



The Scottish Parliament  
Pàrlamaid na h-Alba

## Economy, Energy and Fair Work Committee

Derek Mackay  
Cabinet Secretary for Finance,  
Economy and Fair Work

The Scottish Parliament  
Edinburgh  
EH99 1SP

Tel: (0131) 348 5207

RNID Typetalk 18001 0131 348 5207

economyjobsandfairwork@parliament.scot

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Dear Cabinet Secretary

### Data inquiry

Further to my letter of 18 September and your comments at the Committee meeting on 2 October (and your letter of 19 October), I write to address three matters outstanding from our data [report](#).

But before getting into the detail, I want to say again how pleased we are at your support for this inquiry; continuing the positive stance taken by Mr Brown, and accepting the main thrust of the recommendations in full. Pre-release Access (PRA) remains a sticking point, however, and I have broken down your comments from 2 October in order to address them all fully.

### PRA

You stated—

**“I think that the Government is transparent and accountable. No accusations have been made or reasons given to revisit our handling of statistics; the professional community has not asked us to, and there are no concerns from the statisticians.”**

The integrity of the Scottish Government’s statisticians is not in question. That point was made very clearly in our report by witnesses, including the UKSA, and indeed by ourselves. Paragraph 224 of the report reads—

*It should be said there is no suggestion of statistics being subject to undue influence prior to publication. The concern is around a ‘slant’ being put on what the numbers mean before other commentators or parties are able to respond. This is regularly seen with economic statistics when the official statistics press release is followed instantaneously by the Ministerial response; something that could be seen as calling into question the credibility of the figures themselves.*

Regarding the concerns of statisticians, I would refer you to the views of key witnesses set out in paragraph 225—

When asked by the Committee whether PRA should be removed, the UK Statistics Authority, ONS and Professor Sir Charles Bean all agreed with the proposition.

You stated—

**“I understand that there is a majority view and a minority view, but I have heard no evidence whatever to lead me to conclude that we should not have a well-informed, accurate understanding of statistics when they are being released.”**

Let me set out both views for clarity’s sake. The majority (i.e. the recommendation) was—

**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.**

The minority (as set out in a footnote)—

**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.**

Note that the minority view, while seeking arguments for continuation, favoured a presumption against PRA.

The “*well-informed, accurate understanding of statistics*” view was expressed by your predecessor and the Chief Statistician during their evidence to our inquiry. The other side of the PRA argument, however, is that removing ministerial privilege and giving everybody the same access to official statistics at the same time is a fundamental principle of statistical good practice; consistent with the position adopted by ONS since 1 July 2017 and subsequently by the Bank of England.

This change was welcomed by statistical organisations such as the Royal Statistical Society. Commenting on the announcement by ONS at the time, RSS’s Executive Director Hetan Shah stated: “*We hope it will set an example for other government departments to follow and bring forward the day when pre-release access to all official statistics is ended*”.

Our report covered this point extensively—

202. The argument that pre-release access was required so that ministers could be “informed rather than ill-informed” was understood by Sir Charles Bean, who said he had been “on the other side of the fence” when a member of the Monetary Policy Committee but—

*Nevertheless, I think that the balance of arguments supports pretty strict limitations on pre-release access.*

203. Ed Humpherson [UKSA] made “some advocacy comments” as follows—

*First, why do we care so much about this? It is because, at the heart of what statistics are about, they are a public asset. They are there for public consumption as information that enables the public to understand the nature of the world, the nature of policy and nature of the decisions that are being made. Secondly, that vision of a public asset is underpinned by statistics being equally available to all and not partially available to some audiences but not*

others, and by their being available as soon as they are ready. Pre-release access seems to run against those two principles.

204. He went on—

*There is a perception that one set of actors – ministers – gets privileged access that others do not get. Therefore, for the Scottish Government to establish its trustworthiness – to use that term again – it needs to work that much harder to demonstrate the integrity of its production process, and I think that makes its job harder.*

205. He made it clear no judgement or accusation was being made—

*They are genuinely highly professional statisticians and do an excellent job. I just think that pre-release access makes their work harder.*

206. In RSS's written submission to the Committee, it made clear its view—

*...the RSS strongly urges the Committee to call for Scotland's current rules on pre-release access to be revised. We believe that such privileged access undermines public trust in official statistics as, for example, it creates opportunities for figures to be 'spun' to the media or 'buried' beneath other announcements.*

207. It suggested such a reform "would be warmly welcomed by all those committed to statistical integrity".

You stated—

**"When the previous order was made, I looked back at the history of the issue. At the time there were no party politics and no division among committee members about the legislation that we currently rely on—none."**

Party politics is one thing, the stance of the UK Statistics Authority another. Let me draw your attention to correspondence between the Scottish Government and UKSA from 2008, again as quoted and referenced in our report. In those letters, UKSA emphasised the principles of equal access and earliest possible release, being key features of the Code of Practice as well as the EU and UN Codes. UKSA's letter to the Scottish Government stated—

*Enabling the administration of the day to discuss, and prepare statements about, the statistics whilst not allowing the same access to Parliament or the public is not, in our view, good statistical practice. We believe our view on this is shared by statistical offices and other authorities around the world.*

It further noted that international policies in relation to these principles "are mostly clear and supported by both the EU and United Nations" and observed—

*The Pre-release Order which has been laid before the Westminster Parliament leaves little doubt that its aim is to reduce the amount of early access currently being granted. The Scottish Order appears to take a different stance and to be focused more on the formalisation and endorsement of pre-release access.*

Addressing each point raised by the Scottish Government at the time, UKSA was of the view the arguments were "less clear-cut than presented", specifically—

- *In the normal run of business, statistics should be released without simultaneous accompaniment of ministerial press notices or other statements, as this may "distract attention from the statistical commentary and may encourage public scepticism about the trustworthiness of the statistical product itself";*
- *"It should normally be possible to correct erroneous data without providing access to the statistics in their final form", and*

- *The solution to ensuring other publications released at the same time as the statistics (or shortly after) were properly informed would be to publish them when the official statistics become available to all. To issue policy documents at the same time, the UKSA pointed out, “could again be seen by some as distracting attention from, or weakening trust in, the statistics.”*

It therefore sought—

*...a commitment both to a progressive reduction in the length of time for which privileged access is granted, as well as in the number of officials and Ministers seeing statistics prior to their publication. We would encourage the Scottish Government to adopt statistical policies that promote equal access, the earliest possible publication, and minimise the opportunity to make policy proposals or comments from advance sight of the unpublished statistics.*

At that time, the Scottish Government described PRA as “*necessary and desirable*” but even it acknowledged “*we do very much recognise that there are risks associated with pre-release access that need to be controlled*”.

You stated—

**“I have heard no evidence to suggest that the Government should change our position; nor are the statisticians requesting a change—they are happy with the current arrangements.”**

I refer you to the evidence of the UK Statistics Authority, the Office for Statistics Regulation, the Royal Statistical Society, Sir Charles Bean (former Bank of England deputy governor and chair of the Bean Review, an independent review of UK economic statistics commissioned by the Chancellor of the Exchequer) and others provided in written form and in person during our inquiry, just a selection of which I have set out above.

You stated—

**“I can go through a range of other arguments about market sensitivity and so on.”**

Market sensitivity is not the issue. Please see our letter of 18 September for fuller detail but in short what is most relevant here is whether the statistics are deemed to be of national importance. The prevailing view of the Committee is that PRA for GDP, RSIS, QNAS and GERS should stop; 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.

You stated—

**“I will certainly remain open-minded. My call to you is to let me see any evidence that the statistics have been misused in any way that I should have knowledge of. As I understand it, there are benefits to a clear understanding of statistics being reported in an informed way. If the committee has another view, I need to see that evidence.”**

We welcome that open-mindedness and remain hopeful further dialogue can secure progress.

The principles of equal access and earliest release possible are integral to the UK Code of Practice, as well as the European Statistics Code of Practice and

the United Nations Fundamental Principles of Official Statistics. They are principles with which both the Scottish Government and the UKSA agree.

UKSA argues that granting PRA falls short of these principles, is not good statistical practice and risks encouraging public scepticism about the credibility of the statistics themselves.

The Committee has clearly set out its recommendation to end PRA for *nationally important* economic statistics (if we might use that term rather than risk further tangential discussion of the meaning of “market sensitive”) i.e. those including Scottish GDP, the Retail Sales Index for Scotland (RSIS), Quarterly National Accounts Scotland (QNAS) and Government Expenditure and Revenues (GERS).

We arrived at this recommendation based on the most compelling evidence heard during our inquiry and what was – and indeed still is – the prevailing view of the wider statistical community.

### Scottish Fiscal Commission

Regarding 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 welcome the Scottish Government’s views on that statement from SFC.

### An analysis of Scotland’s economic data requirements

You will have seen Nora Senior’s response to us regarding the Committee’s recommendation that the Enterprise and Skills Strategic Board might undertake or commission its Analytical Unit to carry out an analysis of Scotland’s economic data requirements. She suggested that rather than asking the Unit to do this, which in her view could risk detracting from their enterprise focus, the Scottish Economic Statistics Consultation Group could be asked to undertake such a review “*in the broadest sense*”.

This relates to paragraph 306 of our report—

**It is clear that were we starting from scratch with a plan to configure Scottish economic statistics we would not seek to replicate the current statistical framework and scale of operation at the UK level. The level of resources required would simply not be realistic. What would be welcome, though, is a robust and independent analysis**

of Scotland's particular data needs in order to identify both what is essential from what is desirable and what is useful from what we may be doing out of habit. The Committee proposes that the Enterprise and Skills Strategic Board would be best placed to consider such an undertaking and – if the Board did not consider itself the most appropriate body and nor did it wish to instruct the new Data Analytical Unit to carry it out – to commission that piece of work.

If you are content with Nora Senior's suggestion, we would certainly welcome the SESCOG taking on this task.

Next steps

I look forward to your response on the second and third areas outlined above but regarding PRA, I wonder if an informal meeting – initially at least – might be a constructive way forward? In which case, perhaps the Clerks could speak to your private office to arrange a suitable time for myself and the Deputy Convener to meet with you.

Kind regards

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

Gordon Lindhurst MSP  
Convener