beyond the time when sufficient time may be deemed to have passed for possible errors and inconsistencies, which require access to primary sources, to have emerged.

In certain cases reason is deemed to exist for keeping confidential data for an extended period for further processing or research. In this context it must be borne in mind that various statistical data may be used long after they were gathered, and thus there is reason to preserve them. In such cases, it is necessary to consider the preservation of personally-identifiable data, and hence Art. 12 proposes that identifiers be either erased or obscured, in order that data not be traceable. In the latter case, the possibility still exists to link the data with other data on the basis of identity. Yet again, it should be stated that these rules entail procedures similar to those of the other Nordic statistical institutes.

Para. 3 provides that confidential data collected for statistical purposes shall not be submitted to be archived at the National Archives of Iceland. These data are gathered specifically for statistical purposes and they are to be used solely for statistical purposes under the UN Fundamental Principles, the recognised practices of European statistical institutes, and the proposals of this Bill, see Art. 10 para. 1. In addition, the data are gathered on the premise that they will be destroyed, or identifiers erased, following their utilisation.

Finally, para. 4 provides that Statistics Iceland shall issue special rules on the security and safekeeping of confidential data, including provisions on the archiving or destruction of hard-copy data, and if and when computerised data are to be deleted and the identifiers of such data erased or obscured.

**On Art. 13**

Interest in access to the primary data of statistical institutes for statistical studies, e.g. in field of economics, sociology, medicine etc., has been growing in recent years, both in Iceland and in the other EEA states. Statistical institutes have increasingly sought to meet this demand, as it enhances the value of data if they can be used in other statistical research, in addition to that carried out by the statistical institutes. The consensus among statistical institutes, as expressed at the UNECE Conference of European Statisticians and by the Statistical Programme Committee of the EEA nations, is that the provision of such data is desirable, but that it must be contingent upon conditions of data privacy and protection. In addition it must be clear that the research is well-grounded, carried out by specialists and with expertise, and that the research plans are consistent with the declared requirement for data.
This article provides firstly that Statistics Iceland shall facilitate the utilisation of its data for statistical scientific research. Authorisation is proposed for Statistics Iceland to provide access to data banks containing information on individuals or legal entities for research purposes, and conditions applying to this. The proposals are based upon principles which have emerged in the international debate on access to statistical institutes’ primary data, and recommended practice in this context. Similar provisions have existed for some time in the Statistics Iceland rules on handling of personal data, mentioned above.

In paras. 1 and 2 the distinction is drawn between the granting of access to data banks containing general data and those containing sensitive personal data. In the former case provision of data is conditional upon individuals’ or companies’ identifiers having been erased or obscured, and upon measures being applied to prevent data being traceable to identifiable individuals or legal entities. In the case of sensitive personal data within the meaning of the Personal Privacy Act, it is proposed that Statistics Iceland be authorised to provide access to data banks or data containing such information for scholarly statistical research, provided that the conditions of the Personal Privacy and Handling of Personal Data Act are met, and that the researcher has undertaken to return the documents or erase their personal identifiers on completion of the research. With respect to Statistics Iceland data, the provisions of para. 1 apply primarily to death certificates and registers of cause of death; by law Statistics Iceland keeps death certificates, and from them compiles reports on causes of death. These data are extensively used in medical research, and it is deemed important that this may continue. The Data Protection Authority has pointed out that some doubt exists with respect to Statistics Iceland’s authority to provide personal information from these data, and the provisions of para. 2 are intended to remove any uncertainty in this respect regarding sensitive personal data, including those from the register of causes of death.

The provision of data in either category is subject to the condition that the researcher be recognised or trustworthy. The researcher should have gained recognition by his/her research and be from a recognised research body, and that body should take responsibility for the relevant study and the researcher.

Art. 3 proposes that Statistics Iceland issue more detailed rules on the provision and utilisation of data under this article. It is specified that the matters to be covered by the rules should include applications for access to data, information on the purpose of the research, submission of a research plan, how the data are to be utilised in the research, how the data are to be stored, and destruction of data after the research project has been completed. Statistics Iceland has issued fairly detailed rules on these matters in its rules on the handling of confidential data. Under those rules a Confidential Data Committee functions within Statistics Iceland to consider requests for personal data. Statistics Iceland requires applications for access to such data to be made in writing, information to be provided on the purpose of the research, a research plan to be submitted, and information to be provided on how the requested data are to be used in the
research. The rules to be issued under this article are expected to be similar.

On Art. 14

This article proposes that Statistics Iceland may earn its own revenues and charge for special services in statistical processing or services for researchers and other data users, and for the utilisation of the information systems of the institution and special services in that context. By far the largest part of Statistics Iceland’s disposable funds comes from the Treasury, allocated under the Budget. Statistics Iceland also receives some funding from EU funds for specific joint or coordinated projects on the basis of European Regulations or Directives. Finally, Statistics Iceland derives limited revenues from sales of publications, and for special services provided in the case of tasks which require special preparation of data, or work on compiling specialised registers for researchers and others requesting data. In principle Statistics Iceland provides its information free of charge, mainly on its website, but it is deemed reasonable that the printing costs of publications should be offset by sales of the publications. The same principle applies where work carried out by Statistics Iceland with respect to special requests for data or services is particularly extensive, exceeding the scope and degree of specialisation entailed by the normal responsibilities of a statistical institute.

On Art. 15

This article proposes that Statistics Iceland be authorised to compel those who do not comply with its requests for information to fulfil their duty to provide information, on pain of *per diem* fines. This provision is based upon a similar provision in the Register of Enterprises Act, which grants the Director of Internal Revenue such authority.

Similar provisions are found in the legislation of several neighbouring countries. In the Nordic countries the Norwegian statistical institute has the clearest authority to impose penalties in cases of non-compliance with the duty to provide information; these provisions are actively applied, and respected. Here in Iceland, Statistics Iceland has lacked sufficient authority to compel provision of essential information. It should be stated that, even if this provision is enacted as law, Statistics Iceland will continue to strive to base its data collection as far as possible on cooperation with providers of information, and their consent. However, Statistics Iceland often meets with difficulties in acquiring necessary information from companies, despite their clear duty to provide information. In such cases it is important that Statistics Iceland has the authority to impose penalties in order to acquire the most vital information.
On Art. 16

This article provides that the Minister shall issue a Code of Practice for statistical work on the basis of this Act and of internationally-recognised principles in official statistics. This refers primarily to the UN Fundamental Principles of Official Statistics and the European Statistics Code of Practice according to EU Commission Recommendation no. 217/2005. With respect to this, see the general notes above [not translated], and the present Code of Practice for Statistics of 9 June 2006, appended as Annex II with this Bill [not translated].

Para. 2 contains general provisions authorising the Minister to issue more detailed rules on the implementation of the Act. Examples of such rules are e.g. rules on the security and storage of confidential data under Art. 12, and on the provision and utilisation of data under Art. 13.

On Art. 17

It is proposed that the new Statistics Iceland Act take effect on 1 January 2008, at the same time as provisions on Statistics Iceland in the Government Ministries Act and Regulations are abolished. It is also proposed that the old Statistics Iceland Act and the Statistical Reports Act be abolished, and also the Wage Index Act no. 89/1989.

[Translator’s note: The proposal to abolish the Wage Index Act was withdrawn during parliamentary consideration of the Bill. Hence the explanatory note on this proposal is omitted in this translation.]

Existing legislation on the Consumer Price Index and Building Cost Index is to remain in force, as these indices are used in price-indexation on financial markets and construction.

On the temporary provisions

When this Act takes effect Statistics Iceland will become an autonomous state agency. This will not entail any alteration to the tasks of the staff. Their legal status differs, however, according to whether they have been appointed as state officials, as in the case of the Director General and Directors of Division, cf. Art. 22, para. 1 item 2 of the Rights and Obligations of Public Employees Act no. 70/1996, or are employed on the basis of a reciprocal period of notice.

Para. 1 of the article provides that staff who are employed on the basis of a reciprocal period of notice retain their posts and unchanged terms of employment. Thus pension-fund membership will remain unchanged, and salaries will be in accord with the appropriate agreements. This also entails that present staff can, while employed by Statistics Iceland, opt to continue to be paid salaries under the collective agreements of the trade unions which have hitherto negotiated their pay agreements. Among the staff at Statistics Iceland are persons who were appointed in the past to permanent posts at Statistics Iceland. Due to the provisions of
para. 3 of the temporary provision to Act no. 70/1996, it is necessary to make specific provision that they too retain their posts. According to these provision, the intention is not to interrupt the employment of staff, and there is no need specifically to offer them employment at Statistics Iceland. By these means, the intention is to ensure that disruption arising from the change is minimised.

With respect to the posts of Director of Division, para. 2 provides that they retain their posts. It is proposed that the present Directors of Division be offered comparable management posts at Statistics Iceland under the new Act, with no change to their terms of employment, i.e. on the same terms as Directors of Division in government ministries. This also entails that they are deemed to be appointed, as hitherto, for a term of five years at a time, see art. 23, Act 70/1996, or indefinitely where applicable, see the temporary provisions to that Act. New managers, appointed in the future to posts of Director of Division, are to be appointed under indefinite contracts of employment.

Para. 2 also provides that the present Director General of Statistics Iceland be offered the post of Director General under the new Act, and that his terms of employment remain unchanged, i.e. those of a permanent under-secretary at a government ministry. When the time comes to appoint a new Director General of Statistics Iceland as provided in item 13, para. 1 Art. 22 of Act no. 70/1996, following a ruling of the Minister of Finance, see para. 2 Art. 22 of the same Act. His/her terms of employment will be subject to determination by the Salaries Board. Finally, para. 3 provides that in allocation of jobs under this article the provisions on advertising of vacancies contained in Art. 7, Act no. 70/1996, do not apply.

*English translation: Anna Yates*