

*Summary*

Official statistics – a true and fair view  
of societal development? (RiR 2015:3)



## Official statistics – a true and fair view of societal development?

Statistics has long played an important role in societal change. In the age of enlightenment with its focus on knowledge, statistics were an important driver of democratic development. Since then, in both Sweden and other countries, statistical information has been characterised as a social utility, and the responsibility for producing statistics on important social conditions has been part of the public commitment.

Official statistics are part of central government service to the public and the reason for their special position is that they are of particular importance in providing an impartial description of society. Statistics are also used as a basis for political decisions, research, evaluation etc. Basic rules on production of official statistics are presented in legislation.

The Swedish NAO has investigated whether the system of official statistics is used appropriately in relation to the reasons for its special position. At the overall level the official statistics system consists of the regulatory framework for statistics; the statistical agencies and the statistics themselves, with documentation and source data. The main focus of the audit was the Government's overall governance of the system and its development as well as Statistics Sweden's coordination responsibility. In addition the audit covered the conditions for individual statistical agencies to develop and improve statistics.

### *Reasons*

The Swedish NAO can note that official statistics fulfil an important function in society and that consequently there is reason for a general audit of the system for official statistics. During the pre-study carried out by the Swedish NAO a number of problem indicators and difficulties related to development, definition and coordination of official statistics also emerged. Taken together these were also a reason for the Swedish NAO's audit. In the pre-study the Swedish NAO also noted that the official statistics are facing a number of challenges where the significance of an overall strategy and coordination are particularly important. One example of these challenges is a growing non-response rate in statistical surveys.

### *Implementation*

To examine whether the system of official statistics is applied appropriately the Swedish NAO focused its audit on how the system works and is used in practice. The Swedish NAO has examined this mainly through studying documents and interviewing statistical agencies, Statistics Sweden (SCB) and the Government Offices. The reason for the method chosen is that it is the statistical agencies that can best answer how the system for official statistics functions at present.



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DATE: 05-03-2015

This can then be set against how the system was intended to function, which the Swedish NAO has investigated, mainly through studying documents and interviewing people with special insight into the system.

According to the Swedish NAO, appropriate application and resource efficiency of the official system for statistics requires the Government's governance of the system to be characterised by a holistic perspective. The fact that the responsibility for official statistics is decentralised to 27 different statistical agencies that have different conditions and resources also requires clear coordination of the system that can contribute to a common view and interpretation of the requirements imposed on official statistics. Clear coordination also creates the conditions which enable the statistics to be produced cost effectively.

## Audit findings

The Swedish NAO's overall assessment is that the Government has no clear plan or holistic perspective for how official statistics should be developed. The coordination and regulatory framework for the system restricts the capability and premises of statistics to achieve their overall purpose – to provide an impartial description of societal development. In addition the possibility of preparing and producing statistics cost effectively is affected. It is also a deficiency that there is no quality control of official statistical products. Not least, this is important for maintaining confidence in official statistics.

It was also clear from the audit that there is no direct joint development of statistical methods and tools within the statistics system. The statistical agencies work to a great extent independently, and in various ways to cope with various challenges that constitute a threat to the system; for example increasing non-response rates in statistical surveys. Increased cooperation between the statistical agencies, in which they utilise each other's experiences should be more cost effective and of benefit to both the agencies and the system as a whole.

### *A decentralised system makes it more important for the Government to maintain a holistic perspective in its governance*

The regulatory framework for official statistics gives the Government great scope to influence which statistics should be official. At the same time the Government's governance has not been characterised by a holistic perspective. Nor has the Government developed any general strategy or process for how official statistics should be developed or defined nor for how to manage the need for changes in statistics. Instead the Government has chosen to leave development of the system to the statistical agencies. Thus it is difficult in the context of the official statistics system to develop statistics on social phenomena of a more cross-sector nature, such as IT statistics and statistics on regional issues. To the extent such statistics are reported in official statistics they are spread among various statistical agencies. In addition, parts of the statistics are outside the system. This means that the official statistics do not give a complete picture of societal development. This also means



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DATE: 05-03-2015

an increased risk of duplicated work and that individuals and households have to submit the same or similar data to several actors.

The absence of clear processes, uniform principles and criteria for determining which statistics should be official also creates certain barriers to entry into the system for agencies that produce statistics outside the system. Since the statistics reform completed in 1994 no new statistical agencies have been added. There should and must be some barriers to entry to the system. Statistical agencies must live up to certain requirements, but it is important that these requirements are transparent and that they are the same for the agencies already in the system as for those that may potentially be included in future. It appears that there are some difference in that respect at present.

*Statistics Sweden's coordination responsibility is unclear and does not provide a foundation for planning and development of the statistics system*

The coordination of official statistics is of particular importance since responsibility for statistics is decentralised. Today Statistics Sweden has a coordinating responsibility for the system as a whole, but what Statistics Sweden's coordination responsibility includes is not clear. The formulation in Statistics Sweden's instructions can be interpreted to mean that Statistics Sweden must play an active role in planning and developing the entire central government statistics system while it does not have any direct instruments or tools to play a more active role in this respect. At the same time Statistics Sweden could use the coordination instruments it nevertheless has at its disposal in a better way. For example Statistics Sweden can issue certain enforcement regulations on the availability and quality of official statistics. To date Statistics Sweden has not fully utilised this possibility. Nor has Statistics Sweden used its Scientific Council in its coordination work. The audit has also shown that it is not clear when the methods and tools developed by Statistics Sweden using public funds are available to other agencies in charge of statistics. From a system perspective it would be more cost effective if methods and processes developed by Statistics Sweden can be used by all agencies in charge of statistics that need them.

The Council for Official Statistics is part of the Statistics Sweden organisation and up to now has been Statistics Sweden's main coordination tool. Statistics Sweden is the permanent Chair, while other members are made up of representatives of six statistical agencies, appointed for a maximum period of three years. The Council contributes to some coordination and to spreading good practice but it cannot be used effectively for overall planning, development and follow up of the official statistics system. Thus the representation and involvement of the statistical agencies is far too limited. If Statistics Sweden was slightly less dominant in the Council and the Council had an extended mandate, this would probably create drivers for other statistical agencies to increase their involvement in the Council.



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DATE: 05-03-2015

*Statistical agencies have different frames of reference and there is a need for support and evaluation*

The statistical agencies have a responsibility to meet the requirements of official statistics, while having varying frames of reference and resources. There is a clear risk that these differences will lead to varying quality of different agencies' statistical products. For this reason it is a deficiency that there is no actor tasked with reviewing and evaluating the quality of official statistical products. The audit also states that there is no actor that monitors whether the agencies manage to fulfil their statistical responsibility.

It is important that the users have access to information on the quality of different statistical products and their appropriate type of use. Consequently there is a requirement that each statistical product should have an updated description and quality declaration. The audit finds, however, that a considerable percentage of statistical products do not meet the requirement, which must be dealt with. There is also a need to make it simpler for users to find the various agencies' statistical products and accompanying documentation.

*Non-response is a challenge that is not handled together*

For a long period there has been a trend of increasing non-response in statistical surveys. This trend implies a real threat to quality in official statistics as well as increased costs for the statistical agencies. The audit shows that the agencies concerned are working individually on dealing with the problem of increasing non-response and to some extent are working in different ways. One example is that there are great differences between various agencies' view of the use of conditional penalties to force companies and others subject to a duty to provide information to submit data. It should be of benefit to both agencies and the system as a whole to cooperate to a greater extent and utilise each other's experiences.

A further problem associated with non-response is that it can make it more difficult for users and clients to assess the reliability of survey results. Statistics Sweden has analysed non-response to some extent but otherwise it seems it is a tool that is used to a minor extent among statistical agencies. Even if it is estimated to be too expensive and advanced to perform non-response analyses it is important that there is clear communication with the users as to the effect of the non-response. There is room for improvement here.

Several actors maintain that another view of official statistics needs to be established among the general public to turn the trend of increasing non-response and that the official statistics need to be more clearly differentiated from other types of statistical data collection. However, no single agency is strong enough to achieve this independently and consequently there is a need for a Government level initiative to influence the trend of increasing non-response among individuals and households.



## The Swedish National Audit Office's recommendations

The Swedish NAO makes the following recommendations to the Government and Statistics Sweden.

### *Recommendations to the Government*

- Improve planning and the strategic focus of the official statistics system. This includes developing processes and steering documents to ensure development of official statistics in line with societal development. The Government should also clarify how official statistics can be defined and delimited.
- Clarify what Statistics Sweden's coordination responsibility involves and how coordination of the system should function.
- Review the Council for Official Statistics as regards its mandate and design. The ambition should be a more even representation of all statistical agencies in line with the decentralised responsibility for official statistics.
- Ensure that a function or mechanism is set up to review and evaluate the quality of official statistical products. The peer review procedure used in the European statistical system can serve as a model and starting point.
- Investigate conceivable governmental initiatives to influence the non-response trend in statistical surveys directed at individuals and households.

### *Recommendations to Statistics Sweden*

- Use all the coordination instruments Statistics Sweden has at its disposal. Inform the statistical agencies that they have the possibility of consulting the Scientific Council of Statistics Sweden on certain issues.
- Review whether the enforcement regulations issued by Statistics Sweden to date need to be revised and whether enforcement regulations are necessary in response to the new quality requirements of the Official Statistics Act.
- Provide clearer information about when common tools, methods, processes drawn up by Statistics Sweden using public funds can be used by other statistical agencies free of charge.
- Take measures to increase the percentage of statistical products with an up-to-date description and quality declaration and review what can be done to facilitate for users who wish to find the information.
- Initiate increased cooperation and discussion between statistical agencies concerning non-response issues. Investigate whether there is a need to provide support to other statistical agencies regarding reporting of consequences of non-response.

