

# Opinion on the Priorities for the post-2020 European Statistical Programme

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# 1. Introduction with some general observations and comments

The ESS Committee position paper "ESS priorities beyond 2020" (ESAC Doc. 2017/50) is a clear and very comprehensive document, which appears to touch on almost all the key issues regarding the priorities for the post-2020 European Statistical Programme, and forms the basis for ESAC's Opinion. However, ESAC would also like extend the points made under section 4 (common vision) by stressing that official statistics play a fundamental role in providing insight into the economy and society and that they are vital to the wellbeing of the EU societies and citizens.

To summarise the position paper, it seems that the high level points are that (i) the ESS needs to retain its unique selling point of assured *quality*, while improving practice in the directions of (ii) *speed of delivery*, (iii) extracting information from *new data sources*, and (iv) *response to new questions*. In addition, (v) the ESS should pay *increasing attention to training and improving statistical skills* at all educational levels and also to improving citizens' statistical literacy, including that of non-users. In this respect, there is a need to be more specific about the use of the concepts *statistical literacy* and *users*<sup>1</sup>. Moreover, (vi) the ESS is expected to aim at synergies by optimising *coordination*<sup>2</sup> of the production of statistics by other Commission services (see ESAC doc. 2017/36).

Finally, (vii) special attention should be paid to the challenge of *ethical data governance*. The paper does not seem to have the words "governance" or "ethics" in it anywhere. And yet issues of ethical data governance are certainly occupying a lot of people's time these days. (Not least as they try to balance competing aspects of legislation.) These issues are becoming more important with the advent of new kinds of data, but they are not the same issues as technical matters concerning whether the new kinds of data are "good enough" for some purpose, or issues of how to capture or use such data. "Regulation" is mentioned in passing in Sections 3.3 and 5.3, where data protection is mentioned, but ethical data governance is more than that.

<sup>&</sup>lt;sup>1</sup> The concepts of *statistical literacy* and *users* are indeed present in *the ESS priority paper*, though with an ambiguous use:

users are not an homogeneous group (ESAC Document "The Users of Statistics and their role in the European Society", published in 2015)

<sup>•</sup> statistical literacy has different levels: for instance "statistical literacy among professional users" (p.4) is different from "citizens' statistical literacy" (p.3).

<sup>&</sup>lt;sup>2</sup> The coordination of the production of statistics with other services of the Commission has not only the value of improving the *efficiency* in the use of resources and the *quality* of the statistics produced by those services. It also helps to improve the *quality mark* of European statistics. Labelling official statistics in terms of their quality is also the aim of the recent *ESS Quality Declaration*.

# Detailed comments based on the sections of the ESSC position paper

#### 2. The ESS today

In addition to the points made in the paper, a clear explanation is needed about the value added of official statistics, namely by presenting, in a general and enlightening way, the impact and the role of official statistics in society and for the citizens. Actions to engage non-users with statistics should also be considered. Engaging non-users and citizens not so familiar with statistics might help change the unfortunate situation referred to on page 2 regarding a "lack of motivation of many survey respondents to provide data reflected in declining response rates...[and a]...perception of statistical data needs as an administrative burden".

The paper does discuss consistency and comparability of European statistics - and indeed stresses harmonisation as one the ESS's key attributes. It also mentions (Section 4) "transform[ing] data of different origins into coherent information". Moreover, the paper (Section 3.2) discusses issues such as the difficulty (relatively statistically naive) users have in distinguishing "fake news" and false figures from sound evidence. However, it appears that it does not discuss the issue of alternative incompatible definitions. Often these can arise even within a single NSI. For instance, a couple of examples:

- (i) From the UK's Office for National Statistics (ONS): crime rates measured by the Crime Survey for England and Wales and by the Police Recorded Crime statistics can be incompatible and even show different trends. This is because they refer to different populations and use different definitions. While statisticians understand this, it can be confusing to users and lay people (the paper emphasised in Section 3.2 that "the average user profile of official statistics is shifting towards non-experts").
- (ii) Incompatible measures of immigration from the UK's International Passenger Survey and UK National Insurance Numbers (NINo): again the issue is one of different definitions. In response to user confusion about this, the ONS<sup>3</sup> said "it is not possible to provide an accounting type reconciliation that simply 'adds' and 'subtracts' different elements of the NINo registrations to match the LTIM<sup>4</sup> definitions".

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<sup>&</sup>lt;sup>3</sup> ONS (2016) Note on the difference between National Insurance registrations and the estimate of long-term international migration: 2016. Crime in England and Wales, year ending March 2016. *Statistical Bulletin*. Office for National Statistics, Newport.

<sup>&</sup>lt;sup>4</sup> Long-Term International Migration

This is not merely a question of harmonisation - different definitions are useful for different purposes. This is a thorny issue, since it leads to the possibility of people arguing for different positions that are supported by (incommensurate) official statistics; it should therefore be taken into account along with the points made in Section 5.1 of the paper.

ESAC has earlier systematically paid attention to the request for various subnational statistics and the increasing demand for adequate breakdowns both in terms of geography and subject content. These obvious requests are explained in earlier ESAC Opinions, especially in the ESAC Opinion concerning the AWP 2018 (ESAC doc. 2017/18), the ESAC Opinion on a pre-final draft EU SDG indicator set (ESAC doc. 2017/22), and the ESAC Opinion the Final Report of the Expert Group on Quality of Life Indicators (ESAC doc. 2017/33).

A minor observation<sup>5</sup> concerns the second indent at the bottom of page 1 of the paper, which might need an explanation.

#### 3. Statistics in a changing world

In addition to the points made in the introduction to Section 3 of the paper, additional issues having an impact on the value of statistics should be addressed, especially those of "post truth reality" and the digital-information era. Last year ESAC put forward (ESAC doc. 2017/18) that "individuals and institutions should be clearly informed about the quality of different types of official statistics coming from the ESS and other European agencies. It is also important that they understand the true impact that statistics can have on their daily lives. In today's rapidly changing data environment, helping users know where to go, and what data can be trusted, is critical. Reinforcing the ESS brand is also very important."

One major trend shaping our world is *urbanisation*, closely connected to the new reality of globalisation and migration. The EU Urban Agenda is a new method of working with the aim to promote the economic, social and environmental transformations of cities through integrated and sustainable solutions. Monitoring progress of Sustainable Development Goal 11 "Sustainable Cities and Communities" requires a broad set of selected indicators describing cities and their residential areas and other human settlements. Hence the request for *regional and urban statistics* is an urgent issue at European, national, sub-national, regional and local levels. Providing the requested geographical breakdowns in practice would be more feasible if statistical data were geocoded.

The association made between ageing populations and budget pressures, referred to on page 2 of the paper calls for an explanation: "Furthermore, budget

<sup>&</sup>lt;sup>5</sup> At the foot of page 1 it says "... harmonised statistics for the greatest number of statistics covering the largest populations". Could this be further explained?

pressures associated with ageing populations and the aftermath of the financial and economic crisis imply a severe squeeze on the traditional financing of national statistical authorities".

## 3.1 Changing economies and societies

**Ageing** is also an important variable for the labour market developments and should be considered alongside technology, globalization and migration referred to on page 3 of the paper.

On page 3 the paper also states that "while income levels have generally improved, there are concerns about dissatisfaction within certain population strata". Regional overviews and performance assessments should not be forgotten in this context, because in the aftermath of the recent financial and economic crisis, sub-national regional disparities are on the increase and in some instances gaps have widened more quickly between regions in the same country than between Member States. It is also well known that national indicators and averages hide the reality that people and businesses experience in their everyday life.

## 3.2 Fast changing data uses and user needs

Serious concern should be paid to **statistical literacy** under this heading, because one key issue in promoting official statistics to citizens is the level of statistical literacy in society. It is essential to recognise the point made on page 4 that "the level of statistical literacy among professional users is an important factor that directly impacts the way figures are subsequently presented and explained to the ordinary citizen". But beyond enjoying easy usability of data and understandable data, a complementary reference to responsible data uses and appropriate analysis is also needed. In order to prepare for and to cope with evolving data uses and user needs, statistical literacy should be continuously promoted at all educational levels.

Furthermore, an increased emphasis on data integration and consistency should enjoy high priority within ESS. Official statistics should continue to be delivered and communicated in a way that keep and earn trust in an open and transparent way.

#### 3.3 Data revolution

Data generation processes evolve rapidly, and therefore care and attention are needed to ensure that official statistics which are based on, or are taking advantage of, new sources of "big data" are sustainable, and are consistent over time.

The **importance of ethical data governance** should be stressed. As this topic is of crucial importance at both national and EU levels, it would be very appropriate for Eurostat to take charge of the coordination.

In the context of data revolution, open data and open access play a major role in allowing for flexibility and new forms of collaboration to react to user needs.

#### 3.4 Future of Europe

It is of vital importance to capture the impacts of globalisation from all essential points of views and to make timely adjustments or reforms to the production of macroeconomic and regional statistics. Further development of distributional indicators is required and there is an important need for high quality migration statistics with an emphasis on longitudinal statistics.

While the scenarios put forward in the White Paper on the Future of Europe<sup>6</sup> did not come along with clear ex ante assessments or with a set of indicators to quantify their scope, it remains unclear what future data requirements will result from this process, posing a clear uncertainty to the ESS beyond 2020.

In particular, the recent proposals of the European Commission for developing new budgetary instruments to support structural reforms (which are part of the proposals made on 6 December 2017 to strengthen the EMU) are lacking clarity on how to measure and quantify the financial needs and the effectiveness of financing structural reforms, posing additional challenges for the ESS. This is worrying since the Commission so far has not come forward with an adequate ex ante impact assessment.

This is even more problematic since the European Court of Auditors recently published a report on another policy resulting in a number of recommendations such as: "Member States and the Commission should: manage expectations by setting realistic and achievable objectives and targets; perform gap assessments and market analyses prior to setting up the schemes" as well as: "The Commission should identify and diffuse good practice in monitoring and reporting based on its overview of the existing systems across Member States. The Member States should improve their monitoring and reporting systems in order to regularly provide quality data to facilitate the development of more evidence-based (...) policies."

<sup>&</sup>lt;sup>6</sup> https://ec.europa.eu/commission/sites/betapolitical/files/white paper on the future of europe en.pdf

<sup>&</sup>lt;sup>7</sup> https://www.eca.europa.eu/Lists/ECADocuments/SR17 5/SR YOUTH GUARANTEE EN.pdf

As urbanisation is a major global trend it would be important to also recognise **the role of cities and regions supporting change** (many times acting as drivers of change) at national and European levels.

Smart City initiatives involve collecting vast amounts of data for operational reasons – to make cities run more efficiently. Though the concept of a Smart City is loosely defined, Smart Cities aim at increasing both eco-efficiency and the quality of life. Developing and delivering Smart City Services, Smart Living, Smart Mobility, Smart Economy and so forth is user-driven and supports citizens' involvement. Open data and co-creation of data are used and there is an opportunity for NSIs to harvest these data to contribute to official statistics. Furthermore, this might offer an opportunity for experimental official statistics and for bringing statistics closer to the citizens.

#### 3.5 Budget constraints

**Joining forces** and striving towards capacity building through **cooperation** are actions in the right direction. Expanding and deepening the cooperation between NSIs and within the ESS are at the core. In addition, new and innovative ways of cooperation could also be tested. Looking for complementing actions of stakeholders outside the ESS, at various administrative and geographical levels, could help to tackle some of the future challenges.

#### 4. A common vision for ESS

On page 6 the paper refers to engaging with different user groups to "maximise the role data can play in our societies". In addition to working with these user groups, the group of **non-users** should also be engaged.

#### 5. Strategic priorities

The three focus areas described in the paper, "Satisfied users", "Suitable capabilities", and "Effective partnerships" are comprehensive. The paper lists the subsidiary objectives towards which the ESS needs to work to achieve these high level goals.

Grouping the goals into three focus areas is helpful but some further prioritisation of these "priorities" might be beneficial, while acknowledging that all of them are important and none should be overlooked.

Translating the strategic priorities into a work programme, even into a multiannual work programme, will most certainly appear a challenging task and will require adequate resources at both EU and national levels.

#### 5.1 Satisfied users

Putting *the users in the centre* is key for ESAC. On page 7 the paper states that the ambition of the ESS is to "*Ensure that European statistics reach all relevant users and respond to their needs*". However, this ambition calls for a clarification, namely what is meant by "all relevant users".

Advancing statistical literacy among various user groups, including non-users, is a powerful tool for reaching the objective to learn about data users and their needs (page 8) and the objective of promoting the value of official statistics (page 9). While there have been efforts to promote statistical literacy, more could be done to measure the impact and the outcomes of the initiatives taken. A regular measurement of the level of statistical literacy in the EU among various user groups in a standard and comparable way would be very helpful.

The priorities presented under "Satisfied users" concerning better communication of European statistics are measures in the right direction to ensure high end-user value. Going beyond the publication of pure facts and figures by offering various user-support services has its limit for NSIs though. Offering basic interpretation, interactive and visual aids ready-for-use is good practice to be further developed. However, when the request is about far reaching interpretation and statistical analyses (e.g. testing hypothesis, explaining variations and relationships) it is a research question to be addressed to scientific research.

Striving for satisfied users means many things and different things over time. Thus, striving for satisfied users calls for the flexibility and agility of the ESS. **Being able to combine statistical and geospatial information** would add considerably to the flexibility and agility of the ESS, and would also improve efficiency.

#### 5.2. Suitable capabilities

Securing suitable capabilities is thoroughly handled in the paper. However, from the point of view of staff, ESAC would like to bring about *exchange programmes* and various exchange opportunities between NSIs, within the ESS and maybe even across a wider range (global actors in the field of official statistics). In addition, cooperation and partnerships provide opportunities for learning and capacity building.

#### **5.3 Effective partnerships**

Digitalisation, international cooperation and partnerships call for **common standards**. The ongoing development of common standards and data

interoperability will be valuable for both capacity building and efficiency gains and will also have a positive impact for users.