

STATISTICS SYMPOSIUM Newsletter

Towards strengthening the South African National Statistics System

31 July 2014



Phakisa [hurry up],” was Minister in the Presidency Jeff Radebe’s message to those gathered at the Statistical Symposium held to address the strengthening of the South African National Statistical System (SANSS), held in Pretoria this week.

After a rousing welcome from the Statistics South Africa (Stats SA) choir, the minister addressed the meeting, which included current and past heads of statistical offices from across the globe, as well as continental and national stakeholders. The minister said that while the framework for the implementation of a national statistics system (NSS) was adopted by Cabinet in 2001, implementation has been slow. The session on Tuesday was described as a watershed moment in the quest to deliver a better life for all in South Africa. The minister said statistics is about people, places and possibilities; it is about evidence and how this evidence can be used to transform South Africans’ lives for the better. He said everyone is entitled to their opinion, but scientific fact is what is needed to ensure that the future is in capable hands.

The National Development Plan depended on a raft of statistical data for its formulation. It requires data for its monitoring and evaluation. Statistics is therefore central to it. To quench this thirst for data,

the SANSS needs to be implemented urgently.

The purpose of the symposium is to share experiences on the architecture and coordination of National Statistics Systems that may result in effective National Strategies for the Development of Statistics (NSDS). The experts from other countries and organisations will contribute to shaping and advancing South Africa’s practice and assisting in our understanding of how practice can be entrenched through legislation.

The experiences, successes and failures of other countries will assist South Africa as these will help speed up implementation and save the country from costly mistakes. South Africa’s divided past has made coordination mechanisms complex despite the existence of statistical legislation that supports this.

The demand for official statistics in South Africa has been rising in the past 20 years of democracy. Organs of state and the broader South African society need official statistics to discharge their mandates. Strengthening the SANSS to support evidence-based decision making, policy development and the monitoring and evaluation of impact of decisions, policies and strategies is critical to ensuring the country can meet its development objectives.





Africa's data revolution

Despite problems experienced in some African countries, the continent has considerable statistical capacity. This was the main message of Professor Ben Kiregyera's presentation on the first day of the Statistics Symposium. Outlining the history of statistical development in Africa, Kiregyera addressed international criticisms of Africa's ability to build and effectively manage statistical systems.

The state of statistical development in Africa can only be understood in the context of history. During the 1960s, as African countries were achieving independence, the formation of statistical programmes in Africa was high on the agenda of the United Nations Economic Commission for Africa (UNECA). The UNECA would play an important role in statistical programmes in the continent. One notable programme was the African Household Survey Capability Program (AHSCP), the African component of the UN's National Household Capability Programme, which was pioneered in Africa and adopted by UNECA.

Notwithstanding this initial drive, Africa experienced a decline in statistical development during the 1970s and 1980s, primarily due to the effects of economic stagnation caused by the oil crisis and the World Bank's structural adjustment programme. In the late 1990s a severe blow was dealt when the statistical function at the UNECA was discontinued.

But despite these setbacks, African countries rose above these difficulties to work together to improve statistical production on the continent. Starting with the Addis Ababa Plan of Action for Statistical Development in Africa during in 1990s, the revival gained real momentum in 2006 with the initiation of the Africa Symposia on Statistical Development (ASSD) forum and the reinstatement of the statistics function at the UNECA.

To address recent criticisms of Africa's ability to implement and sustain statistical systems, Kiregyera listed 13 examples of continental initiatives and programmes that have taken place in the past decade and have succeeded in advancing statistical coordination and production on the continent.

Examples include the development of the African charter on statistics, the initiative to improve civil registration and vital statistics, and the coordination of the 2010 round of population and housing censuses, which resulted in 48 of 54 African countries participating in this round of censuses.

Statistical production in Africa is continuously improving, with better coordination, improved data sources, and enhanced data management. As a result, the continent is producing an increasing number of statistical experts who are making a valuable contribution to global statistical knowledge.

The statistician who dared to say no

Dr Graciela Bevacqua found herself at the centre of astounding pressures from the Argentinian government when she was asked to manipulate official inflation statistics. When she refused to publish falsified indices, she faced fines, threats of imprisonment and intimidation. Ultimately, she was asked to step down from her position as Head of Consumer Price Indices (CPI) at the National Statistics and Census Institute (INDEC) in Argentina. At the Statistics Symposium in South Africa, she outlined the controversy surrounding the Argentinian CPI.

Nestor Kirchner, who became president in 2003, was the first president who decided to use official statistics as a tool for political propaganda. Having come to power on a platform of protecting the vulnerable sectors of society, statistics that measure poverty and indigence were a particular area of concern. A decision was taken to disseminate information using agencies outside of the statistical office to calculate alternative indices, to present an "alternative reality". In an attempt to muzzle the statistical agency, all press conferences related to the release of official statistics were stopped.

In 2005 the government embarked on a policy of voluntary price ceilings, and made repeated requests for detailed information on the methodology adopted for compiling the CPI. By 2006 price setting became more rigid. The Secretary for Internal Trade, Guillermo Moreno, requested more detailed and more frequent information on the compilation of the CPI, including a list of retailers selected to provide price information. This was in contravention of the Statistics Act, which protects the confidentiality of sources of information.

In 2007, INDEC was occupied by the Ministry of Economic Affairs' functionaries. Several of INDEC's statisticians, including Dr Bevacqua, were removed from their functions and the publication of manipulated CPI figures started in January 2007.



The 2007 presidential elections contributed to the pressure for more "favourable" inflation data. With Kirchner's appointees in place at INDEC, end-of-year inflation "fell" from 12,3%. In 2005 it fell to 9,8% and in 2006 to 8,5% in 2007. Christina Fernandez de Kirchner, wife of Néstor Kirchner, was elected President. After the elections, the data manipulation had to continue, to cover the previous manipulation.

Soon after the physical occupation of INDEC, a number of consulting firms started to estimate alternative price indices. To silence them, fines of up to \$100 000 were applied. In November 2010 the country requested technical assistance from the International Monetary Fund (IMF) to prepare a CPI with national coverage.

In 2012 the Argentinian government decided to ignore the Academic Council for Evaluation and Follow Up (CAES) report and decided to drop the assistance of the IMF. The IMF in turn, censured Argentina because of its flawed statistics. The government announced the publication of the new CPI by year end. In 2014 a new national urban CPI was published.

The manipulation of official statistics means that the government is left with no knowledge of reality. There is a lack of credibility as the country's figures have been dropped from international publications and there are no tools for evidence-based decision making.

According to Dr Bevacqua, INDEC cannot be salvaged. It has to be rebuilt. It needs a new Act and a new council. "But most of all, it needs to be permeated by honesty, integrity and professional competence, all of which were tragically suppressed as a result of a rare combination of turpitude and incompetence on the part of the government," she said. "A positive outcome is possible as long as it is the product of a strong commitment by all social sectors acting in the framework of a truly democratic society."



A margarita fix

Dr Gilberto Calvillo-Vives, former president of INEGI (The National Institute of Statistics and Geography in Mexico), shared Mexico's experience of developing and implementing the National Statistics System with delegates at the Statistics Symposium on strengthening the South African National Statistics System.

By the 1970s, Mexico created a Ministry of Planning to improve planning and the implementation of strategies that would better the country and allow for poverty alleviation. INEGI was created in 1982, inside the National Planning framework. At that time, statistics and geography operated as two separate systems, and continued as such until the reforms of 2006.

In 1998, opposition parties to the then governing party in Mexico, the PRI, formed a coalition in an attempt to oust the ruling party. By that time the PRI had been in power for more than 70 years, and was considered inherently corrupt. The elections office, which was run by the government, declared that the PRI had won. Vociferous protests led to an autonomous electoral body being created in 1990, the first autonomous state body in the history of Mexico.

The Central Bank was the next state body to be granted autonomy, as there was a lack of credibility in terms of how the financial system was being managed. There were calls for the national statistics office to become autonomous as well, but this was resisted by the government of the day as, while they did not manipulate statistical data, they did not want to give up control of when statistics were released.

In 2000, the traditional opposition came into power. One of the campaign promises was that INEGI would be granted autonomy. INEGI fell under the Ministry of Finance, which was still controlled by the PRI, which



“Members of the board cannot be removed once they have been appointed”

did what it could to delay the process. The process was given urgency with the possibility of a change in power in the 2006 elections, and the reforms of 2006 led to autonomy being granted to INEGI.

The INEGI board consists of the president of INEGI, and five board members who look after a particular system of statistics, e.g. economic, social and governance. Each board member takes responsibility for the generation of statistics at federal, estate and municipal level, as well as from the ministries. The Constitution was amended to give the federal congress power over the estates to regulate information of national importance.

One of the achievements of this system is stability. Members of the board cannot be removed once they have been appointed. The price index is now more credible, as INEGI is responsible for the production, and not the Central Bank. There is better communication among producers of information; microdata is available for all releases, and the business register is much improved.

There are still challenges that need to be overcome; including the lack of time and resources to capacitate statistical personnel to use standard statistical concepts; board members not fulfilling their coordination role fully; and a lack of standards for the production of statistics.

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Informing the NDP

“Statistics are about people, places and possibilities” said Statistician-General, Pali Lehohla when he presented on Statistics for the National Development Plan.

“Statistics South Africa is in a position to let itself to grow; at the moment in 2014/15, as we confront the National Development Plan, we are able to talk a little more sense”, stated Lehohla. “The organisation has increased the use of quality statistical information as evidence” he added.

Lehohla said: “Statistics creates a fundamental property that gives stability.” He added “statistics are important to be used in planning; statistics are about change and driving that change.”

Stats SA is changing its tack by investing in learning, business processes and new products and platforms. The organisation is a power house that produces a number of statistics. “Yes, we have Consumer Price Index [CPI], so what? It is how CPI is translated into policy and then navigated to the ordinary people and their experiences that matters,” stated Lehohla.



In his presentation, he illustrated the use of **START**:

Statistics

Statistics are numerical facts for statecraft

Transparency

Transparency is a pre-audit to ensure predictability

Accountability

Accountability is taking responsibility and accepting the consequences

Results

Results allow parties to read the same facts

Transformation

Transformation is action in unison to drive change for the better

A better life for all is possible through better statistics for a better planning, implementation and monitoring. “It is about realising a better life for all through leading and managing possibilities,” stated Lehohla.

Supporting the three musketeers



The National Development Plan, monitoring and evaluation, and official statistics are the three musketeers that have been tasked to confront the monsters of unemployment, poverty and unemployment. In his opening speech to delegates of the Statistics Symposium, Ben Mphahlele, Chair of the Statistics Council, stressed that statistical coordination is vital to the successful production of information and official statistics, a key component that is required to slay these monsters.

Mphahlele invited delegates to use the statistical symposium on strengthening the SANSS to share valuable experiences and knowledge with one another on the development of national statistics systems. The symposium represents the first steps towards the formation of a national working strategy on national statistics for South Africa.

PROGRAMME DAY 3: 31 July 2014

09h00 – 10h30: Session 7: Joint session with Isibalo Young African Statisticians Conference

Chairperson:

09h00 – 09h10	Remarks on the joint session with Isibalo Young Statisticians, Mr Pali Lehohla, Statistician General, South Africa
09h10 – 09h20	Young African Statistician in the NSS, Mr Ben Mphahlele, Chairperson of Statistics Council, South Africa
09h20 – 09h30	Demand for municipal level statistics, Mr Vusi Madonsela, Director General, Department of Co-operative Governance (DCoG)
09h30 – 09h50	Small area statistics, Dr Arulsivanathan Naidoo, Executive Manager, Stats SA
09h50 – 10h00	Discussion
10h00 – 10h30	Tea

10h30 – 12h00: Session 8 – Commissions

Chairperson: Ms Zeenat Ishmail

1. Framework for statistical coordination in South Africa (*Chair: Mr Faldie Essau, Presenter: Ms Ms Celia de Klerk*)
2. Practical Steps towards implementing the Fundamental principles of official statistics (*Chair: Mr Risenga Maluleke, Presenter: TBA*)
3. Promoting the use and sharing of administrative data (*Chair: Ms Kefiloe Masiteng, Presenter Ms Zeenat Ishmail*)
4. The media and their role in official statistics (*Chair: Dr Josie Jaya, Presenter TBA*)
5. Data Revolution (*Chair: Mr Ashwell Jenneker, Presenter: Mr Pali Lehohla*)
6. From Admin records to statistics (*Chair: Ms Yandiswa Mpetsheni, Presenter: Dr Maletela Tuaone-Nkhasi*)
7. Aligning statistical production systems to support the NDP (*Chair: Ian Assam, Presenter: TBA*)
8. Quality Matters: The South African Statistical quality assessment Framework (*Chair: Mr Desmond Booyesen, Presenter: Mr Bheki Mpanza*)
9. The statistical landscape (*Chair: Mr Joe de Beer, Presenter: TBA*)

12h00 – 13h30	Report back from commissions
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13h30 – 14h30: Lunch

14h30 – 15h30: Session 9 – Resolutions and Closure

Chairperson: Mr Ian Assam

14h30 – 15h00	Reading of resolutions, Mr Risenga Maluleke, Statistics South Africa
15h00 – 15h15	Closing remarks, Mr Pali Lehohla, Statistics South Africa
15h15 – 15h30	Wrap up and closure, Mr Ben Mphahlele, Statistics Council