

Scientific Advisory Board
Ingegerd Jansson, Suad Elezović

Meeting with the Advisory Scientific Board, 12 April 2013

Attendees of the Board:

Stefan Lundgren, Statistics Sweden, chair
Mats Wadman, Statistics Sweden, co-chair
Lilli Japac, Statistics Sweden
Ingegerd Jansson, Statistics Sweden, secretary
Suad Elezović, Statistics Sweden, secretary
Professor Jan Bjørnstad, Statistics Norway
Professor Sune Karlsson, Örebro University
Professor Thomas Laitila, Statistics Sweden
Professor Lars Lyberg, Stockholm University
Professor Daniel Thorburn, Stockholm University

Other attendees:

Folke Karlsson, Statistics Sweden
Martin Axelson, Statistics Sweden
Eva Elvers, Statistics Sweden
Martin Ribe, Statistics Sweden
Anders Norberg, Statistics Sweden
Martin Kullendorf, Statistics Sweden
Muhanad Sammar, Statistics Sweden
Joakim Malmdin, Statistics Sweden
Pär Karlsson, Statistics Sweden
Anna Björkesjö, Statistics Sweden
Can Tongur, Statistics Sweden
Emanuel Fredriksson, Statistics Sweden
Kristina Sandberg, Statistics Sweden
Jörgen Dalén, Statistical Consulting

Current issues at Statistics Sweden

Speaker: Stefan Lundgren

The management of Statistics Sweden has recently gone through considerable changes. Seven out of 14 department directors are newly appointed or has been given new tenure at a different department.

The official report on official statistics for the financial market is finished. It is likely that the proposition will follow the suggestions of the report. Some legislative and organisational changes are proposed in order to facilitate the production of official statistics that the Riksbank requires. It is further suggested that Statistics Sweden is appointed as responsible for the official statistics in the future.

The official report by Bengt Westerberg on the system for official statistics in general and Statistics Sweden in particular was finished in December last year. The report finds that the system, as well as Statistics Sweden, works well in general, only minor changes are suggested. Specific questions were issues



regarding quality and availability of data. The report suggests that criteria for quality (as formulated in the European Code of Practice) is formalized by legislation. Regarding Statistics Sweden, a more transparent pricing of the services that Statistics Sweden offers is discussed, but no changes in pricing are suggested. There are no objections against assignment activity or other business services (uppdragsverksamheten) which in turn is criticized in some of the comments on the report, mainly by competitors of Statistics Sweden. It is suggested that the coordination of the system for official statistics is strengthened, and that this continuous to be a task of Statistics Sweden, but the latter is questioned in some of the comments.

Reply to recommendations

Speaker: Lilli Japoc

Lilli mentioned that the recommendations from the Board have been well received by Statistics Sweden. Lilli summarized reply to recommendations concerning both topics, coding and quality indicators, from the meeting in autumn 2012.

Estimated changes in short term statistics

Speaker: Anders Norberg and Pär Karlsson

Discussant: Daniel Thorburn

- The approach is design based, but model based approaches should also be considered. This is done for example by Statistics Norway, in their business surveys. In particular the effect of stratum changes could be modelled, since there will be very few business in the sample (few changes per strata). Statistics Sweden should consider SAE.
- If the described approach implies changes in design, such changes should be carefully motivated, for example, as a concern of the users.
- The main motivation is that SAMU aims at balancing variance and report burden, and it is of interest to investigate whether this works or not. There are no comments from the users on this yet.
- On the other hand, the proposed improvements in the estimation can probably be handled without changes in design. The samples can be better used by weighting (as suggested by the discussant), the main gain drawing upon the fact that the overlap between samples is known.
- It is possible to discriminate between objects being rotated out from the sample, and objects that are rotated out but also dying. It is not currently controlled for, but the information exists.
- Designing an optimal system of weights is not simple. One or a few systems is to be preferred. The corresponding problem exists with the LFS.
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Scanner data for price statistics

Speaker: Muhanad Sammar, Anders Norberg, Martin Ribe

Discussant: Jan Björnstad

- The contact with data providers is essential. There are formal agreements but it is still a sensitive business, and personal contact is very important. A better forum for contact would be very useful.

- Several studies were performed in order to investigate whether the change to scanner data caused any changes in the CPI. No major differences were observed, but possibly a small change in the seasonal pattern.
- The number of hours spent by the interviewers has decreased since scanner data was introduced, but other expenses has emerged. Thus it is too early to say whether the use of scanner data means lower overall costs.
- One possible use of scanner data is as auxiliary information. The correlation with the manually collected price info must be high.
- The use of scanner data is interesting, as is the use of other types of big data. It is important that Statistics Sweden takes an active role in this new trend. There will be investment costs to start with, and there is no need to require savings in the beginning. The universities want to be part of this too, it is important to find good projects for cooperation.
- The Billion price project in the U.S. is an interesting application of the use of big data. It follows the official CPI very well.

Quality adjustment in the CPI

Speaker: Jörgen Dalén, Martin Ribe

Discussant: Sune Karlsson

- More knowledge on consumer behaviour is required. The literature on this might be helpful.
- There is a large risk of large interviewer variance. It should be of interest to study the cognitive process of the interviewers as they collect prices. They have to make quick decisions, how does that influence the results?
- The study focused on the practical aspects. The methods have to be practical, even though more research is important.
- All method have problems.
 - o The hedonic methods require expertise in both the market of a certain goods and regression. On the other hand, it will work for goods with a very short life span (chain index is likely to miss those).
 - o Exchangeable goods need to be successful on the average, not every time. Should b possible to archive by good instructions and training.
 - o The overlap method is fundamental but will sometimes be wrong.
- Knowledge about the market is essential, how pricing works in practice. Can scanner data be used to better understand the market and pricing? Either as a comparable study or as an experiment. This could be tested, even though there will be few observations for many types of goods at a detailed level.
- The best criteria for validation is probably the IQI. Could be used to validate hedonic methods too. But IQI can in practice show large variations.