**SCOTTISH PARLIAMENT: ECONOMY, JOBS AND FAIR WORK COMMITTEE REPORT – “HOW TO MAKE DATA COUNT: IMPROVING THE QUALITY AND COVERAGE OF OUR ECONOMIC STATISTICS”**

**Background**

# The report *“How to Make Data Count”* follows a four-month inquiry by the Economy, Jobs and Fair Work Committee, which saw a wide range of economic and business experts and organisations give evidence on the reliability of economic statistics used by the Scottish Government, media and others. The remit of the Inquiry was:

* *To examine the accuracy, utility and comprehensibility of Scottish economic statistics; to consider what data is required for effective delivery and scrutiny of policy; and to recommend where any improvements might be made.*

# The four key themes of the Inquiry were: accuracy, utility, interpretation and scrutiny. Annex A provides a list of the recommendations for Scottish Government and other organisations such as the Office for National Statistics.

**Key Messages**

# The Committee found that:-

# The credibility of Scotland’s economic statistics is even more crucial given the Parliament’s new fiscal powers.

# Significant progress has been made in the quality and coverage of economic statistics in recent years. Scotland is now much better served than Wales, Northern Ireland and the English regions yet still lacks many of the statistical measures produced routinely at a UK level and in other countries.

# The production of high quality economic statistics must be a continuing priority for the Scottish Government. The Committee recommends the Scottish Government and ONS focus on improving the coverage and quality of four key areas: earnings; trade (exports and imports); Scottish prices; and regional (as well as sub-regional) economic statistics.

**Key Recommendations**

# The Committee believes that Pre-Release Access to economic statistics which are market sensitive should end. It invites the Scottish Government to set out how it will do so.

# The Committee recommends that the Scottish Government undertakes a feasibility study to assess the practicalities and consider the pros and cons of greater independence for the production of economic statistics for Scotland.

# The Committee highlights that it is imperative that the Scottish Government fully benefits from the easier access to administrative data, such as that held by HMRC, as a consequence of the Digital Economy Act 2017. It seeks assurances from ONS and HMRC that Scotland’s statistical needs are guaranteed to be given full consideration and factored into their decision making and resource allocation.

# The Committee identifies the needs of the Scottish Fiscal Commission as a top priority, and recommends that the Scottish Government work closely with ONS and HMRC to meet these needs.

# The Report stresses the importance for statisticians generally to have a more agile, imaginative and ambitious approach to the production of statistics, better focused on and in tune with user needs. It makes a few related suggestions such as, working more closely with the Enterprise and Skills Strategic Board in developing the Economic Statistics Plan; working more closely with local authorities, enterprise agencies, and the public and private sectors.

**State of Play**

# A draft response to the report has been produced and is with Ministers for consideration.

**Annex A – “*How to Make Data Count – Improving the Quality and Coverage of Our Economic Statistics*” – Recommendations**

**For the Scottish Government:**

Make economic statistical quality a priority;

Present future annual Scottish Economic Statistics Plans to the Committee;

Prioritise boosting coverage and quality of four key areas:

 o Earnings

 o Trade (exports and imports)

 o Price index for Scotland

 o Better regional – and even smaller level – economic statistics;

Continue to improve the timeliness of key indicators e.g. accelerate publication

of GDP;

Explore with ONS, HMRC and others what is achievable, by who and at what

cost, and develop a detailed plan of how gaps can be filled;

Explore how to address the matter of UK-wide companies not having to report

specifically on their activities in Scotland;

Explore all possibilities for improving coverage and quality through data sharing

agreements;

Reflect on the lack of a single website or portal to bring the most up-to-date

economic data for Scotland together in one place;

Outline current and planned allocation of resources for data provision and

statistical analysis;

Keep the Committee informed of the progress and work of the new Data

Analytical Unit in terms of establishing the unit, budget and staffing, work

planning and prioritisation etc.;

Likewise the progress of the Centre for Regional Inclusive Growth;

Undertake a feasibility study to assess the practicalities and costs and consider

the pros and cons of greater independence for the production of economic

statistics in Scotland;

End PRA to economic statistics which are market sensitive – including Scottish

GDP, the Retail Sales Index for Scotland (RSIS), Quarterly National Accounts

Scotland (QNAS) and Government Expenditure and Revenues (GERS) – and

set out how it will do so;

Prioritise the statistical needs of SFC (where it can collect the data and work

with ONS/HMRC/others where it cannot) and set out what it will do to address

any gaps;

Look into the matter of public bodies such as SFC paying for data from other

public agencies and how the cost might then be shared between those bodies

acquiring the data and protocols put in place for distribution;

Examine the means by which it could embed monitoring and evaluation into

bills and other policy interventions and provide the Committee with an example

(or examples) of how and to what extent it has taken a statistical approach in

the development of performance measures and targets pertaining to its

economic policy;

Reflect on how its own working culture matches up to the requirement of the

Bean Review for ONS to be focused on user needs;

Update the Committee on the recommendation from the EJFW Committee’s

Gender Pay Gap report to develop a suite of indicators, particularly progress of

the equality evidence base;

Renew impetus in measurement of social inclusion – including consideration of

new or alternative statistics;

Develop these within a statistical framework set out in a regular quarterly or biannual

publication;

Consider how it can champion a better awareness and understanding of

economic statistics for policy makers, journalists and the public.

**For the Office for National Statistics:**

Prioritise boosting coverage and quality of four key areas:

 o Earnings

 o Trade (exports and imports)

 o Price index for Scotland

 o Better regional – and even smaller level – economic statistics;

Explore further with the EJFW Committee how its engagement with the Scottish

Parliament – and accountability via UKSA – can be made stronger, more

systematic and meaningful in the interests of Scotland’s statistical needs;

Explore how to address the matter of UK-wide companies not having to report

specifically on their activities in Scotland;

Explore all possibilities for improving coverage and quality through data sharing

agreements;

Provide assurances that Scotland’s statistical needs will be guaranteed to be

given full consideration and factored into decision making and allocation of

resources for current and future work;

At the same time as publishing UK labour market data, issue a separate

statistical release providing the key numbers for Scotland.

**For Her Majesty’s Revenue and Customs:**

Explore how to address the matter of UK-wide companies not having to report

specifically on their activities in Scotland;

Explore all possibilities for improving coverage and quality through data sharing

agreements;

Provide assurances that Scotland’s statistical needs will be guaranteed to be

given full consideration and factored into decision making and allocation of

resources for current and future work.

**For the Scottish Fiscal Commission:**

Annually set out its statistical needs.

**For the Enterprise and Skills Strategic Board (through the Scottish**

**Government):**

Undertake (or commission) a robust, independent analysis of Scotland’s data

needs.

**For all other bodies providing economic statistics in Scotland (whether**

**enterprise agencies, think tanks, universities, the third sector or business**

**membership organisations):**

Specify the extent to which they adhere to UKSA’s Code of Practice – including

whether they speak to GSS to help ensure professional standards are met and

maintained – and, if not, other measures they have in place.