



Australian Statistician

Senator Dean Smith  
Chair  
Joint Committee of Public Accounts and Audit  
Parliament House  
Canberra, ACT 2600

Dear Senator

**ABS response to JCPAA report No. 455**

Thank you for the opportunity for the Australian Bureau of Statistics (ABS) to provide a response to recommendation 2 made by the JCPAA in their report No. 455 - *Parliamentary Delegation to New Zealand and Fiji by Members of the JCPAA*.

The ABS has been engaged with the data developments in New Zealand and with other national statistical offices and welcomes the opportunity to respond to the JCPAA recommendation:

*"... that the Australian Bureau of Statistics examine the use of data in New Zealand and report back to the JCPAA on whether this approach could be adopted in Australia".*

Please find our response to this recommendation in the attached Executive Minute. I would be pleased to discuss these matters further with you or the Committee.

Yours sincerely

  
Mr David W. Kalisch

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Canberra Office  
ABS House  
45 Benjamin Way  
Belconnen ACT 2617  
Phone 1300 135 070

Locked Bag 10  
Belconnen ACT 2616

[www.abs.gov.au](http://www.abs.gov.au)  
ABN 26 331 428 522



## EXECUTIVE MINUTE

on

### JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT REPORT No. 455

#### *Parliamentary Delegation to New Zealand and Fiji by Members of the JCPAA*

#### **General comments**

*The Australian Bureau of Statistics (ABS) is Australia's national statistical agency, providing trusted official statistics on a wide range of economic, social, population and environmental matters of importance to Australia.*

*The ABS also has a leadership role to coordinate statistical activities and collaborate with official bodies in the collection, compilation, analysis and distribution of statistics to maximise the value of government investment on these activities, minimise burden on Australian businesses and households, and ensure Australia's official statistical system is fit-for-purpose.*

*To remain relevant, official statistics must keep pace with Australia's changing economic and social environment. The economy is increasingly influenced by the growing services sector, and economies are more internationally connected through trade in goods and services as well as financial flows. Australian society is becoming more complex, with an increasingly mobile population, and changing family and household structures. This dynamic environment provides measurement challenges and requires the ABS to consider new data sources and new measurement approaches.*

*Information collected by governments and businesses in the course of their operations is increasingly seen as a strategic resource in both public and private sectors. Sophisticated technologies and advances in analytical capacity are driving information opportunities, both in terms of administrative, transactional and other big data sources; as well to use data to provide new statistics.*

*The ABS is working collaboratively with other data custodians to effectively, safely and securely unlock the potential of these expanding data sources, while maintaining and preserving appropriate protections for personal information. Maximising the value of public and business data is critical to supporting key decision making and research, without increasing the burden the ABS currently places on households and businesses.*

## Response to the recommendation

### Recommendation No. 2 (JCPAA Report No. 455 page vi)

The Committee recommends that the Australian Bureau of Statistics examine the use of data in New Zealand and report back to the JCPAA on whether this approach could be adopted in Australia.

### *Supported*

1 The recommendation refers to the New Zealand's Integrated Data Infrastructure administered by Statistics New Zealand and a cross portfolio central analytics function located in the New Zealand Treasury.

2 Since March 2013, the New Zealand Government have invested in an Integrated Data Infrastructure and in cross portfolio analytics with the purpose of improving the quality of evidence available for policy. The investment is delivering '*new and better ways to improve outcomes for New Zealanders and to improve value for money from initiatives*'.<sup>1</sup>

3 The efficient and successful implementation of the Integrated Data Infrastructure in Statistics New Zealand reflected a number of pre-existing conditions. These preconditions are also present in the Australian context<sup>2</sup> and include:

- a solid institutional and legal mandate<sup>3</sup> for official statistics and use of data for statistical and research purposes;
- significant methodological capability and robust systems and processes for securely linking and managing sensitive and large government data sources and for managing secrecy and re-identification risks, underpinned by strong privacy and secrecy protections in legislation;
- competent and professionally independent statistical production standards, reflected in the consistent publication of accurate data time series spanning a diverse range of social and economic activity.

4 The ABS has been engaged with developments in New Zealand and with other national statistical offices and is already partnering, through its data integration program, with Commonwealth and some state and territory agencies to enhance the use of data for cross-sectoral, cross-jurisdictional and cross-domain analysis in Australia. However, the current project-by-project approach adopted in Australia has meant the scale of activity and the outcomes to date are relatively modest in comparison to the opportunity and benefits that have been realised through the systematised approach in New Zealand. The current approach has also meant that secrecy and privacy risks are potentially less rigorously managed across the many organisations involved in these efforts compared to the coordinated and centralised approach in New Zealand.

<sup>1</sup> New Zealand Treasury paper '*Analysis for Outcomes – Better Use of Data to Improve Outcomes*' 2013

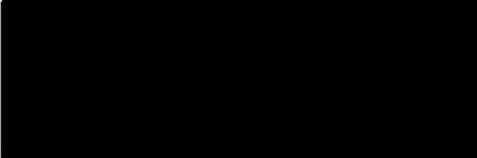
<sup>2</sup> *Australian Bureau of Statistics Submission to the Productivity Commission Inquiry into Data Availability and Use*, June 2016.

<sup>3</sup> *Australian Bureau of Statistics Act, 1975; Census and Statistics Act, 1905.*

5 The implementation of a systematised approach to the integration and use of data in Australia would significantly enhance the ability of the public sector to safely provide insights into complex policy conundrums, such as improving the wellbeing of vulnerable populations, understanding life and educational transitions and increasing firm level productivity and workforce participation. An Australian integrated data service would also be expected to improve the measurement of policy and program effectiveness.

6 The ABS is currently focussed on transforming its current business operating model and modernising its infrastructure. The Government invested \$257 million in the 2015-16 Budget to support this transformation and modernisation, and assist the ABS to be better placed to undertake data integration safely and securely. An integrated data resource on the same scale as New Zealand would require an additional investment. As has been the experience in New Zealand, such an initiative would require ongoing engagement with the public on the appropriate use of data as well as the protections and public benefits.

7 It is anticipated that such an investment would deliver new statistics and statistical services relevant to policy development, program evaluation and service design and would contribute significantly to the evidence base for Government and Parliamentary deliberations on key public policy issues.



*David W. Kalisch*  
*Australian Statistician*  
*Australian Bureau of Statistics*