Speech by Sir Michael Scholar to The Foundation for Science and Technology, The Royal Society, London, 20 October 2010

Statistics in Government

Lord Selborne, ladies and gentlemen, thank you very much for inviting me to speak to you this evening. Thank you also, Bernard, for giving us a fascinating journey into the world of crime statistics. I have spoken about various statistical questions to several gatherings in this building over the last three years. I am delighted to be able to do so again to such a distinguished audience.

As many of you know, there was a strong feeling around five years ago that something needed to be done about official statistics. That led, with all party support in Westminster and the devolved legislatures, to the passage of the Statistics and Registration Service Act 2007, and to the creation of the UK Statistics Authority.

What was going on? People had become distrustful of official statistics, believed them to be the subject of manipulation by government, and wanted them to be put on an independent footing, as the Bank of England had been in relation to monetary policy. That is evident from reading the speeches of parliamentarians during the passage of the Bill, and from the media reporting of those events; and also from a succession of surveys which show only 1 in 6 people believing that official statistics are not manipulated by Ministers, and 3 out of 5 thinking there is some dishonesty about the way in which official statistics are collected or published.

So the Statistics Authority was created, and we came into being in April 2008; and it is our job to try to change that situation, and to give people reason, through our actions and our words, to have trust in official statistics.

But why do people distrust official statistics? The answer here is quite complex. In part, people remember episodes in the past which certainly suggested that official numbers have been manipulated for political purposes – for example the 18 redefinitions of unemployment in the 1980s and 1990s, each diminishing the total. Another possible reason is the very healthy scepticism people feel about all the pronouncements of all governments. Another reason is that we ourselves, especially our media, love to take down a peg or two those in authority, and sometimes we ourselves seem to have lost sight of the notion of the impartial and the objective. Finally, there may be a species of innumeracy in our population which causes some to be totally bewildered by, and distrustful of, all numbers and to have unrealistic expectations of what statistics can tell us.

On this last point, I strongly support the initiative taken by David Hand and the Royal Statistical Society to establish a 10-year statistical literacy campaign, called GetStats, launched today, World Statistics Day. This campaign is designed to build statistical understanding across society and to ensure that we can all get the most out of our data. I believe that campaigns such as this will play a vitally important part in tackling the innumeracy and the bewilderment, and thereby help us to give people more reason to have trust and confidence in official statistics, through understanding and knowledge.

The Authority's aim, as an independent body that reports directly to Parliament, is to ensure that the official statistics which are produced across government and the public service are those that are *most* needed by the wide range of users of statistics, in order to guide their actions and their understanding of British society and the British economy; that high professional standards are maintained in the production of statistics; and that the figures are well-explained, including their strengths and weaknesses as statistics, so that they are meaningful and helpful to those who need them.

We can shorten this to a three-fold mantra – right statistics, right methods, right explanation. To the extent the Authority achieves these objectives and aims it will certainly increase the trustworthiness of UK official statistics – and, we hope, the degree of trust that people actually place in these statistics – although that will

almost certainly take much longer! In my view, our task is an unambiguously worthwhile task, one which much needed to be undertaken, and one in which we absolutely must succeed.

Achieving improvement in the three headings of the mantra is a long, hard job, which can only be carried out by the statisticians themselves. It is particularly difficult at the present time, when statistical budgets will, very probably, be quite sharply reduced, since it must seem to professional statisticians that the priority must be the continued existence rather than the improvement of their statistics. Statistics must, of course, take its share of public expenditure reductions, but we must never forget that good statistics are vital if we are ever to know what are the effects on society and the economy of the new policies. To borrow the phrase that I used at my confirmation hearing before the Treasury Select Committee three years ago, official statistics are like sound money and clear water.

But there has been another, and equally important, arena in which the Authority has had to work. Against the background I sketched just now, it was necessary for the Authority to demonstrate the independence of official statistics from political interference. It is easy to exaggerate the scale of the problem here. Government statisticians are professionals whose impartiality and objectivity, in my 40 years experience of Whitehall, is respected by policy and administrative colleagues. But there is always a temptation – or, certainly, people <u>think</u> there is a temptation – for Ministers, or their political advisers, to suggest a changed date for a statistical release, or a change in presentation or format, or a changed definition; or a selective quotation of unpublished data, or a one-sided account of a complex statistical picture.

The Authority has, therefore, intervened publicly, in a high-profile way, on a range of subjects where it saw evidence of political interference with, or manipulation of, official statistics : on knife-crime, migration, the gender pay gap, and violent crime, for example. We have to recognise that our interventions may have had a perverse effect immediately, actually diminishing trust in official statistics. But the longer-term effect of our interventions will, I am sure, be beneficial, not least because they have materially strengthened the hands of professional statisticians within Departments.

I would have liked to strengthen them more. Let me tell you how we have been trying to do that.

Before the Election I wrote to the leaders of the major parties, asking them to put into their manifestos a commitment to strengthen, within the existing legislative framework, the independence of official statistics. Specifically, I asked them to do three things : one, to strengthen the authority of the National Statistician as Head of Profession over the statisticians working across the range of Government Departments; two, to involve the Authority in the inevitable decisions ahead to reduce government expenditure on statistics; and three, to tighten up the rules for pre-release access – these are the rules which allow Ministers and their political advisers to see official statistics 24 hours before they are published.

I had a friendly reply at the time from David Cameron. But I have recently been told officially by the Cabinet Office Minister that, although the government supports the Authority's work, it does not agree to any of these proposals.

That is, of course, a disappointment. We will have to accept, for the present, the government's decision on pre-release access and on the professional arrangements for government statisticians. But, on the cuts, the Authority has decided that it is our duty to collect as much information as we can, with help from Treasury colleagues, about the forthcoming cuts in the UK statistical capability and output, so that we will be able to report any concerns we have to Ministers and to Parliament. It might, for example, transpire that a modest and apparently inoffensive reduction in one Department's statistical output would do disproportionate damage to another's – or to the statistical system as a whole. We think it is our job to point out such things to Parliament, whatever Ministers may say.

Before I finish I would like to say something about crime statistics, which are playing a prominent role in our discussion this evening, as a particular example of official statistics.

As many of you will know, one of our recent interventions which attracted particular media publicity involved statistics about violent crime. Now is not the time to rehearse all the arguments for and against, but I want to set out the background to our decision to intervene. We became aware that local-area crime statistics were being disseminated in such a way that they were likely to significantly mislead the public because they did not appropriately take account of changes in recording practices during the period of comparison, and explain what effect that may have had. The extent to which these statistics had been disseminated – indeed, their reach into all sorts of national, regional and local media across the country – was of great concern to us.

I recognise that our intervention reignited debate about what the best, or most appropriate, long-term statistical measure of violent crime might be. It also encouraged a proliferation of analyses using the available data, some perhaps more statistically robust than others. But I believe that re-launching this debate was a useful step. In doing so, we encouraged those who wish to use and disseminate these statistics to do so responsibly, giving due attention to explaining what the statistics show and what they do not.

But I want to finish on a more positive note about crime statistics. I believe that the recommendations that the Authority put forward in our recent report on this subject are receiving, and should continue to receive, attention, and should command support. In that report, we proposed a number of things that we believe would help to build trust in crime statistics. These include a non-executive board to supervise the production of crime statistics to provide much-needed independent reassurance. Also, bringing together statistical publications on crime and criminal justice so the non-expert user can understand the flow of offences and offenders through the system. And the production of regular commentary by the National Statistician on the statistics, with advice on the different sources, and discussion about their relative strengths and weaknesses. The publication of our recommendations is the beginning and not the end of a dialogue. I hope that everyone with an interest will join us in this dialogue in the hope that the end result will be a growth of trust in – amongst others – these most important statistics.

Thank you very much again for inviting me to speak to you this evening, and for the opportunity to set out in a little detail our thinking, both generally about statistics in government, and about crime statistics as well.