



The Official
Statistics System

➔ **Advisory Committee
on Official Statistics – ACOS**

Foreword

This is the second annual report of the Advisory Committee on Official Statistics (ACOS).

ACOS was established in 2005 to give the Minister of Statistics advice on the Official Statistics System. Over the past two years, the Committee focused on developing a sound understanding of the Official Statistics System and its various components. This was aided by views gathered from users' surveys and by results from the recent self-assessment undertaken by producers of Tier 1 statistics. This report confirms that users continue to rate official statistics highly in terms of relevance, usefulness and reliability. The self-assessment survey also shows that producers, with few exceptions, consider official statistics fit for use.

The response to various initiatives across the Official Statistics System, such as the adoption of the recently published *Principles and Protocols for Producers of Tier 1 Statistics*, shows increasing support for the Official Statistics System.

This has given the Committee confidence that the overall system of Tier 1 statistics is in good health.

The Committee acknowledges the commitment to the Official Statistics System by Statistics New Zealand, other producers of official statistics, users and respondents.

I would like to acknowledge the contribution of the former Government Statistician, Brian Pink, for his enthusiastic leadership of the Official Statistics System, and thank him and his departmental officials for their commitment to enhancing its operation and performance. I also thank the previous Minister of Statistics, Hon Clayton Cosgrove, for his leadership and support.

In the coming year, ACOS is keen to broaden its engagement across the Official Statistics System. This will enable the Committee to continue reporting on the health of Tier 1 statistics and on gaps in areas of importance.

On behalf of ACOS, I look forward to working with all the participants in the Official Statistics System, including the Minister of Statistics, Darren Hughes, and the Government Statistician, Geoff Bascand.



Chairman
Hon David Caygill

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1 Introduction

PURPOSE AND FORMATION OF ACOS

The Advisory Committee on Official Statistics (ACOS) was established in September 2005 to give the Minister of Statistics independent advice on New Zealand's system of official statistics. By virtue of its composition, ACOS also represents the interests of the wider statistical community, including users, producers, and suppliers of statistical data. ACOS therefore, helps to ensure that official statistics (particularly Tier 1 statistics, the key official statistics that are performance measures of New Zealand), meet the needs of users and producers.

ACOS is an independent advisory committee whose mandate covers the whole Official Statistics System, which comprises all statistics produced by all government departments, as well as the mechanisms used to produce them.

The functions of ACOS are to:

- advise on the integrity, relevance and quality of Tier 1 official statistics so that they best meet the needs of users
- improve public confidence in official statistics by monitoring and reporting on standards, protocols and policies
- provide comment to the Government Statistician on the performance of the Official Statistics Research and Data Archive Centre (OSRDAC)
- provide comment or advice on any other matters relating to the Official Statistics System that are referred to it by the Minister of Statistics.

In doing this, ACOS is required to produce an annual report to the Minister of Statistics and to the Government on the health of the Official Statistics System. This report covers:

- the relevance and quality of Tier 1 statistics
- any changes necessary to improve the coverage of Tier 1 statistics
- the appropriateness of standards, policies and protocols for official statistics.

ACOS MEMBERSHIP

The 10 members of ACOS represent a broad cross-section of the community, covering government, business, academic, cultural and community interests. Members are appointed on an individual basis, although they are (or have been) members of significant organisations who bring to the Committee their own personal knowledge and expertise of their respective fields.

Members understand the value of official statistics in analysing New Zealand's economy, society and environment. They are selected and appointed by the Minister of Statistics.

The members are:

- Hon. David Caygill, Chair (Chair of the Electricity Commission)
- Professor Richard Bedford (Population Studies Centre, University of Waikato)
- Dr Peter Bushnell (Deputy Secretary to The Treasury)

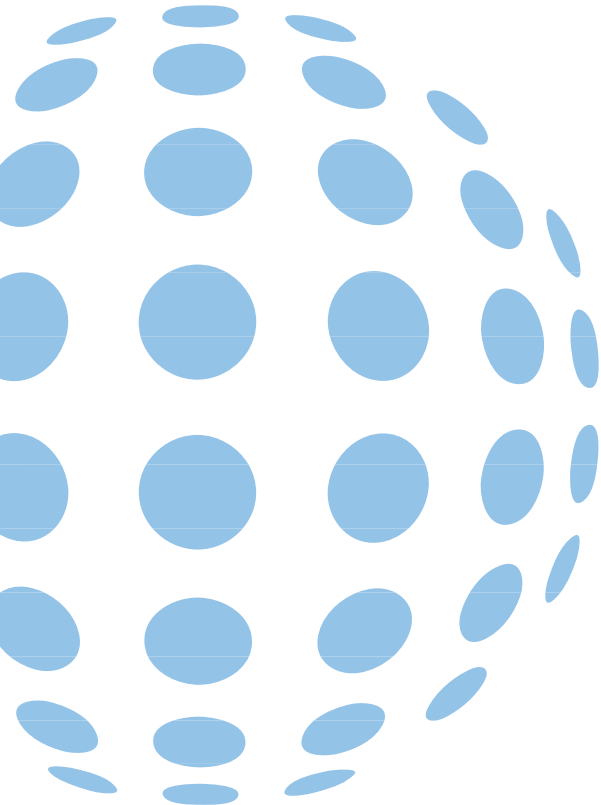
- Dr Bryan Jenkins (Chief Executive, Environment Canterbury)
- Don Gray (Deputy Chief Executive, Ministry of Social Development)
- Jas McKenzie (former Secretary of Labour)
- Phil O'Reilly (Chief Executive, Business New Zealand)
- Roger Procter (Chief Economist, Ministry of Economic Development)
- Emeritus Professor Alastair Scott (Department of Statistics, University of Auckland)
- Professor Linda Tuhiwai Smith (Pro Vice-Chancellor Māori, University of Waikato)

The Government Statistician, Geoff Bascand (appointed as Government Statistician in May 2007), is also a member of ACOS, ex officio.

During the year, Marcel Lauziere (Deputy Chief Executive, Ministry of Social Development) returned to Canada. His contribution to the Committee is appreciated. We welcome Don Gray (Deputy Chief Executive, Ministry of Social Development) to the Committee.

Brian Pink contributed actively to ACOS in his role as Government Statistician until his return to Australia in March 2007.

This annual report is ACOS's chief reporting mechanism and is its second such report.



2 The health of Tier 1 statistics

ACOS is interested in the integrity, relevance and quality of New Zealand's key official statistics. By quality, we think in terms of criteria such as timeliness, relevance and accessibility. In overall terms we might describe these hallmarks as reflecting the 'health' of Tier 1 statistics.

In its first year, ACOS faced the tasks of defining its role within the Official Statistics System and of developing an understanding of the health of Tier 1 statistics. ACOS's major focus for the past year was to build on this understanding, further engage with key players in the Official Statistics System, and consider how the health of Tier 1 statistics could be assessed in the future.

Its examination of possible methods for monitoring and reporting on the health of Tier 1 statistics partly involved reviewing the results of two surveys: one, of Tier 1 statistics users, and another, of Tier 1 statistics producers. ACOS also compared New Zealand's Tier 1 statistics with comparable suites of statistics produced by other statistical agencies.

USERS' SURVEYS

The users' survey was first conducted in 2006 and repeated in 2007. It aimed to give a better understanding of how users perceived Tier 1 statistics.

Research was completed online and the 775 respondents to the 2007 survey were drawn from three sources. These were:

- those who participated in the 2006 survey and were willing to participate again – 282 respondents
- subscribers to Statistics NZ's information releases – 110 respondents
- users of the Statistics NZ website between 30 April and 11 May 2007 – 383 respondents.

The response rate for the survey was 40 percent.

The survey does not provide information on how statistics are regarded by those who do not use them. ACOS believes that surveying infrequent users of statistics may provide useful insight into the uses of official statistics.

Similar surveys to New Zealand's users' survey have recently been undertaken in Canada and the European Union. Results from these may provide benchmark opportunities and allow internationally comparative levels of endorsement from users of official statistics.

The users' survey asked respondents to rate each category of Tier 1 statistics based on the following characteristics: usefulness, reliability, relevance and accessibility (up to a maximum of five categories).

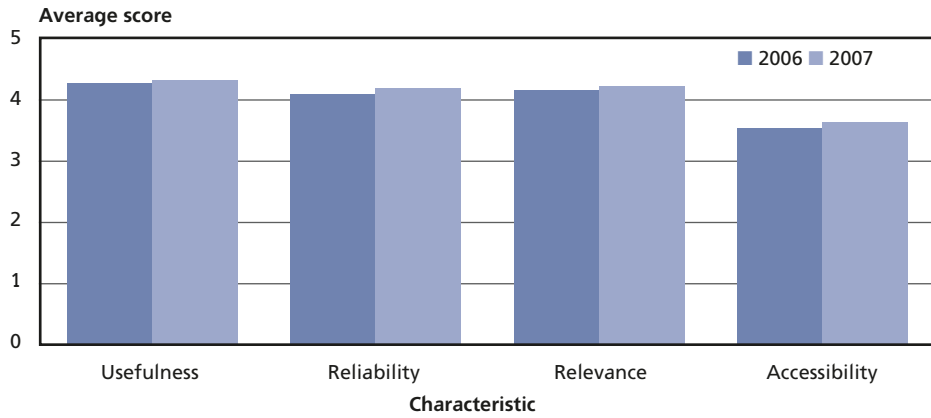
Average scores were derived from these responses, where 5 represents 'strongly agree' and 1 means they 'strongly disagree'.

The survey showed that most users perceived Tier 1 statistics to be useful, reliable and relevant. Only a small number disagreed or strongly disagreed with the statements relating to usefulness, reliability or relevance. Compared with other characteristics, accessibility scored lower than the others.

Figure 1 shows the average scores from users' surveys conducted in 2006 and 2007.

Figure 1

**Users' Average Rating for Tier 1 Statistics
2006 and 2007**



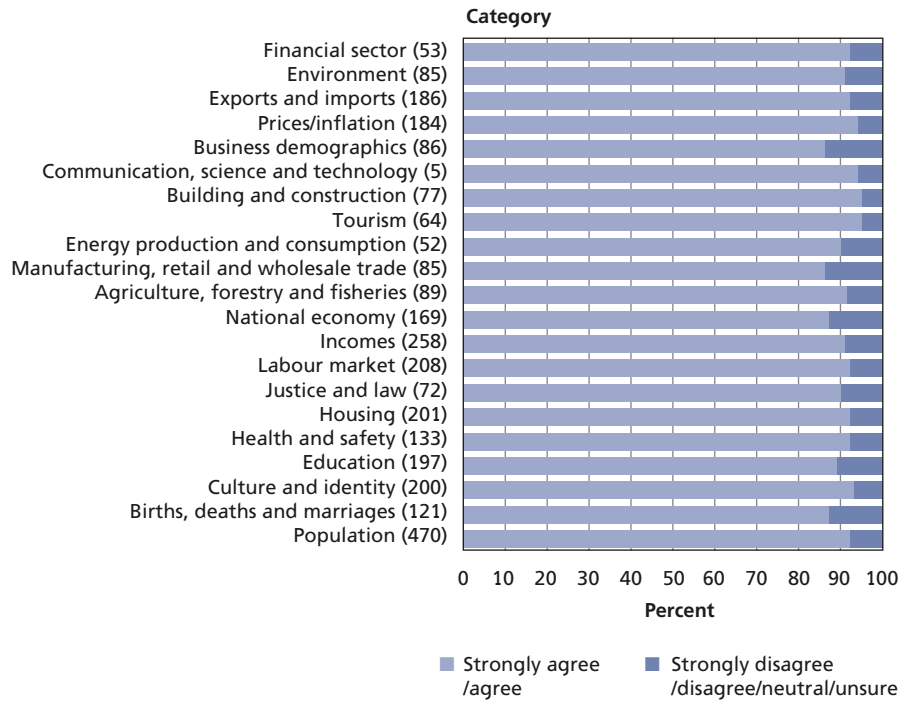
ACOS has requested that perceptions of access be monitored to identify whether improvements in accessibility keep up with users' expectations. Part of the challenge for ACOS over the next year will be to establish a framework for monitoring this.

USEFULNESS

Figure 2 shows the percentage of survey respondents who agreed or strongly agreed that Tier 1 statistics are useful.

Figure 2

**Users' Average Rating of Usefulness of Tier 1 Statistics
By category of statistic
2007**



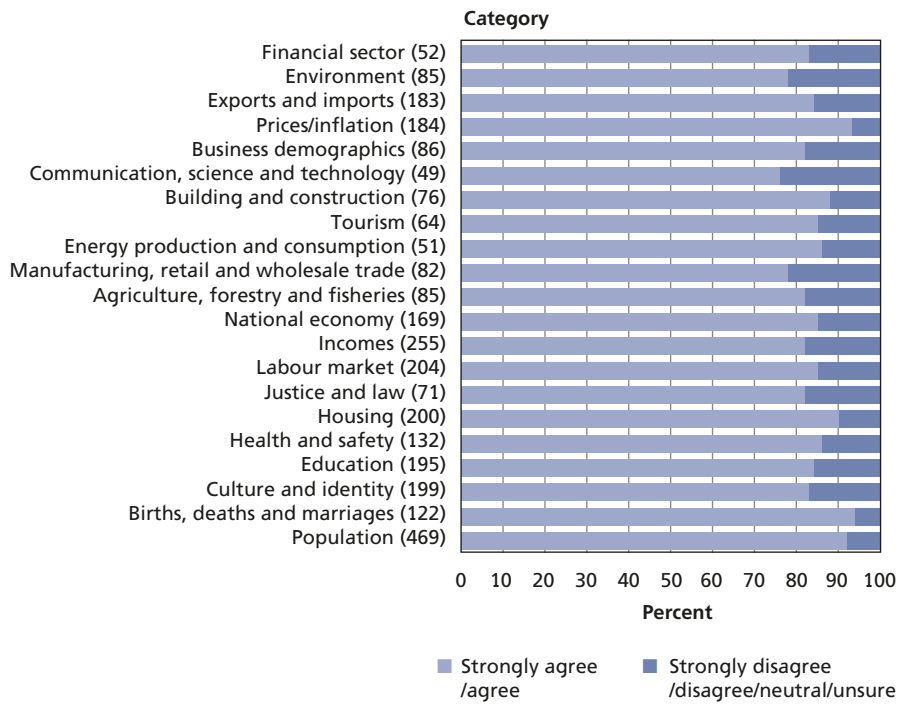
Note: (n) = count of respondents based on those who gave a rating between one and five.

RELIABILITY

Figure 3 shows the percentage of survey respondents who agreed or strongly agreed they had confidence in the reliability of Tier 1 statistics.

Figure 3

Users' Average Rating of Reliability of Tier 1 Statistics By category of statistic 2007



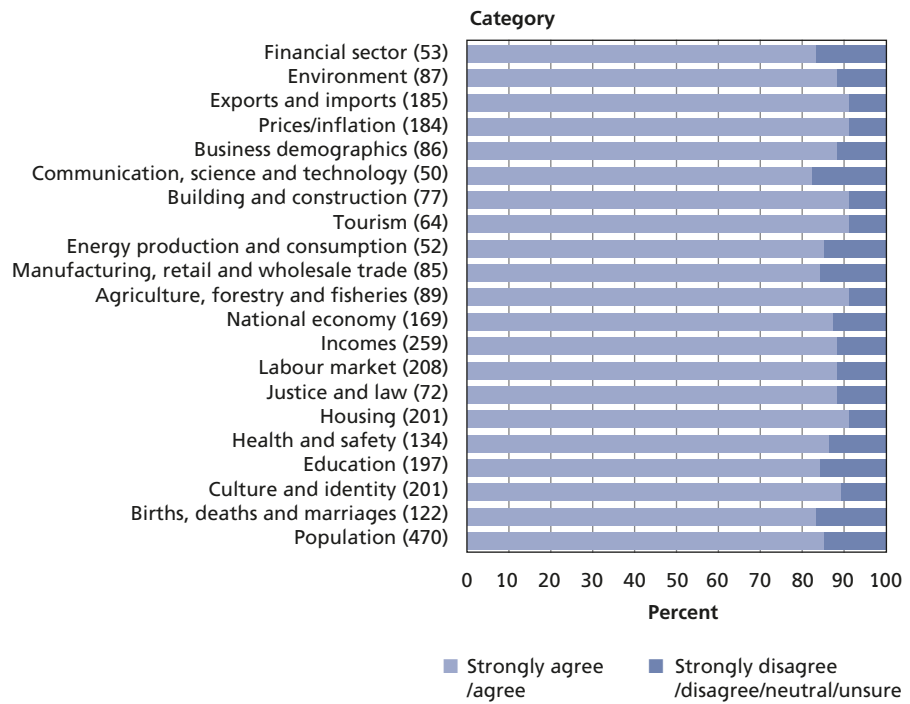
Note: (n) = count of respondents based on those who gave a rating between one and five.

RELEVANCE

Figure 4 shows the percentage of survey respondents who agreed or strongly agreed that Tier 1 statistics are relevant.

Figure 4

Users' Average Rating of Usefulness of Tier 1 Statistics By category of statistic 2007



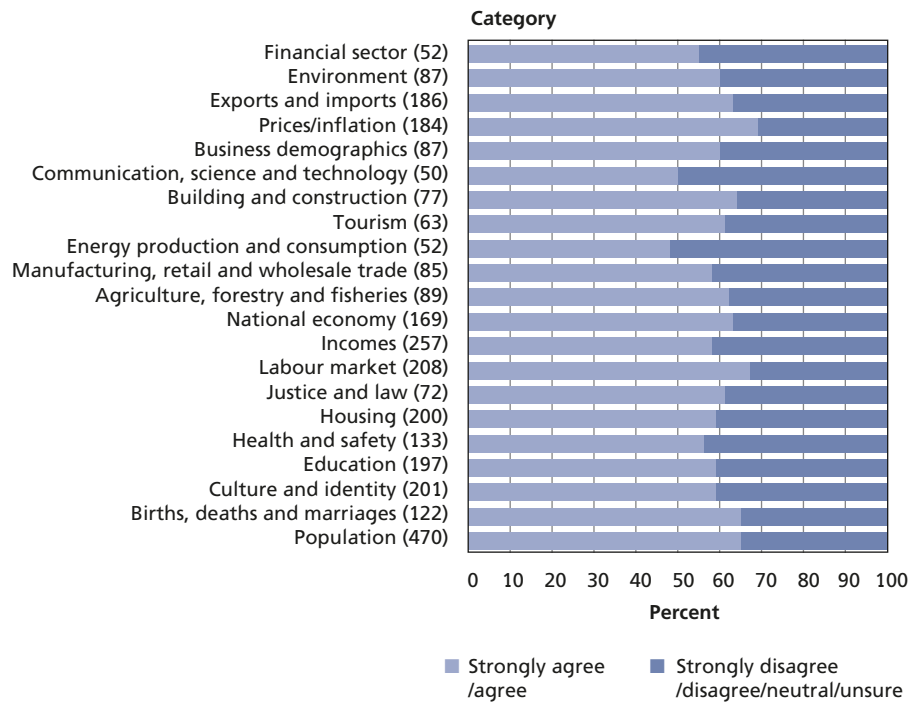
Note: (n) = count of respondents based on those who gave a rating between one and five.

ACCESSIBILITY

Figure 5 shows the percentage of survey respondents who agreed or strongly agreed that the data are easy to find.

Figure 5

Users' Average Rating of Accessibility of Tier 1 Statistics By category of statistic 2007



Note: (n) = count of respondents based on those who gave a rating between one and five.

ACCESSIBILITY INITIATIVES

There are currently 107 Tier 1 statistics. Based on information from the self-assessment survey undertaken by Tier 1 statistics producers, all 107 Tier 1 statistics are available as standard statistical outputs. These outputs include media releases, hardcopies, and publications on the various agencies' websites. Seventy-six Tier 1 statistics are available as tables in a format specified by the user, some of which incur a user charge. Twenty-six are accessible as datasets for analysis through an on-site data laboratory.

All unit record data for Tier 1 statistics produced by Statistics NZ are available through the Official Statistics Research and Data Archive Centre (OSRDAC). So far, no unit record data for Tier 1 statistics produced by departments other than Statistics NZ is currently available through OSRDAC. However, this data is now available through arrangements offered by individual departments.

The data laboratory service at Statistics NZ has continued to be well used during the year.

Statistics about crime and justice from data collected by the Police, Ministry of Justice and Department of Corrections, are also available on the Statistics NZ website.

Statistics NZ recently carried out several mechanisms to improve access to official statistics, and these are the survey notification system (SNS), Making More Information Freely Available and the New Zealand Vice-Chancellors' Committee contract.

SURVEY NOTIFICATION SYSTEM (SNS)

The survey notification system (SNS) supplies information to an Internet portal, Statisphere (www.statisphere@govt.nz). It aims to improve public access to surveys produced by government agencies and Crown agencies.

The Official Statistics System central survey register, known as the survey notification system (SNS), is a repository for information about surveys and other statistical collections funded by government departments and selected Crown entities. Information from the SNS is published on New Zealand's official statistics portal, Statisphere. The website provides access to official statistics for users and producers of statistics, researchers and the general public.

Information from the SNS allows agencies planning new surveys to assess whether similar surveys already exist. At 30 June 2007, the survey notification system contained information about 442 surveys from government departments and Crown agencies. This figure consisted of 354 surveys from 27 government departments and 88 surveys from 29 Crown agencies.

Analysis of the SNS shows that:

- Statistics NZ conducts the largest number of surveys of individuals (19) and businesses (130)
- of the remaining agencies, the Ministry of Education and the Ministry of Social Development conduct the most surveys of individuals (14 each), and the Ministry of Economic Development conducts the most business surveys (14)
- of the Crown agencies, Tourism New Zealand conducts the largest number of surveys of individuals (26) and businesses (5).

Tables detailing the number of surveys of individuals and businesses conducted by government agencies and Crown agencies can be found in Appendix 1.

MAKING MORE INFORMATION FREELY AVAILABLE

The Making More Information Freely Available initiative aims to improve access to official statistics on industry-specific information.

In May 2007, it was announced that Statistics New Zealand would make a host of industry-specific information available for free. This initiative was designed so that more New Zealanders, and more New Zealand businesses, can make informed decisions.

The first products were released in July 2007, and more are to be released over the next 18 months, including local and regional data, business demography data, population projections, household expenditure data, detailed import and export data, retail and wholesale trade, economic indicators, and migration and visitor data.

ACOS is pleased to acknowledge this initiative in making information more accessible.

NEW ZEALAND VICE-CHANCELLORS' COMMITTEE CONTRACT

In August 2007, Statistics NZ signed an agreement with the New Zealand Vice-Chancellors' Committee covering access to a range of products and services, including all of Statistics NZ's confidentialised unit record files (CURFs). Statistics NZ now provides free access to CURFs for staff and students of New Zealand universities.

Access to CURFs is subject to licence agreement and each researcher signs an undertaking that covers confidentiality and security requirements.

The agreement also gives university staff and students free access to Statistics NZ's INFOS service, which provides approximately 2,500,000 time series.

ACOS welcomes this contract as a notable breakthrough in enhancing access to statistics.

PRODUCERS' SURVEY

In 2007, producers of Tier 1 statistics undertook a survey. Agencies that produced Tier 1 statistics were asked to complete a self-assessment against the quality management protocol developed for the Official Statistics System.

The agencies that produce Tier 1 statistics are:

- Ministry of Agriculture and Forestry
- Ministry of Economic Development
- Ministry of Education
- Ministry for the Environment
- Ministry of Fisheries
- Ministry of Health
- Ministry of Justice
- Ministry of Social Development
- Ministry of Tourism
- New Zealand Police
- Reserve Bank of New Zealand
- Statistics NZ
- The Treasury

Responses to the survey were received from all Tier 1 statistics producers.

The quality management protocol elements, for which these agencies completed a self-assessment, were:

- professionalism
- relevance
- consistency
- good management practices
- accuracy
- interpretability
- continuous improvement
- timeliness.

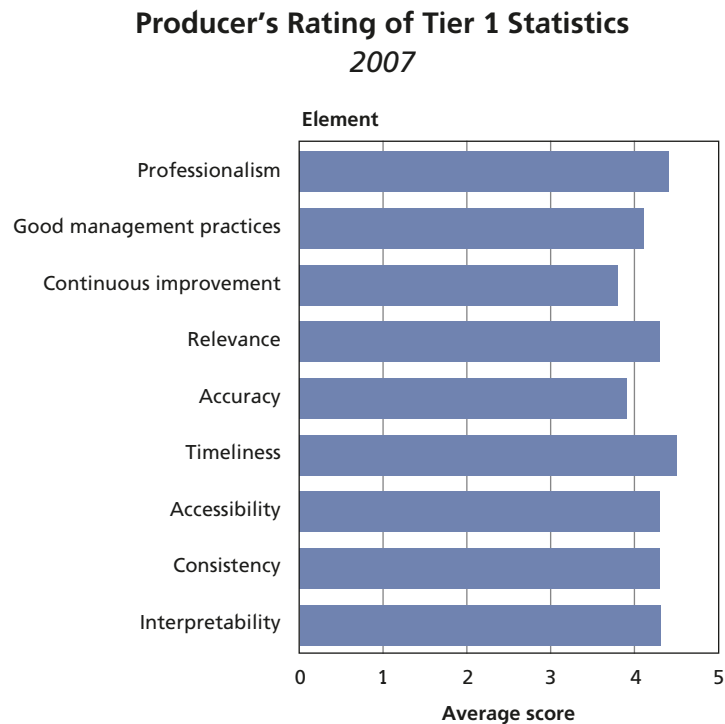
In addition, agencies completed a self-assessment against the accessibility element of the release practices protocol.

The following scoring system was used for each item assessed within an individual element: 5 – fully meeting requirements; 4 – mostly meeting; 2 – partly meeting; 0 – falls short of requirements. An average score was calculated for each element, as well as a total quality score across all elements (the sum of the average scores for each element divided by nine).

PERFORMANCE MEASURES

Figure 6 shows the performance of Tier 1 statistics against each of these elements. These results indicate good performance across all elements. The two highest-scoring protocol elements were timeliness (average rating of 4.5) and professionalism (4.4).

Figure 6

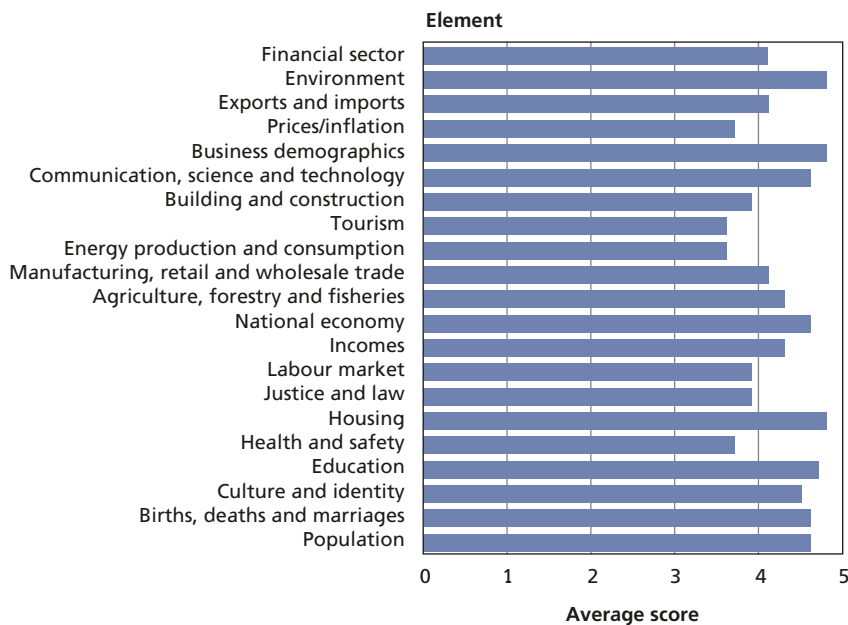


The two lowest-scoring elements were continuous improvement (average rating of 3.8) and accuracy (3.9). Within continuous improvement there was a low score for 'quality reviews and action plans are published'. The low score for accuracy was due to lower scores for the requirements 'have in place a set of accuracy requirements and a system designed to meet those requirements', and 'have information that shows that accuracy requirements are being met'. These indicate that agencies are not necessarily making survey errors, but instead they are not meeting the requirements for documentation.

Figure 7 shows the total quality score for each Tier 1 category. The lower-scoring categories tend to reflect the scores of one or two poorer-performing statistics within that category.

Figure 7

Producer's Rating of Quality of Tier 1 Statistics
By category of statistic
2007



ACOS has noted the willingness of producers to improve Tier 1 statistics they have identified as under performing.

Like the users' survey, the producers' survey provides a useful starting point for ACOS to consider more robust frameworks for monitoring quality.

The following table summarises the performance of all Tier 1 statistics and shows that the quality of most of these are fit for purpose or better. Forty-five Tier 1 statistics were assessed as being of excellent quality. Three were identified as falling short of the fit-for-purpose standard and requiring significant improvement in the short term. Twenty-one statistics were rated fit for purpose, suggesting that some degree of improvement is warranted.

Several issues emerge on why some statistics do not meet the quality standard, and these are:

- the challenge in using administrative data for official statistics. This is particularly relevant for the development and maintenance of a culture of evaluation, having a clear definition of the target characteristic and specifications for the acceptable level of error, and attention to statistical requirements in developing systems.

- the value of having mandatory collections for official statistics. This is likely to improve quality (particularly timeliness and completeness) in some areas.
- prioritisation of resources for the maintenance and improvement of quality.
- direct control of survey methodology leading to greater transparency in the collection and dissemination of survey data, and helping to ensure that the *Principles and Protocols for Producers of Tier 1 Statistics* are followed.

Performance of Tier 1 Statistics

Rating	Rating definition	Number of Tier 1 Statistics
4.5–5.0	Excellent quality	45
4.1–4.5	High quality	38
3.1–4.0	Currently fit for purpose	21
0.0–3.0	Needs to be improved significantly in the short term, or at serious risk of not being fit for purpose.	3

COVERAGE OF TIER 1 STATISTICS

Over the year, ACOS has been building a more detailed picture on the coverage of New Zealand’s Tier 1 statistics. Whilst recognising that gaps exist in some areas, ACOS is confident that coverage in most areas is good.

When the inaugural list of Tier 1 statistics was compiled, which was endorsed by chief executives in 2005, officials identified existing statistics that could become Tier 1 at a later stage. ACOS understand these will be part of a review in 2008.

The coverage of New Zealand’s Tier 1 statistics has been compared to other countries’ statistical programmes, including those from Canada and Australia. The analysis highlighted the difficulty in comparing official statistics produced by different countries.

ACOS is aware of gaps in the following areas.

ECONOMIC STATISTICS

Gaps identified include information about institutional sector accounts, quarterly income estimates of gross domestic product and balance sheets. New Zealand is one of the few Organisation for Economic Co-operation and Development (OECD) countries that does not have institutional sector accounts. Lack of this information, along with other key macro-economic statistics, limits our capacity for informed decision making.

Statistics NZ has proposed a programme to expand the Official Statistics System to deliver new economic statistics. This aims to fill acknowledged gaps in the information set, and to maintain and enhance the quality and relevance of the existing set of economic statistics.

PRODUCTIVITY STATISTICS

Recently, there have been significant developments in the coverage and availability of productivity statistics.

Productivity is a key statistic because it measures how efficiently inputs are used in the economy to produce outputs, and hence, how quickly material living standards are growing. Inputs include labour or capital assets such as machinery, computer software, buildings and land.

In 2003/04, funding was allocated to Statistics New Zealand for the development of official measures of labour, capital and multi-factor productivity. Further funding in 2006 has allowed Statistics New Zealand to deliver a back-dated series to 1978 and to publish productivity 'growth cycles' within the measured sector. Previously, capital, labour and multifactor productivity statistics were available only from 1988 onwards.

Ongoing enhancements will include the production of quality-adjusted productivity series; estimates of industry-level labour, capital and multi-factor productivity for the measured sector; and a comprehensive research paper identifying best practise for measuring the output of government services and, if feasible, to develop a plan to measure public sector productivity within the New Zealand context by 2010.

The introduction of productivity statistics has increased attention on the track record of productivity and on the factors that influence New Zealand's living standards, economic performance and international competitiveness. Given the ongoing importance of the government sector in the New Zealand economy, ACOS has encouraged Statistics New Zealand to begin working on productivity measures for the government and private sector activities where robust productivity measures are lacking. At the same time, ACOS emphasised the importance of maintaining comparability with Australian productivity measures, so the relative performance of the two countries can be compared. Furthermore, ACOS asked Statistics New Zealand to consider the development of resource productivity measures in the near future. For a resource-based economy, a key component is resource productivity.

As energy and water constraints impinge on the New Zealand economy, attention to the sectors of the economy that will be most affected would be valuable for informed decision making.

ACOS has noted the significant developments in the measurement of productivity, and endorses their further expansion.

SUSTAINABLE DEVELOPMENT STATISTICS

There is increasing demand from government agencies for high-quality official statistics on sustainable development.

ACOS has noted that Statistics New Zealand has been involved in the United Nations Economic Commission for Europe (UNECE), Organisation for Economic Cooperation and Development (OECD) and Eurostat working group on statistics for sustainable development. The group was set up to develop a framework to provide guidance for measuring sustainable development.

In addition, Statistics New Zealand has commenced development of a conceptual and statistical framework to measure sustainable development in New Zealand, and a publication that will report these measures.

ENVIRONMENTAL STATISTICS

ACOS has noted that whilst there is some understanding of the relationship between environmental and economic statistics, there are still gaps. The lack of statistics on carbon emissions is an example of this.

Linkages between natural resources and economic transformation are becoming increasingly essential for decision making. The prospect of a price being created for carbon, as well as discussions on the value of water, makes it important to understand the integration of resource management and economic management for policy decision making.

The absence of input/output tables for macroeconomic analysis and the linkage of these tables to the stocks and flows of resources (such as carbon and water) are deficiencies that can significantly affect policy decisions for sustainable management.

This type of analysis is being undertaken in Australia. It informs policy decision making on reducing greenhouse gas emissions and improving water management.

REGIONAL AND DISTRICT STATISTICS

Following the Local Government Act 2002, there is a greater demand for regional and district statistics. This is because this Act requires local authorities to produce a 10-year plan, and policies contained in these plans must be supported by an evidence base. Such evidence bases are usually formed from statistical analysis.

There is also value in having consistent community outcome measures across New Zealand at the regional and district level. Currently, the 86 local government authorities are asked to develop their own indicators to meet the requirements of the Local Government Act.

While ACOS considers that the statistical system serves New Zealand well, the gaps at a regional and district level highlight a dimension for improvement.

HEALTH AND EDUCATION STATISTICS

Compared with international practices, the following important health and education statistics are not currently included in New Zealand's list of Tier 1 statistics, but are part of the Official Statistics System:

- health survey
- mental health survey
- adult nutrition survey
- child nutrition survey
- oral health survey
- tobacco use survey
- alcohol and drug use survey
- sexual health survey
- education and learning outcomes
- effective teaching
- student participation
- family and community engagement in education
- quality education providers
- education resourcing.

ACOS will review the range of Tier 1 statistics next year.

STATISTICAL DOMAIN PLANS

In the future, assessment of the suitability of Tier 1 statistics' coverage in New Zealand will be helped by the introduction of statistical domain plans.

Domain plans comprise a stock-take, as well as a view forward, and should identify all relevant and available data sources in each subject area and therefore address any gaps.

The energy and family domain plans have been completed, with the agriculture domain plan near completion and the environment domain plan scheduled to finish in 2008. More work is in progress to determine other economic statistics domain plans.

Social domain plans now being drafted include population, housing, safety and security, knowledge and skills, and culture and identity.

Soon, other social statistics domain plans will be prepared. These will cover:

- economic standard of living
- health
- paid work
- social connectedness
- human rights
- physical environment
- leisure and recreation.

ACOS has noted progress on the domain plans, which are seen by the Committee as a valuable asset for the Official Statistics System and an important means of evaluating the current coverage of statistics.

ACOS has also considered the issues about commercially significant data that is held in private hands. Access to privately-held sector data could help fill existing gaps in Tier 1 statistics.

IMPROVED BUSINESS UNDERSTANDING THROUGH LONGITUDINAL DATABASE DEVELOPMENT

ACOS is pleased with the development of a longitudinal database for understanding business behaviour, or IBULDD.

IBULDD combines Statistics New Zealand's datasets, such as the Longitudinal Business Frame and Annual Enterprise Survey data, with existing administrative data sources, such as the Inland Revenue Department's IR4 and IR10 data and Government Assistance Programme data, to produce new official statistics about New Zealand businesses.

IBULDD was a two-year feasibility study and is the prototype of what will eventually be the Longitudinal Business Database.

Potential new official statistics produced by the database include:

- distribution of total sales
- distribution of total income
- summaries of businesses performance
- income and sales growth
- the demographics of firms receiving government assistance compared with the demographics of firms not receiving government assistance.

These statistics were published on 12 December 2007 on the Statistics New Zealand website at <http://www.stats.govt.nz/economy/business/longitudinal-business-database.htm>.

Based on the IBULDD feasibility database, researchers were able to measure the dynamics of business growth and performance in ways that have never been possible before, such as examining the effects of the exchange rate volatility on business performance.

The IBULDD feasibility project was completed in December 2007.

ACOS notes that this project aligns well with Official Statistics System goals and that it will give a lot of new information about New Zealand business while reducing respondent load.

APPROPRIATENESS AND USE OF STANDARDS, PROTOCOLS AND POLICIES

One of the functions of ACOS is to report on the standards, protocols and policies for official statistics. *The Principles and Protocols for Producers of Tier 1 Statistics* has been finalised and endorsed by ACOS. These principles and protocols were developed to help all government agencies use methodologies and practices that are statistically sound and that were completed by a working party of the Official Statistics System Officials Committee.

The *Principles and Protocols for Producers of Tier 1 Statistics* was published in June 2007 and copies were distributed to all Tier 1 statistics producing agencies. This publication outlines each of the Official Statistics System protocols and gives Tier 1 statistics producing agencies more information about their responsibilities and requirements. Workshops for Tier 1 statistics producing agencies are planned and will focus on the protocols and standards that need to be met.

BASIS OF PRINCIPLES

The principles draw on the Statistics Act 1975 and the *United Nations Fundamental Principles of Official Statistics*, and are:

- relevance
- integrity
- quality
- coherence
- accessibility
- efficiency
- protecting respondent information
- minimising respondent load
- maximising existing data sources
- international participation.

In addition, a range of protocols provide practical frameworks for the application of these principles across Tier 1 statistics and the Official Statistics System.

The protocols are:

- quality
- frameworks, standards and classifications
- respondent management
- confidentiality, privacy and security
- release practices
- management documentation and preservation of statistical records.

ACOS acknowledges the extensive work of the Official Statistics System Officials Committee in developing and publishing the *Principles and Protocols for Producers of Tier 1 Statistics*. ACOS members believe further engagement with Official Statistics System agencies is necessary, in order to understand better how these agencies are using the *Principles and Protocols for Producers of Tier 1 Statistics*.

USE OF STANDARD CLASSIFICATIONS

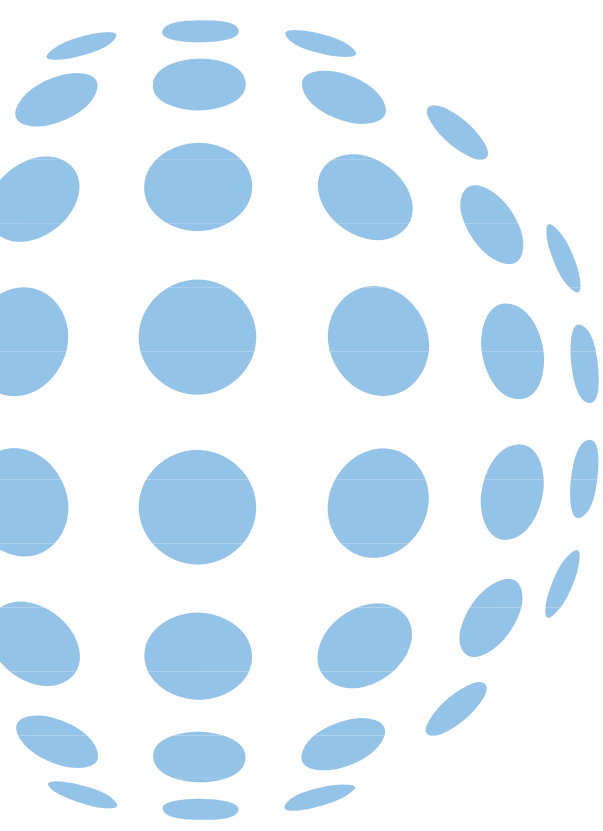
In 2007, Tier 1 statistics producers were asked if internationally or nationally agreed definitions, methods and classifications were used to aid comparison with other outputs. Sixty-four percent of respondents indicated they had met the relevant standard industry classification.

OFFICIAL STATISTICS RESEARCH PROGRAMME

ACOS recognises the work of the Official Statistics Research Programme that commissions and funds research on the usefulness, reliability, coverage and availability of the statistics produced by the Official Statistics System each year.

At 30 June 2007, the Official Statistics Research Programme had commissioned and funded 30 research projects, held 16 Official Statistics System seminars, submitted three papers to the *Journal of Official Statistics*, and presented 10 papers at national and international conferences.

The Official Statistics Research Programme calls for expressions of interest each February. In 2007, 25 expressions of interest were received. Four projects are being funded in 2007/08. These projects will examine microdata confidentialisation, the generation of synthetic data, an unbiased estimation of linked data analysis, and a study into the sampling for subpopulations in household surveys with application to Māori and Pacific sampling.



3 Respondent load strategy

One of the key principles within the Principles and Protocols for Producers of Tier 1 Statistics is minimising respondent load. Respondent load is defined as the time and cost involved for a person, household or business to complete a survey.

Statistics NZ developed an overall respondent load strategy to help reduce the load on Statistics NZ's respondents.

The strategy aims to set a best-practice model that may be adopted by other producers of official statistics. Some key actions are to:

- communicate the value of official statistics to respondents
- set load targets
- audit the load imposed by existing surveys
- improve responsiveness to
- report on the performance of the strategy.

A summary of initiatives, and their alignment with elements from the Official Statistics System Respondent Management Protocol, is set out in Appendix 2.

ACOS agrees with Official Statistics System officials that the first target area for the respondent load strategy should be Statistics NZ. After this, consideration will be given to other partners in the Official Statistics System. ACOS will continue to monitor progress in reducing load across the system.

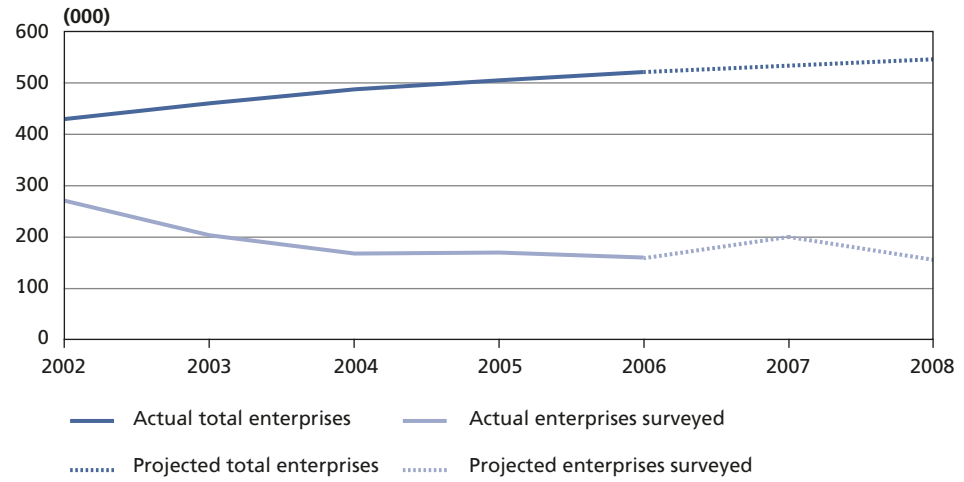
NUMBER OF BUSINESSES SURVEYED AND THE TIME TAKEN TO COMPLETE STATISTICS NEW ZEALAND SURVEYS

Statistics NZ has focused on replacing direct surveying of businesses (especially small businesses) with administrative data sources. As figure 8 shows, the impact so far on the number of respondents has been strong (that is, in reducing the number of surveyed respondents).

Figure 8 shows that between 2003 and 2006 the number of businesses eligible to be surveyed increased, while the number of businesses that actually received one or more surveys decreased. In 2003, 44 percent of businesses were surveyed, compared to 31 percent in 2006. Whilst during this time period the number of businesses surveyed decreased significantly, the total time spent answering forms decreased only slightly (down 0.9 percent) as shown in figure 9. This is due to the impact of reduced samples being offset by the introduction of longer and complex forms for a small number of surveys.

Figure 8

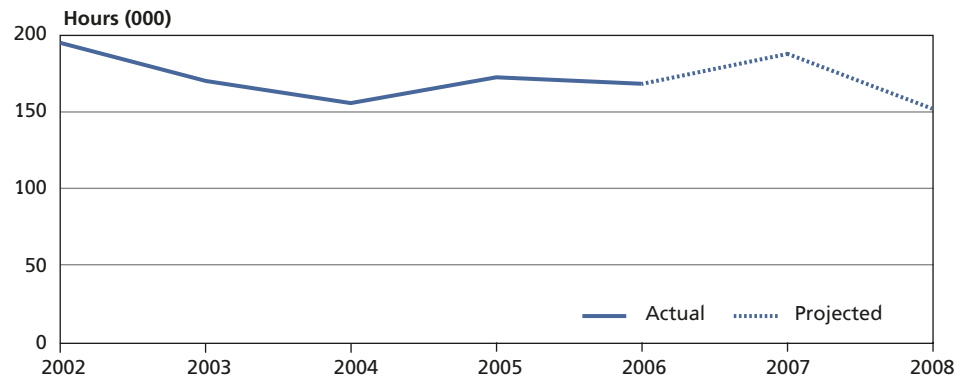
Number of Businesses Surveyed⁽¹⁾
Actual 2002–06, projected to 2008



(1) 2002 and 2007 are part of the five-yearly cycle of the Agriculture Production Census, when between 40,000 and 50,000 extra businesses are surveyed.

Figure 9

Total Time Take by Businesses for Survey Response⁽¹⁾
Actual 2002–06, projected to 2008



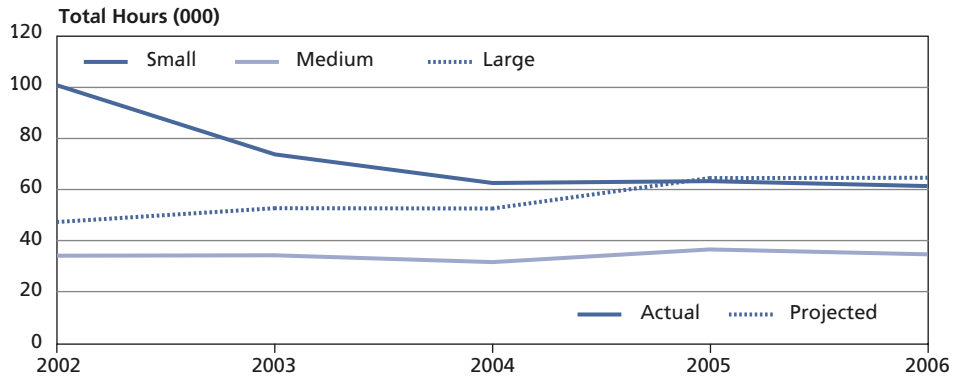
(1) All time taken analyses are provisional figures.

TIME TAKEN TO COMPLETE SURVEYS, BY SIZE OF BUSINESS

The time taken to complete surveys, measured against the size of the business enterprise completing them, is shown in figure 10. The increase in the time taken by businesses to complete Statistics NZ survey forms in 2005 was mainly due to the introduction of the growth and innovation framework (GIF) surveys.

Figure 10

Total Time Taken by Businesses for Survey Response⁽¹⁾ By size of business 2002–06

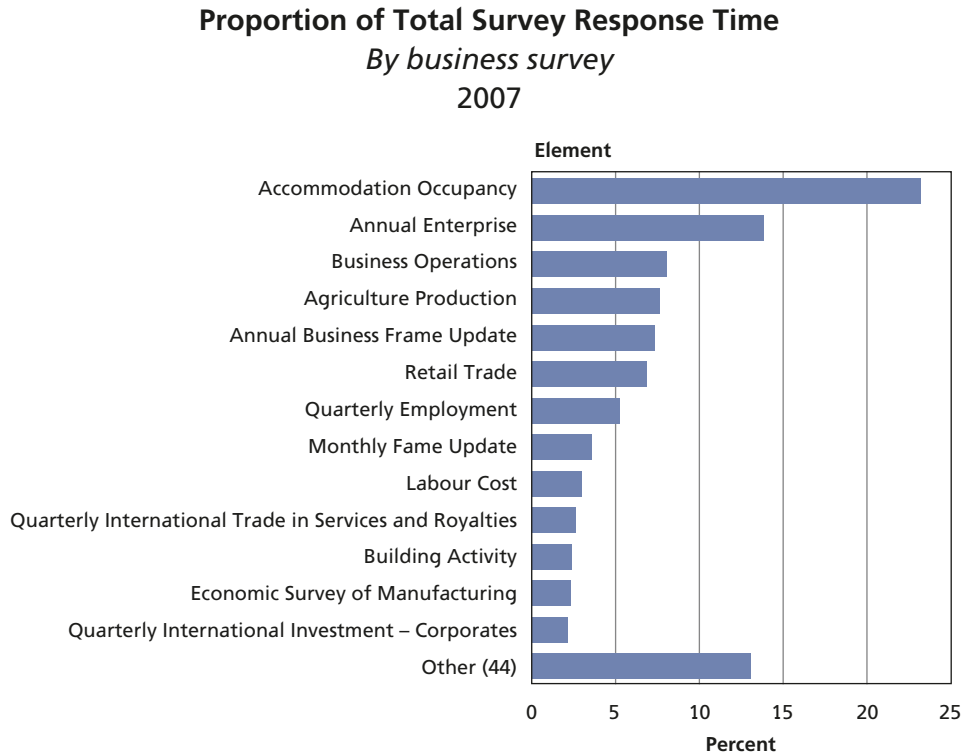


(1) Businesses of unknown size are excluded, but are included in Figure 9.

RESPONDENT LOAD IMPACT OF BUSINESS SURVEYS UNDERTAKEN BY STATISTICS NEW ZEALAND

Figure 11 shows the annual load (by proportion of burden) for each Statistics NZ business survey.

Figure 11



The Accommodation Occupation Survey accounted for 23 percent of the total load imposed on New Zealand businesses in 2006. This survey is sponsored by the Ministry of Tourism, which has agreed to target a 50 percent reduction in load (as measured by the time taken to complete survey forms) by 30 June 2008. The Annual Enterprise Survey accounted for 14 percent of the load imposed on businesses.

Statistics NZ has begun working with the Inland Revenue Department on the development of a single information repository for business, based around eXtensible Business Reporting Language (XBRL). Statistics NZ, the Inland Revenue Department, Accident Compensation Corporation and the Ministry of Economic Development are now preparing proposals for further work related to standard business reporting based on the XBRL technology.

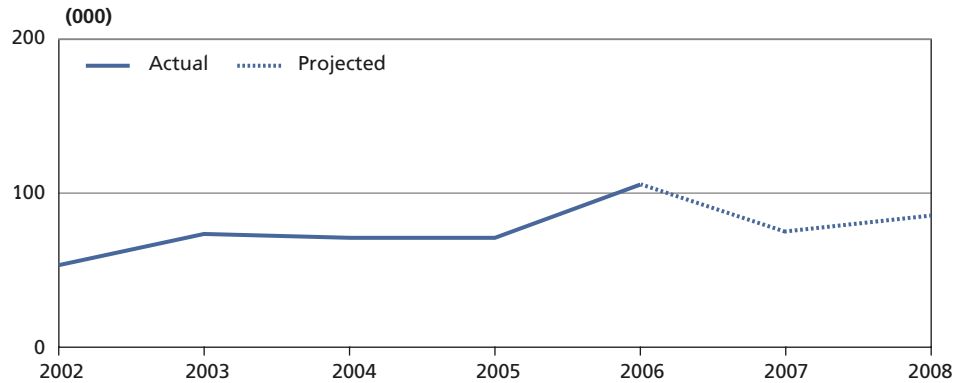
Standard business reporting could mean that businesses need to provide information to government only once, rather than multiple times in many formats. This would reduce the respondent load on business and ACOS welcomes and supports these initiatives.

NUMBER OF INDIVIDUALS SURVEYED FOR STATISTICS NEW ZEALAND SOCIAL SURVEYS

The number of individuals surveyed for Statistics NZ social surveys, excluding the five-yearly population census, is shown in figure 12. The number of individuals peaked in 2006 when the Disability Survey was undertaken, with over 30,000 responding to the survey.

Figure 12

Individuals Surveyed for Statistics New Zealand Social Surveys *Actual 2002–06, projected to 2008*



The number of social surveys conducted by Statistics NZ will increase over the next 10 years. This is due to the implementation of the Programme of Official Social Statistics which was developed to address fragmentation, duplication and sustainability of social statistics across government.

From 2006 to 2015, the Programme of Official Social Statistics (POSS) will establish a more coherent system of official social statistics, and provide opportunities to meet a range of information needs that may have otherwise been met through ad hoc or one-off surveys.

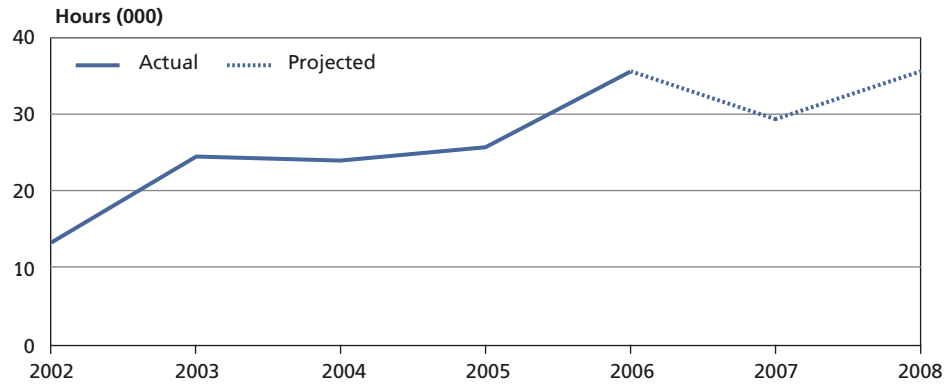
The Programme will enable respondent load to be managed by more integration of social surveys. To achieve this, all household surveys will ask a set of core questions; additional topic-specific questions will then be asked depending on the survey.

TIME TAKEN FOR STATISTICS NEW ZEALAND SOCIAL SURVEYS

The time taken for Statistics NZ social surveys is shown in figure 13. This shows that the total load placed on households and individuals increased from 13,300 hours in 2002 to 29,500 hours in 2007.

Figure 13

Time Taken for Statistics New Zealand Social Surveys⁽¹⁾ *Actual 2002–06, projected to 2008*



(1) Excludes figures for the 2006 Census of Population and Dwellings.

Appendix 1:

SURVEY NOTIFICATION SYSTEM TABLES

Table 1

Number of Surveys of Individuals and Businesses by Government Agencies At 30 June 2007

Agency	Individuals		Businesses		Total	
	Surveys	Respon- dents	Surveys	Respon- dents	Surveys	Respon- dents
Department of Building and Housing	5	1764			5	1764
Department of Conservation	11	7716			11	7716
Department of Corrections	1	463			1	463
Department of Internal Affairs	7	13107	3	1471	10	14578
Department of Labour	6	12582	5	6022	11	18604
Inland Revenue Department	4	1937	10	11472	14	13409
Land Information New Zealand	1	132	11	6350	12	6482
Ministry for Culture and Heritage	1	15338	1	140	2	15478
Ministry for the Environment	7	5872	5	395	12	6267
Ministry of Agriculture and Forestry	4	4490	5	1244	9	5734
Ministry of Economic Development	10	43732	14	10669	24	54401
Ministry of Education	14	100261			14	100261
Ministry of Fisheries			1	1400	1	1400
Ministry of Foreign Affairs and Trade	2	1212			2	1212
Ministry of Health	11	108003			11	108003
Ministry of Justice	5	10666			5	10666
Ministry of Māori Development	4	9512	1	200	5	9712
Ministry of Research, Science and Technology	5	1214	5	10676	10	11890
Ministry of Social Development	14	26671	1	850	15	27521
Ministry of Transport	3	9940	2	916	5	10856
Ministry of Women's Affairs	1	1497			1	1497
National Library of New Zealand	5	1190			5	1190
New Zealand Customs Service	3	5817	1	150	4	5967
New Zealand Police	1	600			1	600
Reserve Bank of New Zealand			2	10	2	10
State Services Commission	13	25411			13	25411
Subtotal	138	409127	67	51965	205	461092
Statistics New Zealand	19	234943	130	320702	149	555645
Total	157	644070	197	372667	354	1016737

Table 2

**Number of Surveys of Individuals and Businesses
by Crown Agencies
At 30 June 2007**

Agency	Individuals		Businesses		Total	
	Surveys	Respon- dents	Surveys	Respon- dents	Surveys	Respon- dents
Broadcasting Commission	3	1526			3	1526
Broadcasting Standards Authority	1	500			1	500
Creative New Zealand	3	1614			3	1614
Electoral Commission	1	900			1	900
Environmental Risk Management Authority	2	679			2	679
Health Research Council of New Zealand	3	591			3	591
Housing New Zealand Corporation	2	340			2	340
Legal Services Agency	1	7200			1	7200
Maritime New Zealand	1	100			1	100
Museum of New Zealand Te Papa Tongarewa	1	200			1	200
Institute of Water and Atmospheric Research (NIWA)	1	40000			1	40000
New Zealand Blood Service	2	1693			2	1693
New Zealand Film Commission	1	1230			1	1230
New Zealand Fire Service Commission	1	1000			1	1000
New Zealand Historic Places Trust	2	1101			2	1101
New Zealand Lotteries Commission	7	3086			7	3086
New Zealand Qualifications Authority	3	3182			3	3182
New Zealand Teachers Council	3	5867			3	5867
Office of Film and Literature Classification	4	3467			4	3467
Office of the Children's Commissioner	1	750			1	750
Privacy Commissioner	1	750			1	750
Radio New Zealand Limited	3	5064			3	5064
Retirement Commission	4	3951			4	3951
Securities Commission	1	302			1	302
Sport and Recreation New Zealand	2	34500			2	34500
Standards New Zealand			1	627	1	627
Te Māngāi Paho Māori Broadcasting Funding Agency	1	1019			1	1019
Tourism New Zealand	26	51289	5	1657	31	52946
Transit New Zealand	1	1500			1	1500
Total	82	173401	6	2284	88	175685

Appendix 2:

RESPONDENT LOAD STRATEGY

Alignment with Elements from the Official Statistics System Respondent Management Protocol

Tier 1 statistics producers contribute to the active management of respondent load across the Official Statistics System.

- Adopt consistent actual time taken measures
- Develop other metrics
- Report on load
- Survey inclusion

The need to collect data is assessed in terms of the use of the data to inform decision making, against the costs of production and the load placed on respondents.

- Assess the respondent load impact of new surveys
- Review the survey approval process
- Develop an independent respondent advocacy
- Audit existing surveys

Wherever possible, administrative data or other existing survey data is used rather than imposing further burden upon respondents.

- Increase the use of administrative data

The best supplier principle is applied. Data is always collected from the most appropriate source after due regard to respondent load and cost.

- Improve management of respondents in existing surveys
- Implement better management of respondent details

A continuous effort is made to develop statistical techniques that reduce the burden on providers, while maintaining desired quality levels.

- Develop parameters for the identification of load 'hotspots'
- Set load limits for individuals
- Set time limit for surveys
- Develop sample rotation for business surveys

Data collection instruments are respondent-friendly.

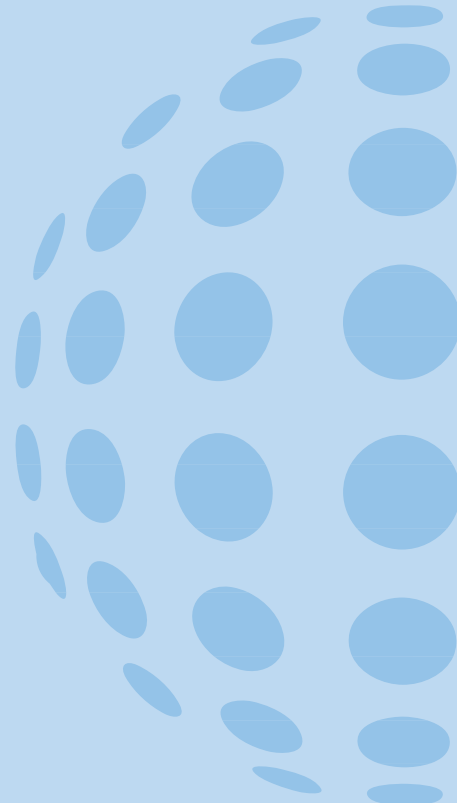
- Increase choices for mode of response
- Investigate integration with standardised reporting systems

Tier 1 statistics producers recognise the impact that effective communication can have on response rates and hence quality, and actively involve respondents throughout the collection process, including demonstrating the value of the information.

- Value to individual respondents
- Promote the value of official statistics to business and the community
- Understand respondent attitudes towards surveying
- Understand the characteristics of non-respondents
- Information to respondents
- Communicate with businesses on an ongoing basis

Tier 1 statistics producers engage with Māori to ensure that they participate actively in all aspects of official statistics.

- Measure impact of Statistics NZ surveying on subpopulations
- Research over-sampling of Māori, and provide alternatives
- Develop Māori language capability for collection





The Official
Statistics System

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