

**ESTABLISHMENT OF A STATISTICS USERS GROUP**

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**Lodged au Greffe on 28th September 1999  
by the Policy and Resources Committee**

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**STATES OF JERSEY**

**STATES GREFFE**

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## **PROPOSITION**

### **THE STATES are asked to decide whether they are of opinion -**

- (1) to approve the establishment, with effect from 1st January 1999, of a Statistics Users Group with the functions set out in the Report of the Committee dated 22nd September 1999 comprising -
  - (a) a Chairman to be appointed for a period of three years by the States on the recommendation of the Policy and Resources Committee, who shall be neither a member of the States nor an officer of a Department of the States;
  - (b) a Secretary who shall be the Head of Statistics of the Policy and Resources Department;
  - (c) up to ten regular members who shall be appointed for a period of three years by the Policy and Resources Committee from persons nominated by interested bodies; and
  - (d) up to three retained external experts, to be appointed by the Policy and Resources Committee in consultation with the Group;
- (2) to agree that the Joint Advisory Council be dissolved and accordingly to rescind their Act dated 24th September 1996 revising the constitution and terms of reference of the Council.

### **POLICY AND RESOURCES COMMITTEE**

# REPORT

## 1. Introduction

The Policy and Resources Committee proposes the formation of a Statistics Users Group to advise on the preparation and presentation of official statistics for the States of Jersey. The Group would not be responsible for dealing with requests for statistical information. This report makes recommendations for the structure, constitution and responsibilities of such a group.

## 2. Background

2.1 Since 1947 the States have had a Joint Advisory Council (JAC) with responsibilities for investigating matters relating to prices and, more recently, earnings. The Council has a Chairman appointed by the States who is a member of the States, and nine other members appointed by the Finance and Economics Committee: four representing employers, four representing the Transport and General Workers Union, and one representing the Jersey Consumer Council. It is the JAC which publishes the Jersey Retail Prices Index (RPI) and the Jersey Average Earnings Index. The independence of the Council, given its political chairmanship, might be open to question in a similar manner to the way in which the chairmanship of the Financial Services Commission was questioned in the Edwards Report.

2.2 Numerous other statistics are compiled by and for the various Departments of the States, but there is no independent body with access to expert advice to oversee the appropriateness of the methodology or confirm the validity of those statistics. As a result, it may sometimes happen that similar questions are asked of businesses or individuals on the Island from different sources at similar times, or that information which is already held in one place is duplicated in another.

2.3 In response to an ongoing debate about the reliability and independence of United Kingdom official statistics, proposals have recently been developed in the United Kingdom for a National Statistical Commission which may choose to or be asked to examine any of the major activities or outputs of the Government Statistical Service (GSS). This Commission, led by an independent chairman, will comprise six or seven users of statistics, drawn from the business and academic communities, and will be able to call upon expert advice from both the GSS and the world at large. Their comments on official statistics are expected to carry considerable weight, and the GSS would be expected to respond promptly and positively to their recommendations. A White Paper setting out detailed proposals is currently being circulated in Whitehall, and is expected to be published in the near future.

## Functions of the proposed Group

3.1 It is considered that the Island, like the United Kingdom, needs a more integrated statistical system in which all the main statistical enquiries of the Island, together with statistical information arising from administrative sources, may be reviewed and validated to ensure that the methodology used is sound, that the results are free from political interference and that a fair balance is struck between satisfying the legitimate needs of users and making reasonable demands on the providers of information.

3.2 These functions of the Statistics Users Group would, as regards prices and earnings statistics, replace similar functions of the present JAC. The specific JAC function of vetting each quarter's RPI figures and making them available to the public could not reasonably be extended to all the many pieces of statistical information released by the States, not only on grounds of volume, but also because the Group would not have day-to-day responsibility for the compilation of the statistics. That would remain, in the case of the RPI, in the hands of the Statistical Section of the Policy and Resources Department. The Joint Advisory Council, as such, would cease to exist. It is therefore proposed that the regular issue of statistical information within the purview of the Group and prepared by the services managed by the Head of Statistics, including the RPI and Index of Average Earnings, should be released with a standard corporate style, possibly under the heading "Statistics of Jersey". Other statistical information prepared by the Departments of the States, if regarded by the Group as being in accordance with agreed standards, possibly set out in a code of practice, could also make use of that quality assurance "kitemark".

3.3 The Group should not have its scope limited to the statistics prepared by the Policy and Resources Department but should be able to investigate, on its own or the States' initiative, any of the Island's official statistics. These would include -

- those concerning the Island's population and households, including the Census, population projections and household expenditure;

- those relating to economic activity, for example, manpower, turnover, productivity and incomes in addition to earnings;
- those relating to sustainability/environmental issues, for example, transport, energy, water and waste.

3.4 It may be questioned whether the Group should oversee statistical matters which are largely the concern of a single Department of the States: agriculture, crime, education, health, housing and tourism, for example. If the public and the world at large are to have confidence that figures in these areas are to be trusted, it is necessary that the Group should be able to review work in any area where quality or reliability may be in doubt. Thus the Users Group should be available as required to review and make recommendations on any statistical matter referred to it by the States, the Policy and Resources Committee or any other Committees of the States. The Group should also be able to make proposals for improving the statistical base and to react as and when it feels appropriate to criticisms of the Island's statistics from any source.

3.5 The Group would not be responsible for dealing with requests for statistical information from members of the States or from the general public. As at present, these would continue to be addressed to the Statistics Unit in the Policy and Resources Department or to the individual Department responsible.

#### 4. **Structure of the proposed Group**

4.1 As a "Users Group", the regular members of the Group should primarily comprise informed users of official statistics, who are neither members nor officials of the States. An exception to this should be the Head of Statistics of the Policy and Resources Department, who as a professional statistician can advise and support the Group, act as its Secretary and assist in liaison with both the statistical and official community. There should also be two or three retained external experts, probably from the academic world, who would be invited by the Policy and Resources Committee, in consultation with the Group, to join the Group on an ad-hoc basis to advise on technical and methodological aspects of economic, environmental and social statistics. The main representation would however be of the Island's business community, the labour force and the general public. All interested bodies, for example the Chamber of Commerce, the Transport and General Workers Union, the Consumer Council and the Federation of Small Businesses would be invited to nominate up to two members for the Group, from whom the Policy and Resources Committee would invite a maximum of ten nominees to participate. Including the Chairman, there would thus be twelve regular members of the Group and up to three ad-hoc advisers. Five members of the group would constitute a quorum. In other respects the Group would be expected to regulate its own procedures.

4.2 Chairmanship of the Group should be undertaken by an independent member drawn from the Island community. It is clearly important that he or she should be numerate and appreciative of the concerns of the community as a whole, but it is equally important that he or she should command the trust and respect of the population, and be seen as being substantially independent of Island politics. The Policy and Resources Committee would invite a person to chair the Group, possibly from those nominated by organisations to participate and recommend that person to the States.

4.3 Appointments to the Group, with the exception of the *ex-officio* Secretary, should be for a fixed term of three years, renewable once at the discretion of the Policy and Resources Committee.

4.4 In order to carry out its role effectively the Group should also, when necessary, be able to invite independent expert advisors and consultants with the appropriate skills and experience to undertake specific reviews and investigations into the Statistics of Jersey and to make recommendations to the Group for their consideration. The Group should also be able to call on the advisers in the Policy and Resources Department and officials of the other Departments of the States for advice and information on particular statistics and their use.

#### 5. **Frequency of meeting**

5.1 The wide range of statistics proposed to be covered in section 3 above, even without the items mentioned in 3.4, indicate that the Group would have a substantial volume of work to cover. This has to be balanced, however, against the need to prepare material for discussion and consideration by the Group. It is therefore proposed that the Group should meet at least quarterly.

#### 6. **Financing of the Group**

6.1 The present JAC has an annual budget of £14,000, which funds the fieldwork of RPI data collection, pays for the

services of the Secretary and takes care of miscellaneous associated expenses. It is proposed that £5,000 per annum for the RPI fieldwork should be managed directly by the Policy and Resources Department, making explicit what already happens in practice. In addition, £10,000 per annum should be budgeted for the payment of attendance fees and travel expenses for the external experts and any other routine expenses of the Users Group. The regular members of the Group would be expected to participate on a voluntary basis, but with their expenses being reimbursed. The total sum budgeted, at £15,000, is £1,000 more than that budgeted for the JAC, reflecting the larger size of the Group. If the Group saw a need to commission more substantial reviews or investigations they would have to seek the necessary funds via the Policy and Resources and Finance and Economics Committees.

## 7. **Recommendation**

7.1 The Committee would recommend that the States -

- (i) approve the establishment of a Statistics Users Group, with effect from 1 January 2000, comprising -
  - a Chairman to be approved by the States on the recommendation of the Policy and Resources Committee, who shall be neither a member of the States nor an official of a Department of the States;
  - a Secretary who shall be the Head of Statistics of the Policy and Resources Department;
  - up to ten regular members who shall be appointed by the Policy and Resources Committee from a list nominated by interested bodies;
  - up to three retained external experts, to be appointed by the Policy and Resources Committee, as provided in this Report and with the functions set out in section 4;
- (ii) rescind their Act of 24th September 1996 revising the constitution and terms of reference of the Joint Advisory Council.

22nd September 1999