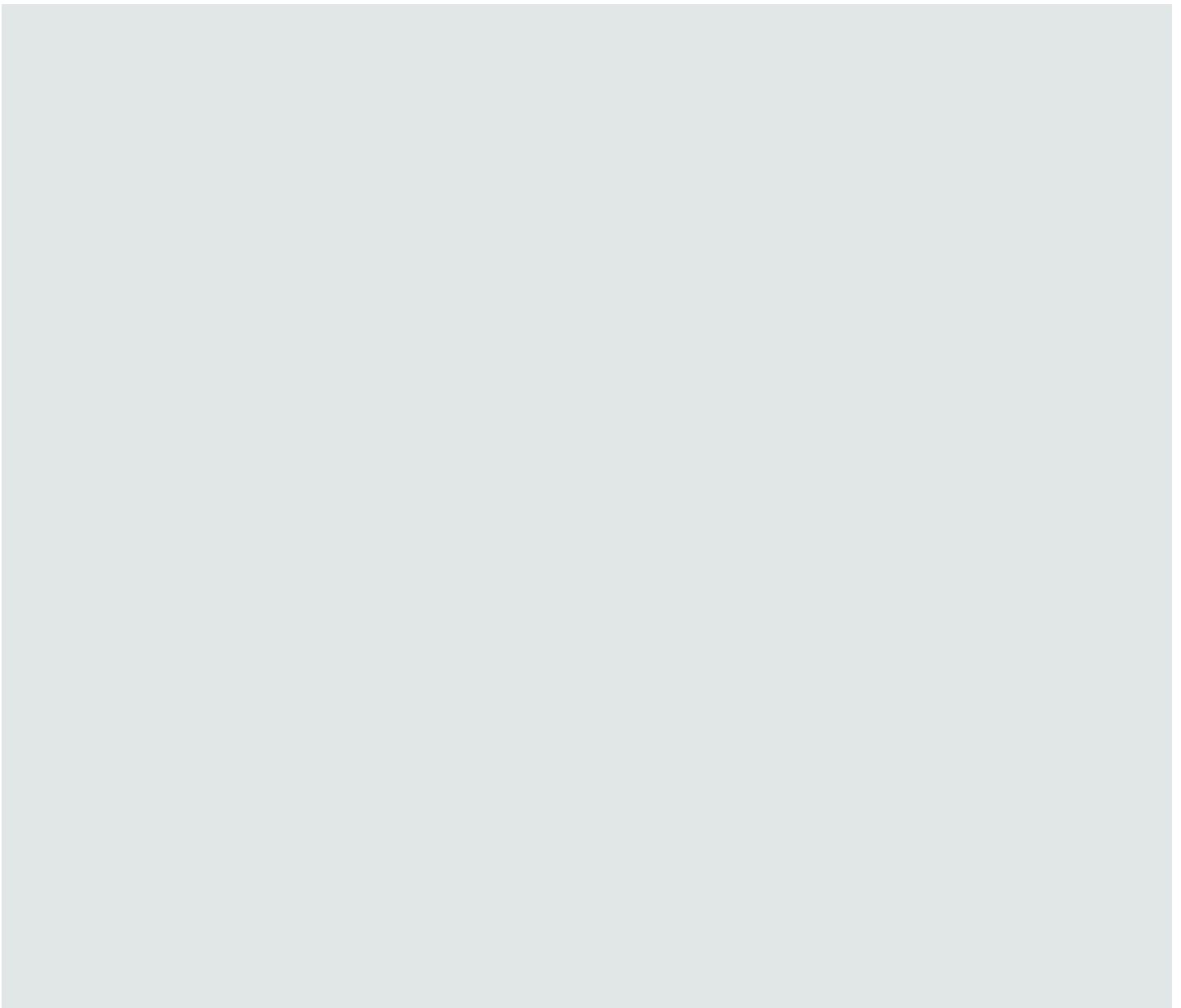


The Council for Statistics Norway

Annual Report 2020

3 March 2021



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1. Background

The Council for Statistics Norway is appointed by the King in Council in accordance with section 19 of the Statistics Act. The composition of the Council shall be broad-ranging and independent, and the Council shall help ensure that Statistics Norway's work is performed to the highest standard. The Council shall assist the director general in statistical matters and in relation to research and analysis. The advice given shall mainly be at a strategic level. The work of the Council is as follows:

- a. **The Council shall advise on any matter that is presented to it by the director general.**
- b. **The Council may advise the director general or the Ministry of Finance on its own initiative.**
- c. **The Council may assist the Ministry in its work on external evaluations of Statistics Norway. The Ministry of Finance may also ask the Council for advice on other matters.**
- d. **The Ministry shall request the Council's views on criteria for a new director general before the position is advertised.**

The Council for Statistics Norway

The Council was appointed on 31 January 2020 for the period 2020–2023 and consists of seven members, as follows:

Birger Vikøren, executive director, Oslo (chair)
Claire Armstrong, professor, Tromsø
Grete Brochmann, professor, Oslo
Marta Ebbing, director, Bergen
Jørgen Elmeskov, former director general, Denmark
Astrid Undheim, executive director, Trondheim
Helge Veum, chief of staff, Ålesund



2. Role of the Council in 2020

The Council has assessed Statistics Norway's activities in light of the current situation and special challenges that Statistics Norway faced in 2020. Key themes that have characterised the institute's activity are the introduction of a new Statistics Act, the development of a national statistical programme, the introduction of a new strategy for Statistics Norway, and the COVID-19 pandemic.

The Statistics Act was passed in June 2019, and the Act in its entirety entered into force on 1 January 2021. In 2020, Statistics Norway implemented measures for the necessary adaptation to the new Statistics Act. An important part of the work in 2020 entailed the preparation of a proposal for a national statistical programme. The proposal was submitted following an extensive consultation process internally in Statistics Norway, as well as the involvement of users and stakeholders and input from the Committee for Official Statistics. The Council discussed ideas for a statistical programme and provided considerable input, including on the need for priorities within official statistics, the importance of the long-term development of statistics and the emphasis on users' needs. The statistical programme was adopted by the King in Council in December 2020 and covers the period 2021–2023.

Statistics Norway is responsible for coordinating all development, production and dissemination of official statistics in Norway, and shall submit an annual public report to the Ministry of Finance on the quality of official statistics. Efforts have been initiated to create a system for monitoring quality in the Norwegian statistical system and this work will continue in 2021. The Council has emphasised that this is an important and resource-intensive task for Statistics Norway and that resources in Statistics Norway and with other producers of statistics therefore need to be used effectively. It is nevertheless conceivable that prioritising resources for quality assuring official statistics will mean that other tasks in Statistics Norway must be given a lower priority.

The Statistics Act includes several provisions on access to Statistics Norway's data. Statistics Norway has assisted the Ministry of Finance in drawing up regulations on access to data for statistics and analysis purposes, and has prepared accompanying guidelines to the regulations. The Council expressed a desire for Statistics Norway to simplify the access to data for external researchers, to ensure that Statistics Norway's researchers and external researchers are treated equally and to maintain the focus on data security.

The Statistics Act and its preparatory works stipulate that research and analysis conducted for the government, the central administration, the Storting and the labour market's organisations form part of Statistics Norway's mission. Statistics Norway's research and analysis output shall be disseminated to the general public. The Ministry of Finance issued new guidelines for this activity, which came into force on 1 January 2020, and Statistics Norway has introduced various processes and measures to adapt to these guidelines. The Council has taken a positive view of the changes that Statistics Norway is making within its research and analysis activity. The Council is particularly interested in how the research and analysis work is quality assured.

Statistics Norway implemented a programme of strategic goals in 2020 in order to meet new requirements and framework conditions under the Statistics Act. The Council believes it is important that Statistics Norway's strategy and long-term plan set out a clear direction for the further development of statistics, research and analysis, and that they take into account the user perspective and changes in society. To support this, Statistics Norway needs to modernise its statistics production by introducing new methods for collecting and processing data and publishing statistics. Synergies can be generated by strengthening cooperation with other agencies. It is important that efforts to rationalise the work continue in order to be able to finance more initiatives.



Photo: Ilja C. Hendel

Developments in technology and society in recent decades have led to a substantial increase in the volume of structured data. This opens up new opportunities for statistics, research and analysis, both from national statistical institutes and other actors in the public and private sectors. The Council wants Statistics Norway to have access to and to use new data sources to develop the statistics. The Norwegian statistical system is largely based on data from administrative data systems and registers. Statistics Norway uses more than 100 such registers from 28 public institutions. Reuse of data from registers helps to reduce the response burden. Statistics Norway shall fulfil its mission and ensure quality in data management through impartiality, use of recognised methods and transparent dissemination. The Council will monitor how Statistics Norway balances various considerations and further develops statistics using new sources and methods.

The COVID-19 pandemic has characterised 2020 and Statistics Norway's activities. In 2020, Statistics Norway produced some new statistics and introduced several short-term indicators to provide relevant and up-to-date information on developments in society during the pandemic and the measures to combat it. The situation has not led to any significant delays in Statistics Norway's production, however there were some delays in data input as a result of decisions made in the Storting to extend reporting deadlines. This means that the release of some statistics will be delayed in 2021. Since the lockdown in Norway in March 2020, the vast majority of Statistics Norway's employees have been working from home, apart from a brief period after the summer when the pandemic situation had improved. Statistics Norway has conducted several employee surveys during the pandemic and found that the employees have adapted well to working at home and the increased digital interaction. Rising levels of 'pandemic fatigue' were reported as the year progressed, and many staff miss the ease of communicating and interacting with colleagues in the workplace. Sick leave was low in 2020. The Council believes that Statistics Norway has handled the pandemic in a way that has minimised its ramifications for the institute. The Council has been impressed by how Statistics Norway's employees have managed to deliver high quality statistics, research and analysis, and to further develop the work under such challenging conditions.

3. Executive work of the Council

The Council held four meetings in 2020: 20 February, 16 April, 16 September and 19 November. The first of these was a face-to-face meeting at Statistics Norway's premises at Akersveien 26, while the other meetings had to be held remotely due to the pandemic. This did not create any problems, but the Council would have preferred more personal interactions in order to get to know each other better in the first year.

At the first meeting, the director general briefed the Council on Statistics Norway's activities. The Council met representatives from Statistics Norway's administration and staff. Discussions were also held on what might be an appropriate way of working and what the important aspects were for the Council's assessment of Statistics Norway's activities, including how the institute fulfils its mission.

In 2020, the Council discussed matters that the director general had presented at relevant times in Statistics Norway's executive work. On its own initiative, the Council has also requested information on certain matters and asked to be kept up to date on relevant issues. In the last three meetings, the Council received briefings on how the pandemic is impacting on Statistics Norway and other issues that are affecting day-to-day operations.

Underpinning Statistics Norway's professional independence is an important element of the Council's work. The Council advocates a cohesive approach to Statistics Norway's activities. An annual planning cycle was drawn up for issues to be considered by the Council, into which other issues can be integrated.

The Council has used the first year to familiarise itself with the activity in Statistics Norway. This work has been extensive since Statistics Norway's tasks are wide-ranging, and many important processes have taken place in Statistics Norway in 2020. Statistics Norway's administration has regularly provided the Council with useful information. The Council's views and recommendations have been followed up by the administration in a constructive manner, and there are no outstanding recommendations to be addressed.

In 2021, the Council will continue its efforts to gain a better insight into various parts of Statistics Norway's activity, in order to create a more solid basis for assessing how Statistics Norway fulfils its mission.

The overall assessment of Statistics Norway's activities in Chapter 5 is based on the individual issues that the Council dealt with in 2020, supplemented by a review of the activities covered in Statistics Norway's annual report for 2020.

4. Assessments by the Council

Main issues for the Council in 2020

New Statistics Act

National statistical programme

New strategy for Statistics Norway

Access to data from Statistics Norway

Research and analysis in Statistics Norway

Internal controls and data security

Application of the duty to provide information

The pandemic situation

4.1. Implementation of new Statistics Act

A new Statistics Act was passed by the Storting on 21 June 2019. Section 6 (2) on the establishment of a committee for official statistics and (3) on the preparation of a proposal for a national statistical programme entered into force on 1 November 2019. Section 19 on the Council for Statistics Norway entered into force on 1 January 2020. The whole Act entered into force on 1 January 2021. The implementation of the new Statistics Act has characterised Statistics Norway's activities in 2020. The Council has been involved in this work, cf. Chapters 4.2, 4.3, 4.5, 4.7 and 4.10 below.

4.2. Proposal for a national statistical programme for official statistics

According to Section 4 of the Statistics Act, a multi-year national programme for official statistics shall be established. In 2020, Statistics Norway drew up a proposal for a statistical programme covering the period 2021–2023, after consultation with the Committee for Official Statistics. The Council was presented with a draft proposal at its meeting on 16 April 2020. An updated draft was then emailed to Council members on 14 May, which they were invited to comment on before submission of the final proposal to the Ministry of Finance on 29 May 2020. The programme was adopted by the King in Council on 18 December 2020.

The Council wanted clarification of the assumptions on which the priorities in the statistical programme were based. This included explaining that the programme for 2021–2023 is founded on a survey of official statistics, mainly in connection with output from members of the Committee for Official Statistics, and that the programme will not trigger the need for special funding. The Council emphasised that the programme must entail equal access for all users of official statistics, the use of standard definitions and classifications by all producers of statistics, and compliance with quality standards for official statistics. The Council approved of the fact that the programme promotes the development of more and new statistics within the different domains and wanted documentation of developments in several statistical domains, including climate and health. Furthermore, the Council was interested in the framework conditions for producing statistics in the coming years and the criteria used to delimit the programme.

4.3. New strategy (and sub-strategy for research and analysis)

In 2020, Statistics Norway devised a new strategy, partly on the basis of the new requirements and framework conditions in the new Statistics Act. The Council was presented with a draft of the new strategy, including a sub-strategy for research and analysis, at its meeting on 16 April 2020. The final version was reviewed by the Ministry of Finance in June 2020. The strategy consists of three main goals:

- Statistics Norway shall be the leading supplier of facts about Norwegian society
- Statistics Norway shall ensure cooperation, coherence and quality in the Norwegian statistical system
- Statistics Norway shall collect, use and share data for the benefit of society

Various objectives have been defined within each goal. Statistics Norway has also identified five priority areas for the period 2021–2023.

The Council supported the preparation of a new strategy that provides a clear direction for the further development of statistics and research in Statistics Norway from a user perspective and in light of major changes in society. The Council considered it important that the strategy serves as a guide for setting priorities and managing activities, and that it states specific objectives and indicates defined priority areas for the individual strategic goals. See Chapter 4.4 Operationalisation of the strategy.

The Council pointed out that the sub-strategy for research should be well integrated into Statistics Norway's main strategy in order to ensure cohesion between statistics production, development of methodology, research and analysis.

4.4. Operationalisation of the strategy (long-term plan 2021–2023)

Statistics Norway has drawn up a long-term plan for the operationalisation of the strategy over the next three years. The aim of the three-year plan is to ensure a comprehensive long-term, predictable management perspective. Statistics Norway is planning special measures for the three objectives that are considered to have the largest gap between the current and the desired situation. The first draft of the long-term plan was presented to the Council at its meeting on 19 November 2020, and the final plan was presented at its first meeting in 2021. The Council will also be asked to assess the plan in connection with its first update, which will be in early summer 2021.

The Council supported the preparation of a steering document with a three-year horizon. The Council pointed out the importance of showing the relationship between the priority areas in the strategy and the measures in the long-term plan. The Council recommended having measures both for the objectives with the largest gap between the current and the desired situation, where Statistics Norway will apply extra efforts, and for other objectives. The level of trust in Statistics Norway's professional independence is high, and the Council pointed to the need for measures to maintain this. The Council also considered there to be a need for comprehensive measures to develop managers' and other employees' digital competence. The Council emphasised the importance of digitalisation and modernisation in the production of statistics. The Council wanted clear measures for further developing the risk management and internal control system.

The long-term plan includes indicators that will show whether Statistics Norway has achieved its goals. The Council recommended placing the main focus on indicators that are impacted by Statistics Norway's activity, and less of a focus on indicators that are mainly determined by external factors. The Council wanted the long-term budget to clearly show that the expected budget cuts are evenly distributed between statistics departments and support functions. The Council further pointed out the importance of showing the ramifications of budget cuts for Statistics Norway's activity over time.

No specific deadlines have been set for the goals in Statistics Norway's current strategy, but the long-term plan covers the period 2021–2023 and will be updated annually. The Council recommended that Statistics Norway clarify how updates of the two documents are to be coordinated.

4.5. Statistics Norway's research activity and adaptation to new guidelines for research and analysis

Throughout 2020, Statistics Norway has worked to establish a new sub-strategy for research and analysis and to adapt its research activity to new guidelines issued by the Ministry of Finance. The work included reorganisation of the Research Department, new wage policy guidelines for researchers in Statistics Norway, new guidelines for using part-time positions/other types of contracts for collaboration with external researchers in externally funded projects, and new guidelines for commissioned research. The Council was informed of the status of the various items at the meeting held on 19 November 2020.

The Council supported the plan for adaptation to the new guidelines for research and analysis activity and the efforts to create an appropriate organisation and structure for the Research Department. It is important that quality assurance systems are in place in the Research Department. Furthermore, the Council recommended that the follow-up of the interaction between the Research Department and the statistics departments be explicitly covered in the plan.

4.6. Procedures for accessing microdata for research purposes

Several users have indicated that Statistics Norway's service for accessing microdata has been unpredictable, including in relation to application processing times and prices. Statistics Norway has conducted a quality review to identify the possibilities for further development and improvement of the service in the short term. At the meeting on 16 September 2020, the Council was presented with the results of the review and the list of follow-up measures. The Council was also informed that Statistics Norway is further developing microdata.no through the microdata2 project, where one of the key goals is to facilitate the export of data to existing secure analytic platforms (remote access solutions).

The Council expressed the importance of making data accessible to external researchers and supported the systematic efforts to improve the microdata access service. The Council was positive about the short-term measures, but also recommended giving a high priority to establishing remote access solutions. The Council was of the view that the current practice for providing data is not sustainable, and solutions with a lower risk and quicker access should be developed to replace them. The Council was particularly interested in the situation for external researchers and solutions for linking data sets from Statistics Norway and others. Furthermore, the Council recommended that Statistics Norway compile good user guides, for example in videos and webinars.

4.7. Guidelines for access to data from Statistics Norway

The new Statistics Act includes several provisions on access to data from Statistics Norway. The Ministry of Finance has issued regulations to section 14 of the Statistics Act on access to data for producing statistics and analyses. Statistics Norway assisted the Ministry in drawing up guidelines as a supplement to the regulations. The Council was presented with proposals for guidelines at the meeting on 19 November 2020. The guidelines will be modified as practice and technological capabilities develop. Projects/institutions that gain access to data are themselves responsible for ensuring that the data are managed in accordance with the stipulated terms.

The Council supported the preparation of guidelines that clarify the terms of supply and make it easier to access data for use in statistics, research and analyses. The Council emphasised the need to ensure that Statistics Norway's researchers and external researchers are treated equally. Furthermore, the Council recommended that easily accessible information about the guidelines be published on ssb.no.

4.8. Work on privacy and pseudonymisation of personally identifiable information

Statistics Norway is working on a project entitled 'Pseudonymisation of personally identifiable information in Statistics Norway's statistical programme' (PAPIS) to safeguard compliance with the Personal Data Act and internal control regulations. The main goal is to pseudonymise all personal data that will be accessed by Statistics Norway employees in the course of their work. The Council was informed of the status of the project at its meeting on 16 September 2020.

The Council supported the work to pseudonymise personally identifiable information and will continue to follow up the project.

4.9. Work on internal audits

According to the Regulations on Financial Management in Central Government and Circular R-117 of 20 May 2015, Statistics Norway shall assess the need for internal audit at least every four years. The most recent assessment was in April 2016. In 2020, Statistics Norway assessed three possible models for internal auditing in accordance with the guide issued by the Norwegian Agency for Public and Financial Management (DFØ): 1) establish a dedicated internal audit unit, 2) outsource internal audit functions, or 3) meet the need through the agency's existing management and control system. The Council was informed of the status of the work at the meeting on 16 September and Statistics Norway's assessment was presented at the meeting on 19 November 2020. Statistics Norway's conclusion was that establishing a dedicated internal audit unit would not be suitable for addressing the challenges faced by the institute. Statistics Norway proposed that it continue to strengthen the internal control system, and procures external IT auditing services once the management system for information security has been implemented.

The Council supported the conclusion not to establish an internal audit unit just now. The Council was interested in a good internal control system being built within the existing framework. The Council therefore recommended that Statistics Norway prioritise the efforts to strengthen the system and resources for risk management and internal controls, and that the assessments on internal auditing be submitted to the Ministry of Finance. Furthermore, the Council considered it to be particularly important for Statistics Norway to strengthen internal controls and risk management within information security and IT. The Council asked Statistics Norway to consider obtaining certification in accordance with the information security management system (ISMS) standard ISO 27001.

4.10. Duty to provide information

The provisions of the new Statistics Act on the duty to provide information entered into force on 1 January 2021. At its meeting on 19 November 2020, the Council was briefed on the regulations for the duty to provide information, on data collection in Statistics Norway in general and on important events and issues in 2020. The time spent on mandatory business surveys in Statistics Norway in 2020 was estimated at 69 FTEs, which was within the requirement imposed by the Ministry of Finance for less than 73 FTEs.

The new Statistics Act clarifies and strengthens the legal framework and requires some changes to be made to Statistics Norway's practical application of the duty to provide information. A cost-benefit analysis must be conducted before decisions are made on the duty to provide information.

The Council expressed a wish for Statistics Norway to provide the public with clear information on the reasons for adopting the duty to provide information and on how personal data is managed. Transparency about data management at Statistics Norway is necessary for maintaining public trust. Furthermore, the Council emphasised that Statistics Norway must have access to

new data sources in order to provide better quality statistics and to remain relevant in the future. The use of new data sources must be based on cost-benefit analyses, and negative consequences must be minimised. A specific example that the Council referred to was an issue concerning payment transactions (which was dealt with by Statistics Norway and the Ministry of Finance in 2020 under the old Statistics Act). The Council recommended that Statistics Norway assess whether in specific cases there are suitable alternatives to microdata, such as aggregated data or algorithms.

The Council sought reassurance that it would be consulted on key decisions on the application of the duty to provide information (cf. Prop. 72 LS (2018-19)). The Council requested that Statistics Norway present issues with strategic implications, both individual issues and general processes.

4.11. Budget for 2021 and proposals for priorities in 2022

The Council was presented with proposals for priorities in 2022 at the meeting on 16 September 2020 and briefed on the budget process for 2021, based on the allocation in the state budget, at the meeting on 19 November 2020.

The Council supported the need for investment in IT modernisation. The Council recommended that Statistics Norway continue its efforts to streamline operations in order to be able to finance more initiatives. Furthermore, the Council considered it important to cooperate with other agencies in order to create synergies.

The Council noted that Statistics Norway has a tight financial framework and pointed out that it must continue its efforts to re-prioritise and rationalise operations. The Council reviewed the budget process for information.

5. Overall assessment of Statistics Norway's activity

It is the Council's view that Statistics Norway has delivered output in the form of statistics, research and analyses in line with the expectations and requirements pursuant to the Statistics Act and the Ministry of Finance's letter of allocation, and that Statistics Norway has taken important steps to further develop its activity. Furthermore, Statistics Norway effectively addressed the challenges that arose during the COVID-19 pandemic and followed the original production plans to the greatest extent possible. Statistics Norway also published new or more frequent statistics that gave the authorities and the general public a better picture of the situation during the pandemic. By developing a new strategy and an associated long-term plan, Statistics Norway has raised awareness of future challenges and laid the foundation for important choices in the years ahead.

