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## Census decision a slow-motion train wreck

[Stephen Gordon](#)

Includes correction

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The census story is a train wreck in slow motion; the latest car to pile on the flaming ruins is the [recent report](#)

[<http://www.theglobeandmail.com/news/politics/statscan-settles-for-incomplete-long-form-surveys-in-2011-census/article2088888/>] that Statistics Canada has resigned itself to accepting incomplete responses to the National Household Survey (NHS).

Many readers may have thought that the census issue was settled last summer; it wasn't. We haven't even begun to deal with the consequences of the decision to replace the mandatory long-form census with the voluntary NHS. As Economy Lab contributor Kevin Milligan and his UBC colleague David Green [note](#) [<http://utpjournals.metapress.com/content/21828p2701125183/?p=ef557eb9ae964a9ebceec18d9916bd4b&pi=7>] in *Canadian Public Policy*, one of the most striking features of the census is its 'hidden ubiquity'. The census is an invisible -- and yet essential -- element of virtually all the data that inform policy debates.

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The Labour Force Survey (LFS) is the source of the monthly employment data release; the Statistics Canada methodology document is [here](#).

[<http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?catno=71-526-X&lang=eng>] Some 55,000 people are polled, and participation is (so far) mandatory. But in order to make sure that this panel of 55,000 people is a representative sample, the LFS checks to see if its panel has the same features as the Canadian population as a whole. Among other things, census data are used to make sure that the LFS correctly samples those with high incomes, as well as the Aboriginal and immigrant populations; see Section 2.6.4 of the methodology paper. The **only** available reference point to make this verification is the census. As time passes, it will be less and less clear if announced changes in unemployment rates are due to what is actually happening in the labour market, or is simply an artefact of an increasingly biased sample.

The Consumer Price Index (CPI) tracks the price of a 'representative basket' of goods and services. The price of this basket is of interest only insofar as it is representative of Canadians' expenditures, and estimates for representative spending patterns are based on the [Survey of Household Spending](#).

[<http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?catno=62-202-X&lang=eng>] This is a voluntary survey, so responses have to be corrected so that the panel or respondents reflects the general population. Again, the only available reference for making this correction is the census.

Employment and inflation data have the power to move markets, and policy-makers need reliable data to guide their decisions. The list is goes on, and is almost endless. For example, the labour market experiences of immigrants will be an increasing preoccupation for policy-makers as the population ages; the only source of information about immigrants is the census.

The most recent census was in 2006, and it looks as though the next usable census will take place in 2021 at the earliest. Our understanding of what is going on in the Canadian economy in the next decades will grow steadily weaker as more cars pile on the census train wreck.

*Editor's note: An earlier online version of this story incorrectly stated that census education data were used in the LFS. This online version has been corrected.*