The use of surveys: what perspectives for central banks?

The use of surveys by central banks

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Discussion by Bruno Tissot

Head of Statistics and Research Support, BIS
& Head of Secretariat, Irving Fisher Committee on Central Bank Statistics (IFC)

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Highlights – 4 main areas of attention for central banks

1. **Benefits of surveys?**

2. **Best design?**

3. **Uses of surveys?**

4. **Challenges (accuracy)?**

   → 5 Presentations:

   - K. Hennings & C. Maia (BCB) – *FDI measurement*

   - T. Hülagü (CBRT) – *Inflation Uncertainty*

   - S. Pérez-Duarte (ECB) – *Household and SME surveys*

   - L. Rennison (BOC) – *Firm Strategy Survey*

   - K. Shiotani (BOJ) – *Tankan (re) Design*

1. Benefits of surveys

- **Plenty of reasons why Central Banks carry surveys (ECB, BOJ)**
  - Data not existing / various topics
  - Details not available
  - Timeliness
  - Access to data (independence)
  - Response rate
  - Accuracy / accumulated experience

- **Key factors**
  - Filling data gaps
  - Not "ordinary statistics" (new *questions* ECB, BOC; new *areas* CBRT, BOC)
  - Resources issues and lower reporting burden (BOJ, BCB)

2. Best design

- **Large diversity (ECB)**
  - Contrast between 2 Euro system surveys
  - Several dimensions / attributes (the "*survey DNA*")

- **Trade-offs (BOJ, ECB)**
  - Depends on users' needs & requirements
  - *In turn* resources constraints and reporting acceptance shape the survey

- **Interesting avenues**
  - *Sampling* techniques (BOJ, ECB, BCB)
  - *Benchmarking* and use of available (micro) information (BOJ)
  - Selected, *qualitative* inputs (BOC, ECB)

3. Uses of surveys

- ***Variety* of new areas (BOC)**
  - Firms' strategies
  - Role of organisational capital
  - Investment motives
  - Firms' agility

- ***Flexible* approach (CBRT)**
  - Inflation not stable: flexible density forecasts
  - How to define uncertainty? Individual uncertainty + disagreement

- ***Adapted* to needs / circumstances**
  - FDI concentration: smaller, more frequent surveys (BCB)
  - Horizon is key: business cycles vs structural changes (ECB)

4. Main challenge: accuracy

- **Refine *sampling* techniques**
  - Stratification, with different variables (Tankan, ECB)
  - Sub-sample bias? (CBRT, BOJ)
  - Elimination of outliers (BOJ) … or not (CBRT)
  - No responses (BOJ, BCB, ECB)

- ***Benchmarking***
  - With (micro) data available (BOJ)
  - With lessons from the literature (BOC)

- ***Checking / validating***
  - Validation techniques… for the largest respondents (BCB)
  - Coherence and plausibility checks (ECB)
  - Interpret the results: do they make sense? (BOC, CBRT)

Some questions...

● **K. Hennings & C. Maia (BCB) – FDI measurement**

Filtering firms... based on sufficient information (Is reporting of FDI transactions comprehensive... Can the role of intra-group affiliates affect residency-based measures...)?

● **T. Hülagü (CBRT) – Inflation Uncertainty**

Drop individual uncertainty (and simplify the survey)? Are other indicators of uncertainty consistent with the results (eg international consensus forecasts, financial market indicators)?

● **S. Pérez-Duarte (ECB) – Household and SME surveys**

Sharing data externally: has research use of the data been helpful, in turn, for improving the surveys?

● **L. Rennison (BOC) – Firm Strategy Survey**

What implications for refining national accounts (measurement of non-tangible capital) ? How to assess bias and what are the benchmarking challenges?

● **K. Shiotani (BOJ) – Tankan Design**

Is micro data a good benchmark for assessing the survey bias? How to deal with non-responses due to cost issues?