## Small Steps Towards Big Data

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Review some basic Big Data concepts

Describe the Big Data opportunity for official statistics

Outline concerns about using Big Data for official statistics

Introduce a framework for statistical inference from Big Data

Provide a snapshot of current Big Data initiatives in the ABS

## Fundamental shifts





Innovation revolution

The Internet of Everything

A mobile population

Ubiquitous connectivity

The Millennial

Generation

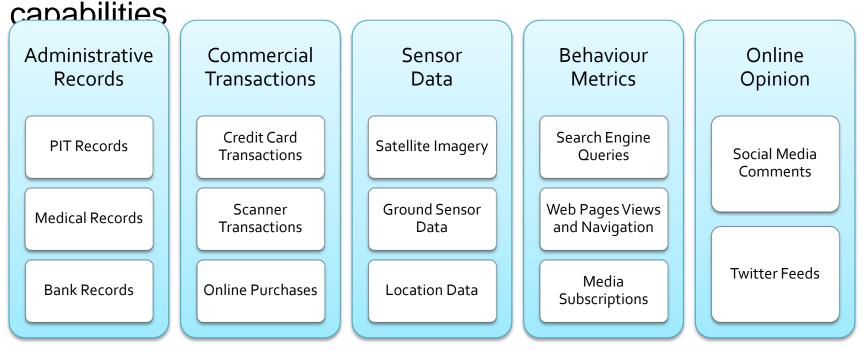
Knowledge circulation

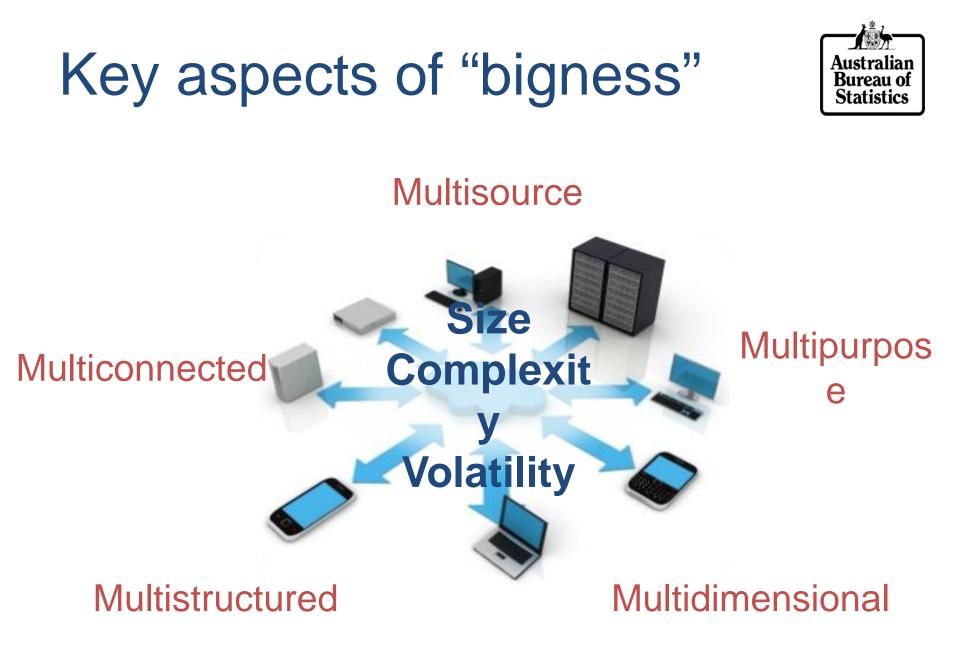
Service orientation

## The ABS view of Big Data



Rich data sets of such size, complexity and volatility that it is not possible to leverage their business value with existing data capture, storage, processing, and analysis





## Big Data, Big Opportunities



Creating sample frames or registers

- Providing data for a subgroup of a population
- Providing data for some attributes of a population
- Enabling data imputation, editing and confrontation
- Enabling data linking and fusion
- Replacing traditional survey collection entirely
- Producing new statistical products
- Improving statistical operations

## Big Data, Big Challenges



Business benefit Privacy and public trust Methodological soundness Technological feasibility Data acquisition

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# Framework for statistical inference



Target population U on which statistical inferences are to be made

Example: agricultural land parcels

Big Data population  $U_B$  included in the Big Data source, and assume  $U_B \subseteq U$ 

Example: agricultural land parcels captured in satellite sensor imagery

Measurement  $M_{\ensuremath{\mathsf{U}}}$  of the target population U that is of interest

• Example: crop type associated with an agricultural land parcel

Proxy measurements  $Y_B$  (or  $Y_U$ ) available on the population  $U_B$  (or U)

- Consider Y<sub>B</sub> to be a sample (random or otherwise) from Y<sub>U</sub>
- Example: ground cover reflectance in selected wavelengths

Transformation process T that turns  $Y_U$  into  $M_U$ 

 Example: classification model that assigns a crop type to the reflectance measurement of a land parcel

Sampling process I that determines the selection of  $Y_{\rm B}$  from  $Y_{\rm U}$ 

• Usually unknown and requires detailed contextual knowledge to model

Censoring process R that renders part of  $Y_U$  unavailable

Example: missing imagery data due to bad weather

# Framework for statistical inference



For finite population inferences, we are interested in predicting  $g(M_U)$  given the observed  $Y_B$ , where g is some function

Assume that the probability density function  $f(Y_U;\theta)$  is known, where the parameter  $\theta$  has known prior distribution  $f(\theta)$ 

Assume also that the pdf f(M<sub>U</sub>|Y<sub>U</sub>; $\phi$ ), as is the prior distribution f( $\phi$ ) of the parameter  $\phi$ 

Using a Bayesian approach, we want to predict the posterior distribution  $f(M_{\rm U}|Y_{\rm B},\,I,\,R)$ 

In the paper, we show that  $f(M_U|Y_B, I, R) \propto f(M_U|Y_B)$  provided that two ignorability conditions are satisfied:

- $f(R|M_U, Y_B, Y_U | Y_B, I, \theta, \phi) = f(R|Y_B)$
- $f(I|M_U, Y_B, Y_U | Y_B, \theta, \phi) = f(I|Y_B)$

i.e. The sampling and censoring processes can be ignored in transforming  $Y_{\rm B}$  to  $M_{\rm U}$ 

## Example: sensor data for agricultural statistics



In the case of the remote sensing example,  $M_U$  represents crop type for land parcels in the Australian continent, and  $Y_B$  the remote sensing data covering Australia from Landsat 7

- As the full data  $Y_U$  is available from Landsat 7,  $Y_U = Y_B$  and the first requirement of ignorability conditions is satisfied
- When there is missing data, the second requirement needs to be checked. If the missing data is due to random short-term bad weather, it is safe to assume that this is not associated with the measure of interest (crop type) and we treat the data set as a random sample
- In the case where missing data is due to systemic effects, then an assessment is required to determine whether the observed

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## Big Data, Big Technologies



Semantic Web Machine intelligence Data visualisation Distributed computing



## ABS use of Big Data



### The ABS continually strives to

- Reduce the cost of statistical production and support
- Improve the relevance and timeliness of its products
- Create new statistics that better meet emerging needs



As part of its business transformation program to achieve these aspirations, ABS is taking small steps to exploit particular Big Data opportunities

## Big Data Flagship Project



Build a strong foundation for the mainstream use of Big Data in statistical production

- Methods
- Skills
- Tools and infrastructure



Through a coordinated set of targeted R&D initiatives

- Match Big Data opportunities to specific business problems
- Deliver "fit for purpose" solutions as working prototypes
- Enhance partnerships with academia, industry and other NSIs
- Contribute to a whole-ofgovernment capability

## Research areas



Satellite and ground sensor data for agricultural statistics

Mobile positioning data for measuring population mobility

Multiply-linked employer-employee data for productivity analysis

Predictive modelling of survey non-response behaviour

Predictive Modelling of Unemployment for small areas

Data visualisation techniques for exploring large datasets

# Sensor Data for Agricultural Statistics



Use of satellite sensor data for producing agricultural statistics

- Landsat 7 imagery from US Geological Survey (multispectral data from 7 frequency bands, 30m grid size)
- Estimate land use and crop type
- Apply machine learning to automated feature recognition
- Promising results for wheat, barley, oats, canola and field peas

Stage 2: extend to the use of ground sensor data

- Sense-T ground sensor data (temperature, moisture, etc)
- Estimate crop yield
- Apply domain-specific agronomic models of crop growth



### **Questions?**



