



**FOLKETINGET  
STATSREVISORERNE**



**FOLKETINGET  
RIGSREVISIONEN**

**November 2020  
– 3/2020**

**Extract from Rigsrevisionen's report  
submitted to the Public Accounts Committee**

# **Statistics Denmark's quality and efficiency**

# 1. Introduction and conclusion

## 1.1. Purpose and conclusion

1. This report concerns Statistics Denmark's quality and efficiency. Statistics Denmark collect, compile and publish statistical data about the Danish society. Statistics Denmark thus provide data that underpins decisions, debates and research. Statistics are used by, for instance, politicians, public authorities, businesses, researchers and interest groups. Statistics are important tools in the development of policies, where they provide the basis for assessment of relevant interventions and evaluations of reforms. It is therefore crucial to ensure high quality statistical data. Statistics Denmark is committed to achieving five international principles of quality.

2. In recent years, we have seen several examples of errors in statistics provided by Statistics Denmark. For instance, the GDP statistics that are used to assess the economic development, and which are key to decisions made by the political level, have been affected by error and revisions. Minor statistical reports have also been affected by error, like, for instance the statistics on social resources that was redrawn due to errors, when it was first published.

3. Like other government institutions, Statistics Denmark is obliged to use their resources effectively and efficiently. Statistics Denmark was in the period from 2015 to 2019, like all other government institutions, required to cut annual costs by of 2%. In 2014, Statistics Denmark took initiative to carry out a budget analysis in an effort to identify potential savings that would allow the bureau to maintain a high quality of statistics to make up for the annual 2% savings requirement imposed by the Danish government and to meet increased requirements from the European Community (EU).

Improving its quality assurance and streamlining its production in accordance with the proposals that emerged from the budget analysis have been strategic objectives for Statistics Denmark since 2015. It is Rigsrevisionen's assessment that the efforts to streamline the production of statistics, and the 2% savings requirement, should result in increased production efficiency. If efficiency is increased, the cost of producing statistics will be lower in 2019 than in 2015. It is essential that increased efficiency is not achieved at the expense of quality. This study will provide an overall picture of Statistics Denmark's efficiency and the quality of its statistics.

### International principles

The five international principles of quality are taken from the European Statistics Code of Conduct that includes 16 principles in total. The five principles concerning quality are:

1. Relevance
2. Accuracy and reliability
3. Timeliness and punctuality
4. Coherence and comparability
5. Accessibility and clarity.

4. The purpose of the study is to assess whether Statistics Denmark's efforts to ensure quality and efficiency have been satisfactory, and whether quality and efficiency have improved in the period from 2015 to 2019. The report answers the following questions:

- Has Statistics Denmark's quality assurance been satisfactory, and has the quality improved in the period from 2015 to 2019?
- Has Statistics Denmark implemented adequate measures to streamline the production, and has efficiency increased in the years from 2015 to 2019?

Rigsrevisionen initiated the study in the autumn of 2019.

5. It is Statistics Denmark's overall assessment that the analysis methodology applied by Rigsrevisionen is problematic, including Rigsrevisionen's calculation of efficiency. To this Rigsrevisionen observes that its methodological approach follows general practice for the calculation of productivity. Rigsrevisionen has met many of Statistics Denmark's objections and has, among other things, excluded development projects and additional costs relating to EU requirements from its analysis of efficiency.

#### **EU additional costs**

EU additional costs occur, when the EU increases its statistical requirements. When legislation is changed and expanded to include more statistics requirements, the cost of producing statistics increases.



## Main conclusion

**Statistics Denmark's efforts to ensure quality and efficiency, including the efforts to streamline the production of statistics, have not been entirely satisfactory. Efficiency has increased in the period from 2015 to 2019, but the quality relating to two of the three principles of quality that Rigsrevisionen has examined, has not improved. The consequence of the latter is a risk that statistics that are used to underpin decisions, debates and research may be affected by error.**

### **Statistics Denmark's quality assurance has not been satisfactory, and the quality relating to two of the three examined principles of quality has not improved**

Despite the fact that Statistics Denmark's strategy calls for a standardization of quality, the tools available to the bureau ensure the quality of the statistics are insufficient to support uniform quality assurance. Statistics Denmark does not state anywhere which minimum procedures that are required to assure the quality, nor is the bureau insisting that its guidelines must be adhered to. Approx. half of the statistics are subject to EU regulations, which, according to Statistics Denmark, contributes to assuring the quality of the statistics. It is Rigsrevisionen's assessment that Statistics Denmark needs to set a minimum standard for quality assurance across statistics for national as well as EU statistics. In practice, quality assurance across statistics is inconsistent, and two guidelines covering essential areas such as documentation of statistical processes and validation of data are not applied systematically by Statistics Denmark. Rigsrevisionen's study does show, however, that all products are subject to quality assurance and troubleshooting, but in different ways and to varying degrees.

Rigsrevisionen's study shows that in the period from 2015 to 2019, the quality relating to two of the three principles of quality that Rigsrevisionen has examined and which are included in the European Statistics Code of Conduct, has not improved. The two principles referred to in the above concern timeliness and punctuality, and accuracy and reliability.

### **Productivity has improved in the period from 2015 to 2019, but projects to streamline the production of statistics have not been implemented as planned**

Statistics Denmark has set targets for efficiency, but has not quite achieved all the targets set in 2018 and 2019. In 2019, Statistics Denmark failed to achieve its target to streamline the production of statistics, because its biggest project aiming to implement standardized validation has currently been delayed for two years.

Statistics Denmark has not measured its own efficiency, nor has the bureau access to data that will allow it to perform such a calculation on a statistical level. The reason for this is that Statistics Denmark lacks an overview of the number of statistics produced, and that the bureau's time records are not sufficiently varied to permit a correct calculation of efficiency on a statistical level. It is Rigsrevisionen's assessment that Statistics Denmark should have been in a position to monitor efficiency, particularly at a time when the bureau was aiming to streamline its production of statistics.

Statistics Denmark has improved its efficiency, and time consumption has been reduced by 10.1% in the period from 2015 to 2019. Resources required to produce statistics have decreased slightly less, namely by 8.5%. The reason for the variance might be the fact that, in the same period, absence due to sickness increased for the units that produce statistics.

The streamlining project concerning standardization of validation did not affect efficiency in 2019. The improvement in productivity from 2015 to 2019 has thus been the same for units working with the standardized validation system as for Statistics Denmark's other units.