

In Confidence

Office of the Minister of Statistics

Cabinet Economic Policy Committee

Modernising and transforming the 2028 Census: Public consultation on an administrative data-first approach for census

Proposal

- 1 This paper informs Cabinet of the Government Statistician's plan to modernise and transform the 2028 Census and outlines Stats NZ's public engagement and consultation approach on using an administrative data-first approach for census, supplemented by surveying where deficiencies in administrative data are identified.

Relation to government priorities

- 2 This work supports the Government's coalition agreements to deliver better public services. Modernising and transforming the census through an administrative data-first approach will make the census more sustainable, efficient, responsive, will reduce respondent burden, and provide better value for New Zealanders.
- 3 The data and statistics generated from the census inform a wide range of government functions, policies, and services, such as those relating to: health and education system funding; infrastructure planning; determining electoral boundaries and the number of electorates; local government and community planning; economic reporting; and supporting the evidence base for social investment.

Executive summary

- 4 Data, statistics, and insights generated from the census are hugely valuable to New Zealand. The census is used to develop policies, inform service delivery, and drive economic growth. However, the current model relies on conducting a large-scale survey every five years, delivered through a large temporary field workforce. This model is particularly vulnerable to external events, such as pandemics and natural disasters. Like many other countries, it is also becoming more expensive and harder to meet response targets, particularly for populations of key interest, and the current approach is unsustainable.
- 5 I have directed Stats NZ to develop options to modernise and transform the next census so it is more sustainable, efficient, responsive to changing data needs, and drives better value and outcomes for New Zealanders. Like many of our overseas counterparts, this will involve greater use of administrative data. I consider that using an administrative data-first approach,

supplemented by surveying, to deliver data products and services is the future.

- 6 Administrative data is data that organisations (including government or private agencies) collect and hold while conducting their routine business or services. While administrative data has been used in previous censuses, using an administrative data-first approach is a shift from how census has historically been conducted. Public buy-in and support is critical for delivering a new census approach.
- 7 Stats NZ has planned a three-stage approach to engagement and consultation to inform decisions on the approach to 2028 Census. The engagement and consultation approach is aligned with the requirements of the Data and Statistics Act 2022.
- 8 Phase one aims to communicate the case for change and understand support for, and concerns about, the proposed shift to the manner for taking the next census (i.e. using an administrative data-first approach, supplemented by surveying and bespoke solutions). The approach includes:
 - 8.1 targeted engagement with key stakeholders and partners (e.g. government agencies, iwi and Māori, key communities and groups, and academics) on specific data needs, the administrative data-first approach, and/or technical issues. This engagement is already underway;
 - 8.2 public consultation on the new approach, delivered via an online discussion document (for a period of six weeks beginning in April 2024); and
 - 8.3 a light-touch online public engagement programme to gauge levels of public support, delivered via a series of social media posts.
- 9 Following Phase one, in mid-2024, the Government Statistician will provide me with a preferred approach to 2028 Census. This decision will be informed by the consultation undertaken in Phase one, Stats NZ design work, and analysis by an evaluation panel (which will include external independent members). The preferred approach will indicate the high-level model to be used for 2028 Census. I will then return to Cabinet to seek endorsement of this approach. Once an approach is endorsed, Stats NZ will focus on detailed design and implementation planning.
- 10 Phase two, consisting of targeted engagement and consultation, will focus on the detailed design of the preferred 2028 Census approach. Phase three will comprise of a second round of public consultation about the detailed design and the implications for data needs across Stats NZ's portfolio of population and social statistics, including 2028 Census.
- 11 A high-level overview of the case for change, the timing of consultation and engagement, and the timing of the Government Statistician's and Cabinet's consideration of a new approach is provided in **Appendix 1**.

Analysis

Census underpins high-quality data, insights, and statistics about New Zealand

- 12 Stats NZ collects information from people and organisations to deliver high-quality data, insights, and statistics about New Zealand. This includes a suite of economic, environmental, and population and social data. The census provides the official count of the population and dwellings in New Zealand every five years.
- 13 Across government, agencies are reliant on high-quality data to inform policy and planning. Data collected via the census is used to develop and implement new policies and inform service delivery. The census dataset is an integral component of the data and evidence infrastructure required to support social investment and drive economic growth. This data is also critical to the delivery of government and constitutional functions. For example, census data informs education system funding, the allocation of electoral boundaries and determining the number of electoral seats, while population estimates and projections inform health system funding, infrastructure planning, and more. It is also increasingly important for government and businesses to be able to access relevant population data quickly to inform decisions.

2023 Census highlighted the need to move beyond traditional survey methods

- 14 For the 2023 Census, Stats NZ implemented a 'combined' data collection model. First, a large-scale full-enumeration (i.e. complete count) survey is used to collect most census data. Then, administrative data is used to supplement survey data to improve coverage and data quality. Administrative data is data that organisations (including government or private agencies) collect and hold while conducting their routine business or services.
- 15 The 2023 Census is on track to provide quality statistics and a high-quality population count. By combining response data from census forms with administrative data, Stats NZ expects to deliver data covering 97 percent or more of the population.
- 16 However, the current data collection approach for census is not sustainable. It now takes more time, effort, and resources to achieve satisfactory response rates, particularly for communities of key interest. The overall cost of the 2023 Census was approximately \$326m – higher than the previous 2018 Census (\$126m) and the 2013 Census (\$104m). Costs rose due to expanded field collection activities and the need to hire a temporary workforce in a competitive labour market. s 9(2)(f)(iv)
- 17 The scale of the census data collection operation and its one-off nature makes it vulnerable to external events, such as pandemics and natural disasters. In 2011, the census operations had to be rescheduled to 2013 due to the Canterbury earthquakes. The 2023 Census was impacted by COVID-19, followed by Cyclone Gabrielle, which hit during the first week of planned

data collection. This resulted in delayed and re-designed data collection activities, which required an unanticipated \$36.6m in additional funding.

We need to transform and modernise the census by using an administrative data-first approach

- 18 I consider that using an administrative data-first approach to deliver population and social data and statistics, including census, is the future. It is becoming harder to motivate people to complete census forms, driven by changing societal attitudes and declining civic engagement. Future shocks and disruptions cannot be ruled out, which have far-reaching implications for the data system. An administrative data-first approach will ensure sustainability by improving resilience to external events, improving the efficiency of data collection (as it reuses data that the government has already invested time and resource in collecting), and providing flexibility and responsiveness to changing data needs.¹
- 19 Countries like the United Kingdom, the United States, and Canada are all moving towards using more administrative data in their censuses, with the latter two already using design elements that Stats NZ may also consider.²
- 20 Using an administrative data-first approach, supplemented by surveying and bespoke solutions, will mean the data for some census variables will be collected differently. It means Stats NZ would first seek to use administrative data sources to provide the data for the census. For example, population counts and some attributes of people and dwellings (including those not currently captured by census) can be readily derived from administrative data. Should a decision be made to proceed with an administrative data-first approach (following the planned engagement), a dedicated work programme would be established to support improvements in the quality of administrative data across government.
- 21 The shift to an administrative data-first approach for census is part of a broader transformation Stats NZ is undertaking to ensure Stats NZ continues to sustainably deliver quality data and statistics into the future. By taking advantage of existing data sources and building relationships to better understand the needs of our customers, Stats NZ is focused on a future that delivers greater value through improved products and services. The plan for 2028 Census to reuse existing data where possible and support this with sample surveying where existing administrative data is unavailable or of insufficient quality is a key first step in this journey. It will also lead to better public services, for example, supporting the digitisation of government services.

¹ Stats NZ has proved through its Census Transformation work programme and the release of the experimental administrative population census that it can produce high quality total population counts from linked administrative data, which, for example, could inform the setting of electoral boundaries.

² For example, Canada and the United States supplement a short census survey of the population with a smaller sample survey covering topics such as education and employment. The Canadian sample survey is run five-yearly and covers 25% of the population. The United States sample survey is a continuous survey covering 3% of the population. In late 2023, the UK completed consultation on moving from a five-yearly census to a model that primarily uses administrative data, complemented by survey data and a wider range of data sources.

- 22 In some future instances, government agencies may be required to collect or share new, different, or more data with Stats NZ. However, currently, Stats NZ is not requiring agencies to collect any new data ahead of 2028 Census. Any data collected and shared with Stats NZ would need to be of an adequate quality and consistent standard. Data shared between agencies would need to uphold security and privacy obligations to ensure the government maintains public trust that data is being used appropriately. In this respect, Stats NZ intends to work closely with key data suppliers to find solutions that meet census, agency, and data system needs. Understanding opportunities and limitations of this approach is a key focus over each of the engagement phases. It is important to note that if data is not of a satisfactory quality, then data would need to be collected using other means, such as through a census supplementary survey, other survey(s), or a bespoke solution – which are all design choices that will be considered following engagement.

Public consultation is needed before adopting a new approach

- 23 While administrative data has been used in previous censuses, moving towards an administrative data-first approach is a shift from how census has historically been conducted. It is, therefore, critical to undertake public consultation to understand views and gauge public sentiment for the proposed change. Public consultation also aligns with the requirements set out under the Data and Statistics Act 2022.³
- 24 Over the next 18 months, Stats NZ has planned a three-stage approach to engagement and consultation for developing a new model for 2028 Census.
- 25 Phase one (now to mid-2024) aims to communicate the case for change and the proposed shift to the manner of taking the next census (i.e. using an administrative data-first approach, supplemented by surveying and bespoke solutions). Phase one consists of a three-pronged engagement and consultation plan to understand levels of support and concerns on the proposed shift and to understand key data needs and priorities. It includes:
- 25.1 Targeted engagement (already underway) with key stakeholders and partners on using an administrative data-first approach, specific data needs, and/or technical issues. This includes:
- 25.1.1 key data suppliers (e.g. government agencies, such as Inland Revenue) to test the quality and availability of the administrative data sources that could be used in 2028 Census

³ Sections 35 and 36 of the Act require the Government Statistician to engage with Māori and consult public sector agencies and Offices of Parliament that have a particular interest in the census, the public generally, and individuals and organisations that have a particular interest in the census before making decisions on the content and manner of the census. Section 15 outlines the principles of engagement with Māori, stating that it must “begin early and be meaningful... should include early discussion of the ways in which the Statistician and Māori can most effectively engage in the particular context... should include consideration of opportunities for Māori to partner with the Statistician in relation to activities that are the subject of the engagement.”

- 25.1.2 the academic and research community to assess the technical and ethical implications of drawing more heavily on administrative data
- 25.1.3 iwi and Māori partners on how they would like to partner with government to meet their data needs and aspirations. Stats NZ is taking a Whakapapa approach to engagement, which is in accordance with the Te Arawhiti Māori-Crown engagement guidelines. Stats NZ is engaging with 12 iwi and Māori partners, including Data Iwi Leaders Group, partners that supported 2023 Census, and individual iwi
- 25.1.4 key communities (e.g. Pacific peoples, disabled peoples, and the rainbow community) who are misrepresented, under-represented, or currently not present, when only administrative data sources are used and surveying is required to understand them
- 25.1.5 civil society groups (e.g. New Zealand Council for Civil Liberties) to canvas any concerns with using administrative data sources and any impacts on individual rights and privacy.
- 25.2 An online discussion document to support formal public consultation (which will run for a six-week period beginning in April 2024). The discussion document is the first of two rounds of public consultation. It will provide an opportunity for people to signal their level of support for and provide feedback on shifting to an administrative data-first approach to 2028 Census. The document will include an outline of the case for change, provide a high-level indication of what a new approach could look like, outline key considerations, and signal the process and next steps for developing a new approach.
- 25.3 A light-touch online public engagement programme. Stats NZ will use a series of social media posts with simple yes/no statements to elicit responses and reactions. This will help to identify areas of support and where Stats NZ need to build trust.
- 26 Phase two (mid-2024 to early-2025) will focus on the detailed design of the chosen 2028 Census approach. This phase will be informed by the feedback and engagement from Phase one and will be undertaken in collaboration with iwi and Māori partners and key stakeholders to ensure the new approach is technically robust and meets their data needs.
- 27 Phase three will comprise of a second round of public consultation about the detailed design and the implications for data needs across Stats NZ's portfolio of population and social statistics, including 2028 Census.

Key decision timeframes

- 28 Following Phase one, in mid-2024, the Government Statistician will provide me with a preferred approach to 2028 Census. This decision will be informed

by the consultation undertaken in Phase one, Stats NZ design work, and analysis by an evaluation panel (which will include external independent members). The preferred approach will indicate the high-level model to be used for 2028 Census. I will then return to Cabinet to seek endorsement to this approach. Once an approach is endorsed, Stats NZ will focus on detailed design and implementation planning.

- 29 Once an approach is endorsed, Stats NZ will begin Phases two and three of the engagement and consultation approach, focussing on detailed design and implementation planning.
- 30 Following this, in mid-2025, the Government Statistician will finalise the detailed design of the 2028 Census.
- 31 A high-level overview of the case for change, the timing of consultation and engagement, and the timing of the Government Statistician's and Cabinet's consideration of a new approach is provided in **Appendix 1**.

Risks

- 32 During the engagement and consultation, it is expected that concerns may be raised about the quality and availability of administrative data sources, particularly in relation to smaller or high-interest population groups and communities. Some population groups are currently mis-represented, under-represented, or not present in administrative data sources (e.g. Pacific peoples (including smaller populations within this group), disabled peoples, and the rainbow community). Identifying data needs and the quality and sources of administrative data is work that will be ongoing throughout the design process. Stats NZ will work with agencies and representatives of population groups in areas where data quality is poor to inform the design.
- 33 Concerns may also be raised about the ability for private information to be shared and stored safely and securely under a new approach. There are data security and privacy practices and systems that are already in place within government that Stats NZ can signal in response to these concerns. As part of the future design of the census, Stats NZ will re-examine whether any additional or enhanced measures are needed. I expect that the feedback from the engagement and consultation process will help to understand public expectations on this matter.
- 34 To support fulsome consultation, Stats NZ will collaborate closely with key stakeholders, offering meetings upon request, and proactively managing existing relationships – noting that this is the start of the consultation process. Stats NZ also plans to undertake a second round of public consultation later in the process as part of Phase three.
- 35 I am aware that some of Stats NZ's data partners may be concerned that a shift to an administrative data-first approach to produce population and social data and statistics may have financial implications for them through the need to collect new or different data. Currently, Stats NZ is not requiring agencies to collect any new data ahead of 2028 Census. If new or different data is

required in the future, Stats NZ will work closely with data partners to find solutions that meet census, agency, and data system needs, including regarding financial implications.

Cost-of-living implications

36 The proposals in this paper will not have implications for the cost of living.

Financial Implications

37 There are no financial implications directly related to the recommendations in this paper. s 9(2)(f)(iv)

Stats NZ will continue to work with The Treasury and other agencies, if required, regarding any future financial implications of modernising and transforming the census.

Legislative implications

38 Consulting publicly on modernising the approach to census will fulfil a legislative requirement under the Data and Statistics Act 2022.

Impact analysis

39 A Regulatory Impact Statement is not required for this paper. A Climate Implications of Policy Assessment is also not required.

Population implications

40 This paper outlines how Stats NZ plans to engage and consult with key partners, stakeholders, and publicly on modernising and transforming the approach to census. It is important that census data and statistics represent all population groups in New Zealand, and they have an opportunity to provide feedback.

41 An important aspect of the targeted engagement approach includes engaging with population groups that Stats NZ recognises as being misrepresented, under-represented, or currently not present in administrative data sources, such as iwi and Māori, Pacific peoples, disabled peoples, and the rainbow community. Stats NZ will continue to engage with representatives of these communities throughout the design process for 2028 Census.

Human rights

42 The proposals in the paper are consistent with the New Zealand Bill of Rights Act 1990, the Human Rights Act 1993, and the Privacy Act 2020. The engagement and consultation process is also expected to canvas any future implications for individual rights and privacy regarding a modernised and transformed census approach.

Use of external resources

- 43 Engagement and consultation will be undertaken by Stats NZ staff. An external provider will be procured to support online public engagement.

Consultation

- 44 Departmental and Ministerial consultation were undertaken concurrently. The following agencies were consulted on this paper: the Ministry of Business, Innovation and Employment, Department of Conservation, Department of Corrections, Crown Law Office, NZ Customs, Ministry of Education, Electoral Commission, ACC, Te Arawhiti, Ministry for the Environment, Ministry of Foreign Affairs and Trade, Government Communications Security Bureau, Ministry of Health, Ministry of Housing and Urban Development, Inland Revenue, Department of Internal Affairs, Ministry of Justice, Land Information New Zealand, National Cyber Security Centre, Whaikaha - Ministry of Disabled People, Oranga Tamariki, Ministry for Pacific Peoples, Ministry for Primary Industries, NZ Police, Te Puni Kōkiri, Reserve Bank, Ministry of Social Development, Social Wellbeing Agency, Public Service Commission, The Treasury, Department of the Prime Minister and Cabinet, Ministry for Women, Office of the Privacy Commissioner, Office of the Auditor General, the Ombudsman, Ministry of Transport, Ministry for Culture and Heritage, Ministry for Ethnic Communities, Ministry of Defence, Health New Zealand – Te Whatu Ora, Human Rights Commission, Kainga Ora – Homes and Communities, New Zealand Defence Force, Waka Kotahi New Zealand Transport Agency.

Communications

- 45 Regarding the upcoming public consultation, Stats NZ will issue a press statement and invite stakeholders and the public to provide feedback as part of the engagement and public consultation process.

Proactive release

- 46 I intend to proactively release this paper on Stats NZ's website within 30 business days of Cabinet decisions.

Recommendations

The Minister of Statistics recommends that the Committee:

- 1 note the current approach to the census is not sustainable and the future approach to census needs to be modernised and transformed
- 2 note I have directed Stats NZ to develop options for 2028 Census and beyond that use an administrative data-first approach supplemented by surveying where deficiencies in administrative data are identified. This aligns with the international trend of increasing the use of administrative data to produce population and social data and statistics, including census
- 3 note Stats NZ's three-stage engagement and consultation plan (consisting of targeted engagement, two rounds of formal public consultation, a light-touch

online public engagement, and ongoing stakeholder engagement throughout the census design process) to inform decisions on the approach to 2028 Census and give effect to the requirements set out in the Data and Statistics Act 2022

- 4 note that I plan to return to Cabinet later in 2024 to seek your endorsement to the Government Statistician's preferred approach for 2028 Census.

Authorised for lodgement

Hon Andrew Bayly

Minister of Statistics