



The Scottish Parliament
Pàrlamaid na h-Alba

Economy, Jobs and Fair Work Committee

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Dear Derek

How to make data count: improving the quality and coverage of our economic statistics

Thank you for your letter of 14 July in response to the three areas that the Committee wished to pursue further: the feasibility study, pre-release access (PRA) and the Scottish Fiscal Commission's (SFC) data needs.

We are delighted at your support for this inquiry, continuing the positive stance taken by Mr Brown, and that you reiterate the Scottish Government's acceptance of the main thrust of the recommendations in full.

I note your view on our recommendation that a study be undertaken to consider various options regarding the production of economic statistics. Your position is very clear. On the matter of PRA, though, I note you say you would be happy to engage further. You'll be aware that there were two views among members of the Committee, with those wishing to see an end to PRA for significant economic data being in the majority. That prevailing view was set out in paragraph 230 of the report—

230. A decade on from the 2008 Order's introduction, and in light of strong encouragement in favour of ending pre-release from a number of key witnesses to our inquiry, we believe that 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) – should end; and the Scottish Government is invited to set out how it will do so.

Beneath which paragraph, a footnote reads—

There was a division over the issue of pre-release access, the prevailing view recorded in paragraph 230; the minority view having proposed: “The Committee considers there should be a presumption against pre-release access and invites the Scottish Government to put forward arguments why pre-release access should be continued for specific statistics.” See Annexe A, Minute of the Meeting of 30 January 2018, and note on ‘Record of division in private’ for more detail.

The correspondence from the Chief Statistician, Mr Halliday’s letters of 18 April and 17 July, could, we feel, have gone further in addressing the Committee’s specific points, as set out in our own letter (to Mr Brown) of 14 June. In that letter, we stated—

...the Chief Statistician has centred on one aspect of detail rather than addressing what was recommended. Such an approach – focusing on the technicalities of market sensitivity (its definition and assessment) and not the principle of PRA – risks overlooking the bigger, more important picture.

Furthermore—

The reference to “market sensitive” was about drawing on a classification rather than making any point about market sensitivity. Therefore, rather than the Committee commenting on the study, as suggested in the Chief Statistician’s letter, we would welcome your response to the recommendation set out in paragraph 230 of our report; the essence of which concerns perceptions of fairness and being seen to have a “first mover” advantage and the possibility for this to erode public trust. What is most relevant is whether the statistics are deemed to be of national importance. PRA for GDP, RSIS, QNAS and GERS should stop – being the prevailing view of the Committee – not because of the potential for a small movement in the stock market returns of 11 Scotland-based international businesses, but in the interests of fairness, trust and credibility.

I wonder therefore, in the interests of further dialogue, if you might welcome a conversation with myself and the Deputy Convener? This would seem a constructive way forward in the first instance. I note we have an evidence session with you on draft budget scrutiny on 2 October and this, time permitting, might offer a further and more formal opportunity to explore the matter.

Lastly, on the question of the data requirements of the SFC, I draw your attention to the correspondence we received from Susan Rice on 5 September, in which she says—

To coincide with this report we published our first annual Statement of Data Needs setting out the data we require to create our forecasts. The statement responds to the recommendations of the Economy, Jobs and Fair Work Committee following your inquiry into Scottish economic statistics. We are grateful to the Committee for the suggestion that we publish this statement. This statement indicates which organisations we rely on for these data, and highlights areas for improvement.

The Committee would very much welcome the Scottish Government’s views on that statement from SFC.

Kind regards

A handwritten signature in black ink, appearing to read "Gordon Lindhurst". The signature is written in a cursive style with a large, stylized flourish at the end.

Gordon Lindhurst MSP
Convener