

18 April 2019

Independent Review of Statistics New Zealand's Market Research and Polls

Phase 2 Report

Statistics New Zealand

This report informs on phase 2 of the review of Statistics New Zealand's (Stats NZ's) use of a question in its 2017 pre-census market research and post-2018 Census research relating to people's sentiment towards the Government

1. The issue in scope

In February 2019, the State Services Commissioner announced he was examining the use of certain questions about the political leanings of taxpayers used by Inland Revenue in a public poll that they undertook.

When the Inland Revenue poll came to light, the Office of the Chief Executive and Government Statistician carried out an initial check of Stats NZ's own market research and polls, to see if there was anything that Stats NZ may have contracted or conducted that could be perceived as similar in nature.

Stats NZ identified one instance of a non-statistical market research survey which contained a question that could potentially be seen as inappropriate for a government agency to ask.

To safeguard Stats NZ's impartiality, to ensure that nothing has been missed, and to make sure that similar cases are prevented from arising in the future, the Government Statistician commissioned a more detailed independent review of Stats NZ's non-statistical surveys and collections to determine if there are any other instances of the use of inappropriate questions in any of its non-statistical surveys and collections.

In March we reported on phase 1 of the review and we now report back on our findings and recommendations in relation to phase 2. relating to the use of a question in a survey undertaken in 2017/18 as part of Stats NZ's pre and post-census research. The research was used to inform how Stats NZ would market and deliver the 2018 Census which was important given the shift towards a more digitally delivered and returned census model. One question asked as part of the census market research was:

How would you describe your current level of positivity towards the new Government?

This was subsequently amended to:

How would you describe your current level of positivity towards the Government?

Phase 2 of the review will report separately with findings and recommendations on any other instances of the use of political questions in other non-statistical surveys and collections.

2. Purpose of this review and our approach

The purpose of this review was to identify any potential cases of non-statistical surveys or collections breaching political impartiality, or cases that may result in perceptions of impartiality, to fully investigate these, to identify lessons learned and to make recommendations that will prevent similar cases in the future.

In undertaking the first phase of the review we:

1. looked at the specific piece of research noted above, how it was commissioned, carried out and reported on.
2. interviewed all relevant staff and management.
3. considered and reported on the systems, processes and approval policies that apply to market research and polls and examined how the providers were commissioned in relation to this research.
4. developed findings and recommendations in relation to this particular survey.

In phase 2 we examined all research, reports and findings from non-statistical surveys and research for the previous 5 years. For these we:

1. developed a long list of research/surveys potentially in scope.
2. refined this to a list of research/surveys requiring additional examination.
3. specifically reviewed a short list of research/surveys requiring closer examination.

3. Limitations

This review was initially undertaken within relatively tight timeframes. Phase 2 has taken a deeper review of significantly more material; however, we determined that it was not necessary to interview additional staff.

Our findings and recommendations are necessarily based upon the information that has been provided to us supplemented by the research we have been able to undertake within the available time.

This report should be read together with our Phase 1 Report.

In line with our Terms of Reference (Appendix 2), we do not make any findings nor make any comment on the conduct or competence of any individual.

4. 2018 Census - Context

While phase 2 of this review was focussed on all non-statistical research and surveys undertaken over the last 5 years, the 2018 Census, held on 6 March 2018 provides important context to this review and we therefore repeat this context in our phase 2 report for the sake of completeness.

The 2018 Census marked a significant shift towards a digital delivery model compared to previous censuses. For the 2018 Census, Stats NZ was pursuing a deliberate strategy to have respondents complete their forms online via a variety of digital channels and devices.

Field collectors going door-to-door to deliver or collect census forms were not going to be used unless dwellings fell into a targeted collection area or Stats NZ had determined responders would not respond online. Special engagement strategies and communications methodologies were needed to ensure Stats NZ reached and captured people unable or unwilling to comply with online participation.

Paper forms and face-to-face visits were still used for areas which were not be able to receive mail, or who it had identified were unable or unlikely to fill out the Census online.

Stats NZ had a target of 70% response using online channels for the 2018 Census. The 2013 Census only had a 34% online response rate. Achievement of this increased target would require careful planning and execution. As with previous censuses, a communications and marketing team was set up to support the marketing and delivery of the 2018 Census.

Due to the significant change in mode to 'digital first' and the fact there were far fewer face-to-face interactions with field officers, the communications and marketing campaign needed to be different from previous census campaigns.

The goals of the campaign were to:

- reach all New Zealanders
- make them aware of the census
- encourage participation
- reduce barriers to participation
- inform people and households of when and how to complete the census.

Stats NZ knew from its experience with previous censuses that some people and households would be harder to reach and get a response from than others. To develop an effective campaign, Stats NZ needed to understand the motivations and barriers to participation with these groups. These were known as the Target Response Groups and these included:

- Māori (multiple sub-groups)
- young working age
- elderly and over 75s
- cultural and language barrier (multiple sub-groups)
- digital barrier (multiple sub-groups)
- non-standard private dwellings (multiple sub-groups).

Stats NZ was aware that one of the potential barriers to participating in the census included people's attitudes to giving personal information to the Government. Research to explore this further was included in the scope of the marketing research that was developed.

The shift towards a digital delivery and census completion model was an ongoing international trend. Stats NZ was in regular dialogue with its counterparts in a number of jurisdictions including Australia, Canada, the UK and the US. Some had experienced issues in the shift to a digital model including Australia whose website hosting their 2016 Census was hacked leading to a denial of service to Australians at the time of the completion of the survey¹.

Further, feedback from some other jurisdictions indicated a correlation between citizens' negative attitudes towards government and lower response rates.

A campaign concept "Let's Find Out" was developed. This was aimed at understanding the discrete audiences in order to provide tailored messaging to them at different levels - nationally, regionally and within communities.

5. Review of research and survey questions over the past 5 years

As noted above, the aim of this second phase of the review was to "identify any other potential cases of non-statistical surveys or collections breaching political impartiality, or cases that may result in perceptions of impartiality".

¹ <https://www.abc.net.au/news/2016-08-09/abs-website-inaccessible-on-census-night/7711652>

In carrying out this phase we worked closely with Stats NZ staff and management to identify all surveys and documents potentially in scope. These were then triaged and analysed for potential issues.

Approach to developing a longlist of material to be reviewed

The Stats NZ management accounts team identified all invoices from the last 5 years that appeared to fit within a broad scope of market research or polls.

The resulting longlist was then refined to match the scope of the review.

To determine items that were out of scope the following was undertaken:

- A review of individual invoices was undertaken to remove official surveys (which are out of scope), and invoices for anything that was not for a survey or research.
- The remaining longlist was then further reviewed by the Office of the Government Statistician who provided us with advice as to whether to remove any internally-focused surveys and any payments for survey licenses/subscriptions which were also out of scope. Full disclosure of their reasons for recommending the removal of any survey was made.

A refined longlist was then produced for further follow-up.

Working with the Office of the Government Statistician, advice was sought from relevant teams in Stats NZ to triage each item on the longlist, to identify those items that were remaining as within scope. Any repeat/redundant invoices for parts of the same activity were removed from the longlist. Every individual piece of research/survey activity on the resulting list was then evaluated.

For each item needing further evaluation the related document e.g. questionnaire used, or where that was not available a detailed report on results of the poll/survey was compiled and reviewed for anything related to political, government, or party content.

Anything that mentioned trust in government, politics, or parties was highlighted for further evaluation.

Results

The only two items that were identified as potentially falling within the bounds of gathering information about political views were the pieces of census research that were the focus of phase 1 of this review.

Several items highlighted through the research undertaken for phase 2 mentioned government trust or the political neutrality of Stats NZ, but we are of the view that these did not fall outside the bounds of what is appropriate or acceptable for a public service agency. For instance, asking respondents whether they believed Stats NZ was politically neutral is both appropriate and important as this is core to Stats NZ being able to execute its core functions.

No other research or survey was identified as asking inappropriate questions or collecting inappropriate information about respondents' political views or attitudes to the Government or any political party.

6. Findings

As a result of our review of the material and the research we undertook in phase 2, we make the following findings:

1. The only two items of research that were identified as falling within the scope of this phase were the same pieces of Census 2018 research that were the focus of phase 1 of the review. Nothing further has been identified in phase 2.
2. The development of research methodologies and approaches to QA for non-statistical

surveys and research do not go through the same processes as Stats NZ's statistical surveys. A more robust process leveraging internal expertise would better manage potential risks around inappropriately worded questions and/or responses and how these are reported back to Stats NZ.

3. As with our findings in phase 1 we found no evidence of any inappropriate intention on the part of Stats NZ nor its research suppliers to specifically survey for people's opinions or positivity towards the Government, or the *new* Government, or any particular political party.
4. The reports on the surveys we reviewed as part of phase 2 did not appear to go through any process to detect or highlight wording or matters that might raise risks or need to be improved through editing. Reports from suppliers generally appeared to be received as 'final', limiting the opportunity for Stats NZ to risk assess or require edits to make clear any matter that might inadvertently convey an inappropriate meaning or create the impression that the survey was gathering information about matters out of scope, including political view of respondents.

7. Recommendations

Having regard to our findings and recommendations in phase 1 we the make the following recommendations in relation to phase 2 (noting these repeat some recommendations):

1. As with phase 1 we recommend that Stats NZ make explicit in its survey commissioning documentation and its policies for procuring all surveys, that questions relating to the Government, or alignment to parties in government are out of bounds and that questions relating to how people feel about government generally will need to be agreed through a standardised internal process with suitable senior management oversight and risk assessment.
2. Stats NZ review its internal QA and other arrangements covering non-statistical surveys and polls to ensure they are robust and meet current standards of best practice. This might include referencing these to the QMD processes used for statistical surveys and/or leveraging internal expertise in the design and delivery of research and surveys.
3. In reviewing reports from suppliers, Stats NZ adopt the approach that they receive drafts to ensure they can be appropriately reviewed and risk assessed prior to being accepted as "final".
4. We consider it would be prudent to attach to this specific survey documentation a note that makes clear what the intention was in relation to the particular question. This note should make clear that the responses did not influence how Stats NZ managed the 2018 Census and that to the extent that responses, word clouds and the report back from Perceptive might look on the face of it like they exceed the bounds of what is appropriate for a government agency to be surveying for, this was not intended and that the information was not shared beyond Stats NZ own internal processes.

8. Next Steps

We consider that the next steps are:

- Consider and provide any feedback on this report as to factual inaccuracy or missing information
- Discuss our findings and recommendations and consider the implications of implementing our recommendations.

Appendix 1

Stats NZ Document List

- Census Communications and Marketing Research Pre-Campaign Report
- Stats NZ 2018 Census Tracking Report, 30 April 2018 (Perceptive)
- Stats NZ Census Research Wave 1
- Dually Signed Overarching ASO December 2015 (Clemenger BBDO & Stats NZ)
- Report to the Minister of Statistics: Approval of 2018 Census Publicity Expenditure
- Census Communications & Marketing Research Proposal Sept 2017 (Perceptive)
- Census 2018 KPI Tracking email
- Stats NZ Organisational Chart February 2019
- Census Structure
- Procurement Policy Jan 2019
- Stats NZ Procurement Policy Feb 2019
- One-page Overview of a Procurement Project
- Procurement Guidelines - Introduction to Procurement at Stats NZ
- Communications and Marketing Creative Brief 2018 Census
- Spreadsheet of all potentially relevant surveys and research compiled as being potentially in scope of phase 2
- Various surveys undertaken that were determined as needing additional review and assurance to determine whether in scope for the review

Appendix 2



Terms of Reference **Independent review of Stats NZ's non-statistical market research and polls**

Background and context

The ongoing impartiality, and perception of impartiality, of Statistics New Zealand's (Stats NZ) conduct in its market research, polls and surveys is an important aspect of Stats NZ's work and the role of the Government Statistician.

The impartiality of the public service is a key part of its foundation, and for Stats NZ as an independent statistical agency, this is even more important.

In February 2019, the State Services Commissioner announced he was examining the use of certain questions about the political leanings of taxpayers used by Inland Revenue in a public poll that they undertook.

When the Inland Revenue poll came to light, the Office of the Chief Executive and Government Statistician carried out an initial check of Stats NZ's own market research and polls, to see if there was anything that Stats NZ may have contracted or conducted that could be perceived as similar in nature.

One such instance of a piece of market research has come to light.

To safeguard Stats NZ's impartiality, to ensure that nothing has been missed, and to make sure that similar cases are prevented from arising in the future, the Government Statistician is commissioning a more detailed independent review of Stats NZ's non-statistical surveys and collections to determine if there are any other instances of the use of inappropriate questions in any of its non-statistical surveys and collections.

An independent reviewer has been appointed and these Terms of Reference will guide their review.

Purpose and objective of this review

The aim of the review is to identify any potential cases of non-statistical surveys or collections breaching political impartiality, or cases that may result in perceptions of impartiality, to fully investigate these, to identify lessons learned and to make recommendations that will prevent similar cases in the future.

If other cases are identified, Stats NZ is seeking to understand how and why the question(s) was/were asked and reported as it was.

Scope and focus of the review

In carrying out this review the reviewer will exercise their independent skill and

judgement in developing findings, forming advice and in making recommendations.

Stats NZ will provide access to all relevant Stats NZ documentation, personnel, and internal and external communications.

Without limiting the approach the reviewer might take, we would expect the reviewer to:

- Carry out an audit and review of Stats NZ's market research and polls, and related material, from the last 5 years.

- Look at the specific piece of research noted above, and any similar cases that may come to light to identify how and why the question was asked and reported as it was.

- Interview all relevant staff and management.

- Consider and report on the systems, processes and approval policies that apply to market research and polls and examine how providers are commissioned in relation to research and polls.

- Make findings and recommendations, including identifying any lessons learned to ensure the ongoing impartiality, and perception of impartiality, of Stats NZ's conduct in its market research, polls and surveys.

The reviewer will not make any findings nor make any comment on the conduct or competence of any individual.

Reporting

The reviewer will report directly to the Government Statistician on the progress and findings of the review. In carrying out the review the reviewer will be supported by the Government Statistician's office.

The reviewer will ensure that the Government Statistician has an opportunity to respond to the findings, before the report is finalised.

Deliverables

The main deliverables will be a draft report that responds to these Terms of Reference (as set out above) with a final report to be delivered to the Government Statistician by 29 March 2019. The Reviewer will provide an interim update on progress by 8 March 2019.

The Government Statistician intends to share the review with the State Services Commissioner.

Key Dates

The following are the key dates for the review:

- Commencement of review** - 21 February 2019

- Interviews and research** - 22 February 2019 - 15 March 2019

- Interim update** - 8 March 2019

- Delivery of draft report** - 22 March 2019

- Delivery of final report** - 29 March 2019

Signed
Liz MacPherson
Chief Executive and Government Statistician

Date: 21 February 2019

...Signed on 22 February 2019.....

