

NEWS FROM STATISTICS USERS FORUM

TRANSFORMING OFFICIAL STATISTICS TO SERVE SOCIETY

Under the above umbrella title, the SUF annual conference on 12 November 2008 was addressed by fourteen speakers from public and private sectors and international organisations.

Tony Wright MP, Chairman, Public Administration Committee, laid the foundations with some introductory remarks in which he looked forward to engaging with the subject and his committee's interest in it. **Enrico Giovannini**, Chief Statistician, OECD gave a stimulating and thought-provoking tour on 'measuring society's progress' – a theme on which OECD has established a 'global project' which aims to help societies determine what and how to measure, and to ensure that the measures are used. This will involve many participants and the creation of a 'Wiki' website incorporating a 'statistical Wiki'. **Ian Maclean**, who 30 years ago had delivered a paper calling for a need for statistical legislation to involve users outside government, reviewed the current situation as he saw it following the passing of the 2007 Statistics and Registration Service Act with its concomitant creation of the UK Statistics Authority. Inimitably, he left the audience with a number of unanswered questions which had (deliberately?) been left vague in the formal paperwork and pronouncements, particularly of concern to users. **Tim Allen**, Director for Analysis and Research, Local Government Association, presented the case for improved statistics useful to those in local government. Necessary elements for this were: an explicit commitment to provide better quality data, fuller exploitation of administrative statistics and pushing the boundaries of what is meant by 'official statistics'. He

suggested that he would evaluate success of the system by how far statistics led to improved public services, greater and freer data sharing, and assurance that personal data would be secure combined with public trust in their security.

Sir Roger Jowell, Director, Centre for Comparative Social Surveys, City University, put in a strong plea for wider use of attitude measurement by government, particularly time series, to put alongside economic indicators. Though collecting such data is difficult, it is not intractable. **Roger Taylor** and **David Ashby**, Dr Foster Research, described some of the approaches used by their organisation in handling health performance statistics and the arguments for and against them, citing the use of banding and thresholds, confidence limits, control charts and Bayesian ranking. **Alastair Allan**, University of Sheffield Library outlined 'what users want from the web' in relation to official statistics – something that is convenient, easy to use, authoritative and unambiguous. Under these headings he listed ten key points: manage websites to gain high visibility in search engines; provide detailed easy to use and comprehensible statistics via Directgov; official websites should be thoroughly tested for usability and accessibility; statistical publications should be in a web library with links to previous editions and timetables for future editions; provide greater variety of download formats and enable users to customise such formats; single tables should be available, not needing the downloading of entire volumes; research by government statisticians to find ways of communicating effectively to the

innumerate; British/UK sites should provide links to relevant Scottish Executive and Northern Irish outputs; search engines should be made fully effective; greater uniformity of formats with clearer definitions of topics, axes and dates.

Pedro Diaz Munoz, Director of Statistical Methods and Tools, Dissemination, Eurostat spoke about 'Improving relevance – the European perspective.' He said that a new legal framework was being developed to better capture users' needs and to integrate user input into the programming process for establishing priorities on new information to be collected whilst determining which information could be reduced or eliminated. The improvement of inter-country comparability via input and output harmonisation was in hand. It was planned to co-ordinate policy on release and revision and as well as on improving feedback from users, using website access monitoring peer review to screen users' evaluation of specific domains. **Richard Aldritt**, Head of Assessment, UK Statistics Authority, summarised UKSA's early thinking about instituting effective procedures which would reassure the public and users that the UK's decentralised statistical service is operating to shared high standards and serving the public good. It had three main ways of doing this: its direct authority over ONS, a statutory power to determine a Code of Practice, and its Monitoring and Assessment function. **Guy Goodwin**, Director, Population, Health and Regional Analysis, ONS discussed some issues and lessons from recent work on population and migration statistics. These included: look at new

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EDITORIAL

THUNDER AND LIGHTNING

The Times, colloquially entitled The Thunderer, devoted its editorial leader on 18 December 2008, headlined "Number Crunch", to a hard-hitting proposal that there should be a totally independent statistical authority. It was commenting on a spat between the Chair of the UK Statistics Authority, Sir Michael Scholar and the Perm Sec of the Cabinet Office, now the department responsible for it, following the premature release of some figures on knife crime despite the protests of the statistician responsible for producing them. It's all very well to

complain selectively but the media gratefully lap up and present (often misleadingly) government-produced data and official comments thereon, whilst reiterating the public's mistrust reported in an ONS survey. A follow-up piece in early January highlighting Sir Michael's preference for the abolition of pre-release access undoubtedly sustains the campaign. It's all a bit late once the recent statistics legislation had been enacted and implemented.

and more productive ways of engaging users and relevant experts throughout the process of developing new methods and approaches and through regular meetings with stakeholder groups; begin a dialogue on how best to engage users with the Beyond 2011 programme; welcome GSS initiatives for improved coherent reporting and better collaboration to improve statistics; recognise that 'fitness for purpose' can lead to a tension between high quality data and acceptance that fitness for a particular purpose should permit making them available; acknowledge that user preference for faster access is compatible with continuing research, analysis and interpretation; and research collaboration could be extended to private sector and local government participation. **Duncan Macniven**, Registrar General for Scotland in referring to the arrangements for the 1861 Census in Scotland, stressed that devolution had a long history and was not a novelty. He pointed to several changes to improve statistical services such as the development of ScotStat, a consultation network for users and providers, providing more accessibility for example, the Scottish Neighbourhood Statistics website, also the Scottish Government's National Performance Framework indicators, participation in the Inter-Administration Committee where matters, such as the Census, relating to all four nations can be discussed and co-ordinated. **Jon Simmons**, Director for i-Dissemination, ONS gave an update on the forthcoming enhanced Publication Hub due in 2009. **David Rhind**, a non-executive director of UKSA, rounded off the formal presentations with a personal view of how it would operate.

The Open Forum ranged widely. There is no single user community, so a sectoral approach is necessary. And a final question for the Forum to consider was how it might deal with the importance of the citizen as a user

THE BRITISH RETAIL CONSORTIUM RETAIL SALES MONITOR VS. THE ONS RETAIL SALES INDEX

by Richard Lim, British Retail Consortium

The retail sector has enjoyed an economic boom over the last ten years. It has benefited from a sustained period of economic stability, low levels of inflation, interest rates and unemployment. On average, retail spending has increased by 4 per cent every year. But the "good times" have come to an end and the industry is now facing one of the most challenging downturns in the last 50 years.

As the scale of the downturn emerged, greater emphasis has been placed on accurate data to establish the impact on the retail sector. It would be easy to assume that collecting data on retail sales is uncomplicated. However, it is not an easy industry to distil in statistical terms. There are seasonal fluctuations to take account of, new outlets crop up on the High Street and retail parks, as well as go bust, and there has also been a VAT reduction. These variables make year-on-year comparisons difficult and ONS use a range of complex statistical methods to try and resolve them.

The British Retail Consortium first launched the Retail Sales Monitor (RSM) in 1995 in partnership with KPMG. During the last 14 years the RSM has grown in stature and is now considered one of the most accurate barometers of retail sales around. Its success has been built on a representative and broad sample of retailers and most importantly it reflects what is happening in the High Street.

The RSM is built on strong foundations and the formula is essentially a simple one. Every week retailers submit their sales figures to KPMG, split into various categories such as food and drink, clothing and footwear, electrical goods and so on. Once all the data have been submitted they are added up and weighted using the Family Expenditure Survey (2007). The RSM quotes growth rates for like-for-like and total sales. These are the measures commonly used by multiple retailers with changing store portfolios. Total sales include sales in all stores whereas like-for-like sales exclude the effect of store openings and closures.

There is no doubt that the ONS collects data from more outlets. After all, their survey is compulsory. So the scale of coverage may cause some differences. But I would argue that the differences reside more in the methodology.

The ONS methodology is far more complex. Every month they report several measures of retail sales which include; volume non-seasonally adjusted, value non-seasonally

adjusted, volume calendar adjusted and volume seasonally adjusted. For the purpose of this article I intend to concentrate on value non-seasonally adjusted figures, as they are comparable with RSM.

ONS weight their data by size of store and type of retailer using the Annual Business Inquiry (2000). Here, I believe, lies the root of the difference. While supermarkets, nowadays, sell so much more than just food, the ONS categorise them as predominantly food stores, as over 50 per cent of sales are generated by food. However, the balance of sales generated by food and non-food has changed significantly since 2000. Even in the last five years, Tesco's non-food sales share has increased from 15% to 23% and growth in this area remains one of their core objectives. The face of retail is constantly evolving, changing significantly during the last nine years. By using weights from 2000 to sales data in 2009, the ONS fails to account for the change in the consumption habits of the population.

In contrast, the RSM categorise and weight data between categories of goods sold, not retailer type. This involves collecting sales data for up to 12 different categories of goods from each participating retailer. This allows the BRC to track, for example, the growth of women's clothing sales from supermarkets and departments stores as well as clothes shops.

The ONS also produce volume figures using an auto regressive integrated moving average (ARIMA) model, which takes account of seasonal fluctuations, and then use a deflator (taking account of inflation) to produce a sales volume measure. However, commenting on this goes well beyond the scope of this article.

The media and analysts have been critical of the differences between the Retail Sales Index (RSI), produced by the Office for National Statistics (ONS) and the RSM. It would be fair to say that the ONS have received negative coverage regarding the accuracy of their data. One institution claimed the ONS retail sales figures were calculated using a "random number generator".

Both the RSM and RSI are highly valued. Highlighting the differences in methodology will help readers decide for themselves which indices they believe paint a more accurate picture of conditions on the High Street.

THE 2011 CENSUS WHITE PAPER – A VIEW FROM BUSINESS USERS

Keith Dugmore, Demographic Decisions Ltd.

The Government has recently published a White Paper¹ which outlines its proposals for the next Census of Population, to take place on 27 March 2011.

The proposals, made by the UK Statistics Authority rather than ONS, are for the census for England and Wales, and include several new questions. The White Paper also gives an overview of the plans for collecting, processing and analysing the information to produce statistics, and puts considerable emphasis on data security and confidentiality. It explains that information from the census is used for the allocation of around £100 billion of public funds each year, and also acknowledges the great importance of the census to other users, including businesses.

Members of the Demographics User Group (DUG)², which represents large business users such as Boots, M&S, Sainsbury's, and Whitbread, have made considerable use of the 2001 Census, which they view as generally successful, providing a very valuable source of information. They have used this as a yardstick when developing the following views on the plans for 2011.

UK-wide? Yes & No

Many businesses, and also other users – especially academics – find it very valuable to have statistics which are comparable across all parts of the United Kingdom, and this is also one of the Statistics User Forum's priorities.

The joint statement³ by the Registrars General (for England & Wales, Scotland, and Northern Ireland) aiming to promote UK harmonisation and to produce consistent and coherent outputs for the UK was very welcome. However, the impact of devolved government is apparent in that separate plans are being published by Scotland⁴ and Northern Ireland (awaited), and these will result in some differences, particularly in the questions asked, and hence some of the outputs.

New Questions

The White Paper highlights the new questions which are proposed in England and Wales. Members of DUG welcome those on second residences (especially to improve the count of populations in city centres), language, and civil partnerships.

However, the proposed new questions on date of entry into the UK, length of intended stay in the UK, citizenship, and national identity are greeted with scepticism: they emerged from central government demands rather than the open consultation on users' priorities, have limited value as statistics for small areas, and are best collected as part of continuous administrative processes, rather than a one-off census. There is also a risk of sensitive topics such as the ownership of a passport provoking a hostile response to the census as a whole.

Users across all sectors have consistently sought to have a question on income, which is asked in most other comparable countries. The voluntary 2007 Test Census found evidence of a slightly lower response rate, and this was sufficient to convince ONS not to take a risk in this case (unlike the new migration questions, which weren't included in the Test).

In Scotland, there are some traditional differences in questions on topics such as religion and ethnicity, but it is significant that it is planned to question household income, but not to include citizenship, or intended length of stay.

Data collection

For the first time, in England and Wales most census questionnaires will be posted to households, rather than delivered by hand, as they will continue to be in Scotland. This innovation depends on ONS creating a very high quality address register, drawing on lists from the Post Office, Ordnance Survey and Local Government. Many users hope that this definitive file might be made publicly available, and kept up to date after 2011.

Plans are being made to deliver questionnaires by hand in some areas of England & Wales which are expected to be difficult to enumerate, but the case can be made that this should apply to large areas, such as most of Inner London.

All three Census Offices are intending to offer the option of completing the questionnaire on-line for the first time.

Looking ahead to the outputs

Following consultation with users, ONS are planning to retain the 2001 Census Output Area geography unless there are compelling reasons for change, and this has been warmly welcomed by members of DUG.

The Census Offices have now started their consultation on needs for statistical outputs with a web survey, but some users regarded this as inadequate (it was not designed for user groups or organisations to agree and submit collective responses), and the results are now being published as statistical analyses, as if they were from a scientific survey, rather than a self-selected poll. ONS has also proposed the creation of a Census Outputs User Council, which sounds like a step in the right direction.

¹ <http://www.ons.gov.uk/census/2011-census/news-and-events/index.html>

² <http://www.demographicusergroup.co.uk/>

³ <http://www.gro-scotland.gov.uk/files1/stats/rgsagreementupdate0808.pdf>

⁴ <http://www.gro-scotland.gov.uk/census/censushm2011/policy-and-regulations/index.html>

NEWS FROM THE UK STATISTICS AUTHORITY

UKSA's New Code of Practice

Following the publication of a consultation document in mid-2008¹ which sought responses to a number of specific questions relating to the drafting of a new Code of Practice for Official Statistics¹, UKSA has recently published its Code, - a major revision of the ONS Code, simultaneously with the outcome of the consultation² and the individual responses which fed this³, which are all available on its website. The new Code is shorter than its predecessor and has benefited from the very extensive and detailed comments which were received (31 submissions) from government and private sector respondents and which were answered by the Authority. It is structured into 8 Principles and 3 Protocols each with a number of Practices (Principle 1 is 'Meeting users' needs') and (Protocol 1 is 'User engagement'). Although these are relatively long documents, it would benefit users if they dipped into them, particularly as their concerns have been given more focused attention.

¹ *Official statistics serving the public good, July 2008*

² *Code of Practice for Official Statistics, Report on the consultation and principles and procedures for assessment, January 2009*

³ *Consultation on the code of practice, Responses to consultation, January 2009*

Roger Jowell is new Deputy Chair

Following the resignation of Professor Adrian Smith (whose appointment was reported in **BSUG News 40**, May 2008), on 31 August 2008, Sir Roger Jowell has been appointed as Deputy Chair (Statistical System) and non-executive member of the Board of the UK Statistics Authority. He is a Research Professor at City University with wide experience of social and political surveys.

Pre-release access should disappear

Sir Michael Scholar, (quoted in **The Times**, 2 January 2009), terrier-like, is continuing to pursue his campaign to reduce and eventually abolish the pre-release time allowed by the government for ministerial and privileged short-list access to data, to help to restore public trust in statistics. Reported in **BSUG News 39**, February 2008, he first expressed this hope when the Treasury published its consultation document on the subject. However, contrast this with the exemptions reported in 'News from ONS'

Monthly meeting minutes

Readers who were introduced to UKSA's website in **BSUG News 40**, May 2008, are reminded that its monthly board meeting minutes and associated papers are available at www.statisticsauthority.gov.uk/about-the-authority/our-organisation/board-committee/papers/index.html

National Statistics classification clarified

UKSA published in 2008 a list of 'National Statistics' – a summary of their numbers was given in **BSUG News 40**, May 2008. Now as a helpful contribution to enlightenment about what are and are not 'National Statistics' it conducted a review of this tricky topic with departments and devolved administrations and has published an enhanced detailed report¹ listing the number of series in each category (see accompanying table). It warns that the 'other official' list is necessarily incomplete and that classification of a series can change over time. As a result of the review, it recommends a short list of 11 sets of statistics which should become Code-compliant and a further 9 sets which might be worthy of consideration for transfer within a relatively short time.

¹ *Priorities for designation as National Statistics, January 2009*

Number of official and other statistics recorded in November 2008

Producer	National Statistics	Other Official Statistics	Total
N Ireland	115	66	181
Scotland	166	39	205
Wales	204	51	255
UK Departments	704	183	887
<i>of which</i>			
Business, Enterprise & Regulatory Reform	9	20	29
Children, Schools & Families	41		41
Communities and Local Government	31	23	54
Defence	17	6	23
Energy & Climate Change	15	3	18
Environment, Food & Rural Affairs	65	5	70
Forestry Commission	5	16	21
Health	10	11	21
Home Office	13	2	15
Justice	14	10	24
NHS Information Centre for Health & Social Care	40	21	61
Office for National Statistics	264	21	285
Revenue & Customs	78	6	84
Transport	37	3	40
Work & Pensions	40	2	42
Others	25	34	59
Total	1189	339	1528

INTERNATIONAL TRADE STATISTICS USERS' GROUP DEVELOPMENTS IN TRADE STATISTICS SINCE 2004

Report by Ulric Spencer on meeting of 15 December 2008

The previous meeting of the International Trade Statistics Users' Group (30 June 2004) heard from **Margaret Kingston** and **Tricia Williams** (both from HMRC, Customs & International Trade Statistics) about the situation governing EU trade statistics at that time. Now, four and a half years later, the same two speakers gave the Group an update on various pertinent matters to highlight awareness of the complexities which face providers, be they exporters or importers, of information on trade in goods, and subsequently the users of trade data derived from such information.

Margaret (Policy Team Leader) began by outlining the changes in EC legislation on both Intrastat (which is concerned with trade between EU member states) and Extrastat (covering EU trade with non-EU countries).

On Intrastat, there were:

- Revised Intrastat European and Council Regulation (EC) No.638/2004
- Revised Intrastat Commission Regulation (EC) No.1982/2004
> Amended by Intrastat Commission Regulation (EC) No.191/2005

The key changes enshrined in the 2004 Regulations were based on clarification after more than 10 years experience of Intrastat. All references to the setting up of the system were removed. The Assimilation (renamed Exemption) threshold was reset to ensure the coverage of a minimum of 97% of trade by value. Passive confidentiality was established in law; repairs were excluded; and the list of specific goods and movements was expanded and in some cases changed, particularly to allow the use of additional data sources. This list included industrial plant, staggered consignments, vessels and aircraft, motor vehicles and parts (new), goods delivered to vessels and aircraft, offshore installations, sea products (new), spacecraft, electricity (new), and military goods.

The 2005 Regulation removed the need to provide Net Mass where there is a Supplementary Unit – applies to about a third of Combined Nomenclature (CN) codes; introduced a revised definition of repairs; and extended to Gas the provisions applying to Electricity.

Under the rubric of Administrative Burdens Agenda, Intrastat had been identified in 2004 as the major statistical burden on business. Single Flow data was the option preferred by Finance Ministers but its implementation was dependent on improvement in data quality. The results of consultation with users indicated that they would accept a reduction in coverage from 97% to 95% (a reduction to 90% was not acceptable as this would not provide enough detail), and Ministers agreed to support such a move.

An amended Basic Council Regulation (expected to be published in March 2009) will provide for changes after 2010 including a drop in coverage of arrivals from 97% to 95% of trade by value; statistics to be compiled by business characteristics (see below) and spelling out the details of statistics quality assessment procedures.

Discussion was ongoing on possible amendments to the Commission Regulation to cover what is included in statistics eg on emergency aid and new means of transport for goods supplied to private individuals, which applied eg in Germany; the nature of Transaction Codes to capture data, in particular on intra-group trade' and provisions for specific movements.

On Extrastat, there were:

- Amendment (EC) No.1949/2005 to Commission Regulation (EC) No. 1917/2000

The list of specific goods and movements was expanded and in some cases changed, particularly to allow the use of additional data sources.

- Basic Extrastat Regulation (EC) No. 1172/95

There had been work on revising this to bring it into line with the Intrastat Regulation; and to take account of changes in customs procedures. Originally this had been planned for implementation by 2007 but it was now unlikely to occur until 2010. The likely changes included the provision by Customs of data for statistical purposes even where simplifications were allowed; changes to data elements such as the Member State of actual export or final destination, and the currency of invoicing; and the compilation of statistics by business characteristics (see below) and how statistics quality would be assessed.

- Modernised Customs Code (EC) No.450/2008

This was published last June but would not be fully implemented until 2013. Implementing provisions are currently being drafted. Simplification will allow: centralised clearance, whereby all documentation can be completed in one Member State; and self assessment with periodic returns (possibly monthly).

Two further updating Regulations were required:

- Council Decision 2006/512/12/EC introduced a revised 'comitology' (concerned with committee) procedure, one with scrutiny by legislators, the other without scrutiny, expected to be adopted in mid-2009 for implementation from 1 January 2010.

The 'with scrutiny' procedure would include chapters on trade coverage, data definitions, production of statistical datasets – concerned with business characteristics and currency of invoicing, specific movements; and transmission of statistics to Eurostat. The 'without scrutiny' procedure would include chapters on data exchange between customs and statistical authorities; compilation of statistics (such as changes to Nature of Transaction Codes); and production of an annual Quality Report.

Tricia (Head of Trade Statistics: Analysis and Data Governance) enumerated the impact of the changes to the EC legislation on Intrastat and Extrastat since 2004 and the changes proposed from 2010.

Impact from changes in 2004-5 Regulations

- Net Mass. Most UK traders continued to supply this. Work required to achieve change to UK systems was difficult and they had been allowed to make its provision optional. There had been no consultation on this across Europe. EU trade associations had complained about data loss and Eurostat had set up a group to examine potential estimation methods. Work is ongoing.

- Specific movements. The key changes were the inclusion of data on Electricity and Gas and the use of new data sources. Cross-border movement measures were a compromise and countries do not all use the same system. Results were improved accuracy of data but increased asymmetries (discrepancies in consistency between partner countries on 'exports to/imports from' data).

Impact from changes from 2010

- Intrastat simplification. Preparation for the change in threshold; list of most affected commodity codes; reviewing estimation of 'below threshold' trade – estimation may be satisfactory only for some codes. Information will be available from the HMRC website in due course.

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- New business data. There will be matching of Business Register and trade in goods data. Tables by SIC, probably at 2-digit level but not below, will be available; will show SME data, with some analysis of below threshold trade but subject to active confidentiality. Examples of tables include trade by:
 - Economic activity and employment size class – all and traders below exemption threshold
 - Concentration: top 5, 10, 20 enterprises' share of trade
 - Partner zone
 - Number of partner countries
 - Commodity and economic activity

Destination/Origin improvements for non-EU data

- Clarifies what should be declared
- Potential improvements in 'Rotterdam effect' and other transit trade issues
- Currency of invoicing. This is required by the ECB, split by \$, €, national (eg £). For the UK there are two main options: customs declarations or trader surveys. The initial impact assessment is to be refined and published.

Beyond 2010

- Further simplification options include: reduced coverage, single flow.
- Potential new data sources: EC sales list, quarterly in arrears; customs safety and security procedures, with perhaps more data in advance.

There was a brief allusion to recent UN work on International Merchandise Trade Statistics (IMTS) concepts and definitions, which was last revised in 1997/8. Updating it needs to reflect: the way international trade is conducted; the legal environment, simplification of customs formalities; related statistical frameworks such as National Accounts and Balance of Payments; and user needs. Also further clarification of existing concepts.

An Expert Group has been created – HMRC is a participant – to ensure active country involvement. Following worldwide consultation on a list of 17 issues* in 2007, the results are being reviewed by an E-forum and virtual meetings, with a final meeting scheduled for Autumn 2009 to confirm the final text.

* The list comprised: coverage; use of change and ownership between residents and non-residents; packaged software; goods for processing; transactions between parents and affiliated branches; downloadable or otherwise electronically

delivered computer software and audiovisual products; asymmetric inclusions and exclusions; adding mode of transport; adding imports on FOB-type basis; strengthening country of consignments for imports; optional or recommended country of consignment for exports use of non-customs source and data compilation strategies; maintaining institutional arrangements; recommendations on quality of IMTS; providing additional recommendations of the compilation and dissemination of IMTS metadata; compilation of external trade statistics and of seasonally adjusted data.

Further details are available at:

<http://unstats.un.org/unsd/trade/EG-IMTS%20web%20announcement.htm>

Finally, attention was drawn to the move to the revised NACE. This was reflected in the UK's change from SIC 2003 to SIC 2007.

Further details may be found on the following websites:

Eurostat:

http://epp.eurostat.europa.eu/portal/page?_eid=3233,73049386&_dad=portal&_schema=PORTAL

HMRC advice for providers:

http://customs.hmrc.gov.uk/channelsPortal/WebApp/channelsPortal/WebApp?_nfpb=true&_pageLabel=pageLibrary_PublicNoticesAndInfoSheets&propertyType=document&columns=1&id=HMCE_PROD1_028309

ONS Operation 2007:

[Http://www.ons.gov.uk/aboutstatistics/classifications/future-developments/operation-2007/index.html](http://www.ons.gov.uk/aboutstatistics/classifications/future-developments/operation-2007/index.html)

ONS implementation:

http://www.statistics.gov.uk/elmr/08_08/downloads/ELMR_Aug08_Hughes.pdf

SIC:

<http://www.statistics.gov.uk/statbase/Product.asp?vlnk=14012>

Note: Coverage in past issues of BSUG News of some of these themes included: Margaret and Tricia's previous presentations were reported in issue 24 June 2004; Gas and Electricity data collection changes in issue 32 May 2006; Intrastat survey changes consultation in issue 37 August 2007, stages in the move to SIC 2007 in issues 20 March 2003, issue 35 February 2007 and issue 38 November 2007; change to Intrastat lower threshold and the ELMR article by John Hughes on SIC 2007 in issue 41 November 2008.

PUBLIC ADMINISTRATION COMMITTEE

INITIAL HEARINGS ON OFFICIAL STATISTICS

Following the passing of the Statistics and Registration Services Act, departmental responsibility for the ONS and its supervisory UK Statistics Authority passed from HM Treasury to the Cabinet Office. Consequently Parliamentary oversight moved from the Treasury Select Committee to the Public Administration Committee (Chair: Dr Tony Wright MP), which so far has had two hearings on Official Statistics. Witnesses at the first held on 10 July 2008 were Michael Fallon MP, who chaired the Treasury Sub-Committee, Simon Briscoe, Statistics Editor, **Financial Times**, and Jill Leyland, Chair, National Statistics Working Party, Royal Statistical Society. The Committee sought initial briefing on a number of areas to inform itself on germane matters such as ONS staff relocation, the Census, UK-wide statistics, and National Statistics. At its second hearing on 20 November 2008, witnesses were Sir Michael Scholar, Karen Dunnell and Richard Aldritt. Questions asked were on similar subjects – trust, the Census, ONS relocation, assessment, and National Statistics so that the Committee could compare officials' perspectives with those given at the first hearing.

NEWS FROM RSS

CAMPAIGN FOR REAL STATISTICS OPENS

The brainchild of David (Lord) Lipsey, the Campaign for Real Statistics¹ (shades of Real Ale) opened for business in January with the announcement of a website², and one full-time staff member, the Director. It is intended to be a vehicle for 'naming and shaming', politicians, media and their staff who can be shown to be 'statistical sinners' ie misusers. Lipsey's career has embraced working in journalism, a trade union, as a political adviser, in a quango, a think tank and a director of the Tote in charge of greyhound racing. Some of his time will now be given to the Campaign, which he hopes will be for statistics what the Institute for Fiscal Studies is for tax, a kind of referee. An interview with him appears in the Royal Statistical Society's publication for general readers, **Significance**, December 2008.

¹ Subsequently renamed Campaign for Straight Statistics

² URL not yet available



ONS ORGANISATION

Just a reminder that an 'organigram', which shows the organisation's current structure and senior management, can be found on the ONS website. The Office, for which the National Statistician is responsible, has two Directors General. The first oversees Statistical Delivery; it has five Directorates with twenty eight branches; the second entitled Transformation has three Directorates with seventeen branches. In addition there is a Policy Directorate.

PRE-RELEASE EXEMPTIONS FOR HM TREASURY AND BANK

Karen Dunnell has granted exemptions under the Pre-release Access to Official Statistics Order 2008 for some statistics to be pre-released to some HM Treasury members and the Bank of England Monetary Policy Committee more than 24 hours ahead, so that they can be taken into account at the first available opportunity, rather than having to wait for the following month.

CONSTRUCTION STATISTICS CONSULTATION

Following the transfer of responsibility for collection and publication of construction statistics from BERR to ONS in March 2008, ONS took the opportunity of reviewing all the relevant surveys so that they conformed to ONS processes and procedures, to make methodological improvements and to examine whether they met users' needs.

The 12 week consultation, which ends on 6 April 2006, follows earlier enquiries among users in 2001, 2005 and 2008. The document, available at ons.gov.uk/about/consultations/open-consultations/index.html, lists the relevant surveys under consideration – on output and orders, and the compendium, Construction Statistics Annual – and sets out proposed changes thereto, giving descriptions, reasons, impact and implementation dates for them, some of which indicate discontinuation of existing data. There is also a list of users' earlier suggestions which were considered but rejected together with reasons for such rejections.

NEWS FROM EUROSTAT

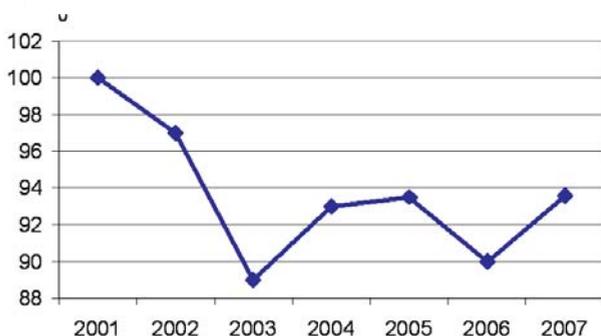
FOCUS ON NATIONAL ACCOUNTS AND BURDENS

Eurostat's Bulletin, **Sigma**, 3/08 is devoted to articles on National Accounts, which are described as "a topic not well known to the wider public despite its huge importance". They cover aspects dealt with by Eurostat, the experiences of some Member States – Hungary, Finland and Cyprus, the European and Portuguese Central Banks, the European Commission's Economic and Financial Affairs Directorate-General, the UN Statistical Division and OECD, as well as Germany's Deka Finanzgruppe and the UK's National Institute of Economic and Social Research. It rounds off with a couple of interviews with members of the Bulgarian National Statistical Institute.

Following the 94th DGINS Conference in Vilnius, Lithuania held on 25/26 September 2008 under the title Reduction of administrative burden through official statistics, **Sigma**, 1/09 contains articles on this theme, with contributions on Eurostat, Austria, Netherlands, Denmark, Lithuania and Germany. It appears that only 0.6% of the EU 'burden' on enterprises – in Denmark it's only 0.5% –, is attributable to statistics. Despite this very low level, the European Commission initiated an action programme in 2007 to reduce the burden on businesses by 25% by 2012.

Austrian performance in this respect, measured by an Index of Total Statistical Response Burden, is illustrated below.

Index of Total Statistical Response Burden in Austria
2001=100



CHINESE (EX)CHEQUERS, WOW!

"If you can keep your head when all about you are losing theirs and blaming it on you". Who would be a Chinese statistician? Westerners' view the reliability of their official statistics (no UKSA there) with scepticism, so it is illuminating that the Chinese have a name for manipulating them ie 'being economical with the truth' – it is jiaobao fukuafeng – wind of falsification and embellishment. Now there are a couple of words to conjure with. And the description by the head of their National Bureau of Statistics of positive signs in the outlook are quoted as "it could be like sunshine in a cold winter, light at the break of a dark dawn and sparks that could be turned into a roaring fire." Catch our mandarins using such poetic language? Perhaps also an opportunity to globalise the Campaign for Real Statistics?

An American researcher has devised a computer model to register 'surprise'. The unit of measurement has been dubbed the 'wow'. Could be really useful to statisticians at this time.

NEWS FROM EUROSTAT

WALTER RADERMACHER IS NEW DIRECTOR GENERAL

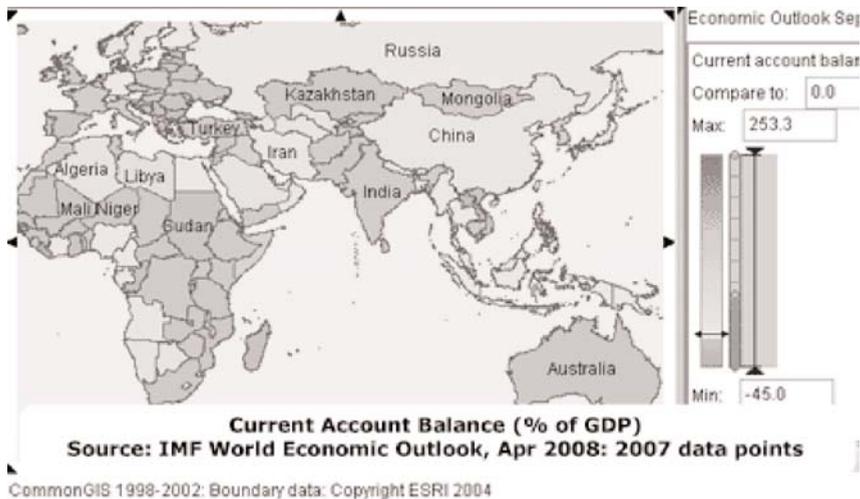
Once more there is a new Director General at Eurostat. On 1 August 2008 Walter Radermacher, President (Head) of the German Federal Statistics Office, Wiesbaden (Destatis) replaced Hervé Carré, who was appointed in May 2006 and retired at the end of June 2008.



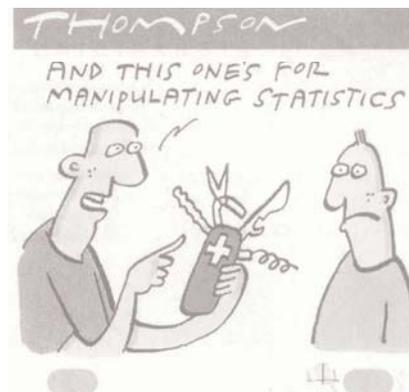
NEWS FROM THE UK DATA ARCHIVE

IMF WORLD ECONOMIC OUTLOOK COMMONGIS UPDATED

The UK Data Archive's Economic and Social Data Service International CommonGIS data exploration and visualisation interface with the IMF's World Economic Outlook (WEO) has been updated with 2007 data taken from its April 2008 edition. CommonGIS is an interactive web-based geographical data system which provides standard GIS functionality and can be used as a tool for visualisation and exploratory analysis derived from geographically referenced statistical data. The WEO database contains selected macroeconomic data series which allows users to visualise across the globe a selection of attributes such as current account balance (see illustration), GDP total and per capita, inflation, consumer prices and population.



Access at www.intute.ac.uk/sciences/worldguide/: (click on the IMF WEO 2008[GIS Analysis] link) is free to all – the only requirement is a Java-enabled web browser.

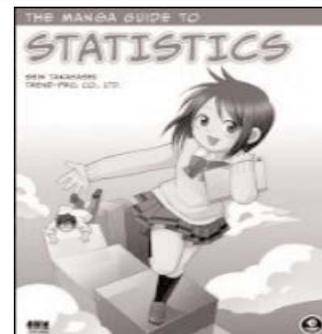


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REASONS TO BE FEARFUL

An article under this headline by Tim Adams in **The Observer**, 4 January 2009 contains the following: "The more statistical information we have, the more likely we are to rely on irrational decision making." A fearful thought for 2009.

THE MANGA GUIDE TO STATISTICS



Readers may be attracted by a new book aimed at the general public, *The Manga Guide to Statistics* by Shin Takahashi (£13.99). Think you can't have fun learning statistics? The blurb says this will teach you everything you need to know about this essential discipline (Really? Ed.), while entertaining you at the same time. With its unique combination of Japanese-style Manga comics and serious educational content, the Edumanga format is already a hit in Japan.

NEWS FROM BERR

SMALL AND MEDIUM SIZED ENTERPRISES STATISTICS CONSULTATION

The Department for Business, Enterprise and Regulatory Reform (BERR) is undertaking a 12 week consultation ending on 23 March 2009 on its publication **Small and Medium Enterprise (SME) Statistics for the UK and the Regions**, the scope of which is wider than that of ONS's **UK Business: Activity, Size and Location**. The consultation seeks views on how the publication could be improved, given refinements in methodology, and whether the scope and layout are still relevant. Originally published annually, now biennially and expanded to include regional data, the most recent being 2007, it is intended that the results of the consultation will help shape the next issue due in summer 2009.

Available on ons.gov.uk/about/consultations/open-consultations/index.html, the consultation document also invites responses to 30 questions relating to methodology, scope, presentation, format and dissemination

FUTURE SBE MEETINGS

Tuesday 24 March 2009

CIPFA, 3 Robert Street, London WC2 (6.00pm)

MIGRANT WORKERS AND THE UK LABOUR MARKET – BLESSING OR CURSE?

JOHN PHILPOTT, Public Policy Director & Chief Economist,
Chartered Institute of Personnel and Development

Tuesday 23 June 2009

One Great George Street, London SW1
Annual Conference

All enquiries about attendance or membership:
Society of Business Economists 01264 737552 or admin@sbe.co.uk

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