

ASAC Submission to the Productivity Commission Draft Report on Data Availability and Use, October 2016

Introduction

1 The Australian Statistics Advisory Council (ASAC) welcomes the Productivity Commission's Draft Report on Data Availability and Use. As Chair of ASAC, I thank the Commission for acknowledging the importance of addressing the duplication of effort, poor coordination and lack of harmonised statistical and data standards in Australia's statistical system. ASAC met on 15 November 2016 and had the opportunity to discuss the draft report. The following additional submission reflects the views expressed by Council members at that meeting. The discussion focussed primarily on the Options for Reform (chapter 8) and the Framework for Australia's Future (chapter 9). This is in line with the reorientation of ASAC to consider strategic matters for Australia's broader statistical system following reports by David Borthwick and Martin Parkinson (referenced in our previous submission) on the need to optimise the value of public-held administrative data across all governments in Australia to support statistics for policy purposes; and recognition of the importance of the States and Territories in achieving this.

Chapter 8: Options for Reform

2 ASAC is pleased to see the recognition of a need for comprehensive reform. They agree that the Australian community is entitled to expect a vision on delivery of widespread data sharing and release (finding 8.2). ASAC also supports the need for a more coordinated approach to data governance, and welcomes the opportunity to share its expertise and experience in models for interoperability, particularly on how elements actually work in practice. For instance, ASAC would be happy to work through the roles and responsibilities of any National Data Custodian (NDC) and sectoral Accredited Release Authorities (ARAs), especially the 'policy oversight' role for a NDC, to support clarity on the relationships and interaction between the proposed entities.

National Data Policy

3 ASAC sees sense in the proposal that "a designated agency with responsibility for policy oversight will be important to maintain accountability for progress and outcomes and champion the necessary cultural change" (p328), and is keen to work with such an agency to design the 'policy'. The Council has long advocated the need for broad and comprehensive policy across all levels of government to support truly *national* data governance and ensure better management and use of reliable, quality administrative data to support statistics for public policy purposes across Australia. ASAC's draft National Statistics Policy was developed in conjunction with all jurisdictions which were committed to the ownership of it. The chapter on governance is the only incomplete part of policy as issues around an authorising environment are still being worked through. The proposed reforms in the Draft Report provide the opportunity to progress this authorising environment and leverage ASAC's draft National Statistics Policy to build sound policy that covers all data for public purposes.

4 The Council acknowledges the Australian Government's Data Policy Statement but point out that it is aimed at the Commonwealth Government only; with a specific focus on data access, rather than all aspects of the data cycle, to support evidence-based decision-making. In our experience, legislation and policy which seek to improve coordination and use of data across Australia will have serious suboptimal value without full and joint commitment from all jurisdictions. ASAC's high level draft policy has broad application and facilitates a holistic approach to data across *all* jurisdictions. It includes guidance and support on best practice and all aspects of the statistical process, beyond data access alone. Such a policy could be used to minimise the potential risks of siloed sectoral ARAs. It

would build the trust of data custodians, users and suppliers through consistent rules to govern data sharing, linking, quality and access for statistical and research purposes.

5 A national data policy should also define how new legislation may work in practice and interact with current legislation. For instance, how will the proposed legislation impact upon ASAC's legislated role to advise the Minister and the Australian Bureau of Statistics (ABS) on statistical service operations and provide oversight across all official statistics, including "the improvement, extension and coordination of statistical services provided for public purposes"? We have attached ASAC's legislation and current membership for your consideration and would be happy to discuss further detail if required (Attachment A).

6 The Productivity Commission also seeks further advice on how to ensure private sector consultation and involvement in reforms (p338), proposing a Data Advisory Council. ASAC already provides many of the characteristics and functions sought, including "members from different professional backgrounds" who "provide guidance on how to best achieve data access and sharing". It has the potential to be a base for a deepened role in this process. As Chair of ASAC, I would welcome further opportunity to discuss this with the Commission.

Chapter 9: A Framework for Australia's Data future

7 ASAC discussed the premise that making data widely available will drive innovation on its own. The Council noted that this needs to be carefully considered in the context of scarce public resource to make everything available. ASAC agreed on the need to prioritise investment on the basis of public benefit and capacity to support evidence-based policy decisions.

8 ASAC would be happy to contribute to discussions on the consequences of the new framework on different users of data. For example, articulating the distinction between the risks of using data for statistical and research purposes vs compliance purposes and considering a spectrum of risk associated with different types and uses of data (p13, p341) would be useful.

9 Specifically, we draw the Commission's attention to two key areas where ASAC can offer its expertise and experience:

1. Leveraging Essential Statistical Assets for National Interest Datasets

10 The report seeks comment on the approach to identify National Interest Datasets (NIDs). The Essential Statistical Assets (ESA) initiative is recognised in the Draft Report as 'a practical illustration of how governments could determine some high value datasets of national interest'. It is ASAC's view that ESA is much more than this and should be leveraged to fine tune the identification of NIDs. The ESA was developed over a considerable time in collaboration with data custodians and users across all governments in Australia, including some community input. It had the strong support of, and was endorsed by, the Commonwealth and State and Territory governments in addition to ASAC. The initiative involved identifying, through extensive consultation, the 74 critical statistics needed for the running of the country; and the 239 datasets that underpin them; together with an assessment of data quality for each dataset and data gaps. The initiative also recently identified the key challenges and opportunities for data custodians and users relating to the infrastructure supporting the ESA in recognition of the fact that data fitness for purpose is impacted by supporting legislation, systems, capability etc. This comprehensive work should be leveraged as the base from which to fine tune NIDs. In our experience, the ESA consultation was much more productive when stakeholders had something specific to respond to, rather than a blank piece of paper asking 'what data is important to you'. ESA provides this base for NIDs and ASAC would welcome the opportunity to collaborate on this.

2. Institutional arrangements that recognise the role of states and territories as partners in Australia's statistical system

11 The Report also seeks comment on the legislative and institutional changes required (p365). ASAC notes that the Terms of Reference for the Inquiry were clear on the need to investigate data availability and use across the public sector in Australia. States and Territories need to be equal partners in the operation of the system. The system should be designed for *and with* the total public sector in Australia and acknowledge the current and potential importance of administrative data (much of which is held in State and Territory governments) to support statistics and decision-making for public purposes. The solution requires all governments to work as partners in establishing governance arrangements, acknowledging both opportunities for, and the obligations of, all parties.

12 An example of this is seen in the proposed process to identify and maintain NIDs. States and Territory governments should have a stronger role as a partner in establishing them, which would go beyond being "consulted" as proposed in Recommendation 9.4. National-level institutional arrangements, supported by a national data policy, would encourage all government agencies to collect and share administrative data in a form that facilitates broader statistical purposes. The Draft Report also notes that States and Territories can "volunteer" their data. Discussions at the Council during my tenure give clear evidence of State and Territory desire to partner in maximising data use for public purposes, reflecting their important role set out in the *Statistics (Arrangements with States) Act 1956*.

13 ASAC's previous submission noted that good governance at the broader system level was important to avoid silos. ASAC notes that implementation of sectoral governance by ARAs will need to avoid the siloing currently seen across jurisdictions. At present, good data work is done but in isolation and with little consideration of the benefits that stand to be realised for Australia by a more coordinated approach across the data system. For example, policies to support government intervention for children under care and protection orders require data which cut across sectors such as health, education, police and justice. How will sectoral governance address this issue? ASAC believes that governance at a *national* level is needed to enable a coordinated approach.

14 Finally, the Council would welcome consideration of the current role of ASAC when establishing future governance arrangements. ASAC was established under the authority of the *Australian Bureau of Statistics Act 1975* to advise the responsible Minister and the Australian Statistician on current and longer-term statistical issues and priorities (see Attachment A). Over the past twelve months ASAC has been refocused to consider more strategic issues in the overall national statistical system and repositioned with new high level business, academic and community leaders. Representatives of the Commonwealth and State and Territory governments are mostly at deputy secretary level from central agencies and are Ministerial appointments. Under the new Chairmanship of Gary Banks AO, ASAC will be in a strong position to assume a strategic role in any new governance structures.

Other comment – Chapter 6: Making Data Useful

15 The Draft Report has a focus on organisational and technological rather than individual capability. It notes that data skills are lacking across the board and are a critical factor in standardisation, improving data quality and ability to use data. ASAC is concerned that the current initiatives in place across the private and public sectors mentioned in the Draft Report are insufficient to address the magnitude of the problem and would welcome the opportunity to discuss further opportunities.

16 In our previous submission, the Council outlined major concerns around Australia's data skill capability to marshal big data and interpret and analyse data that already exists. This is evident through frequent misuse of data and statistics to support a case and limited advances integrating data for statistical and research purposes. Data skills are critical across all levels of government to overcome suboptimal practices to maximise efficient and effective production and use of data to inform decisions.

17 While ASAC acknowledges that our recommendation in this regard is quoted in Box 6.5, the Commission is encouraged to recognise that standardisation and technological opportunities at the organisational level are only part of the answer going forward. People still need data skills to manage and use technology and data appropriately. This issue warrants a specific recommendation in the final report for governments to proactively work to develop the data skills of their employees using strategies such as those highlighted in our previous submission.

Conclusion

18 ASAC is pleased that the Productivity Commission recognises the need for extra investment up front to improve data availability and use. It will be essential to drive comprehensive reform and cultural change. The Council supports the Commission's recommendations to address ASAC's concerns regarding duplication; lack of standards; and waste. The report lays out a comprehensive and well thought out approach to better use of data. ASAC would be pleased to contribute more to the final report on the issues outlined above.

As current Chair of ASAC, I would be very happy to elaborate on any of the points made.

Geoff Allen

Chairperson, Australian Statistics Advisory Council

12 December 2016

Attachment A: ASAC Membership and Legislation as at 1 December 2016

AUSTRALIAN STATISTICS ADVISORY COUNCIL (ASAC): as at 2/12/16

<u>NAME</u>	<u>POSITION</u>
<i>Current community members:</i>	
Mr Geoff ALLEN AM Business: ACIL Allen Consulting	Chairperson
Professor Gary BANKS AO Academia: Australia and New Zealand School of Government	Chairperson Designate (28.02.2017)
Professor Deborah COBB-CLARK Academia: University of Sydney	Member
Dr Luci ELLIS Government: Reserve Bank of Australia	Member
Ms Lisa GROPP Business: Business Council of Australia	Member
Mr David KALISCH Government: Australian Statistician	Member (<i>Ex-officio</i>)
Mr Nigel RAY PSM Government: Treasury	Member
Professor Judith SLOAN Media & Academia: University of Melbourne	Member
Mr Stephen WALTERS Business: Australian Institute of Company Directors	Member
<i>State/Territory Representatives</i>	
Ms Kathy GOTH (ACT)	Member
Mr Craig GRAHAM (NT)	Member
Mr Chris MCGOWAN (SA)	Member
Dr Caralee MCLIESH (NSW)	Member Designate
Mr Kurt SIBMA (WA)	Member
Mr Antony SKINNER (QLD)	Member Designate
Mr Anton VOSS (TAS)	Member
VACANT (VIC)	Member

ASAC Governing Legislation

[Australian Bureau of Statistics Act \(1975\) – Sections 17-24](#)

Part III—Australian Statistics Advisory Council

17 Establishment of Council

There is hereby established a Council to be known as the Australian Statistics Advisory Council.

18 Functions of Council

(1) The functions of the Council are to advise the Minister and the Statistician in relation to:

(a) the improvement, extension and co-ordination of statistical services provided for public purposes in Australia;

(b) annual and longer term priorities and programs of work that should be adopted in relation to major aspects of the provision of those statistical services; and

(c) any other matters relating generally to those statistical services.

(2) Either the Minister or the Statistician, or both of them, may refer matters of the kind referred to in subsection (1) to the Council for the purpose of seeking the advice of the Council in relation to those matters.

19 Membership of Council

(1) The Council shall consist of:

(a) the Chairperson;

(b) the Statistician; and

(c) such other members, being not less than 10 and not more than 22 in number, as the Minister determines.

(2) The Chairperson and the members referred to in paragraph (1)(c) shall be appointed by the Minister as part-time members, and shall hold office, subject to this Act:

(a) in the case of the Chairperson—for a period of 5 years; and

(b) in the case of each other member—for such period, not exceeding 3 years, as is specified in his or her instrument of appointment;

but are eligible for re-appointment.

(3) If the Premier of a State or the Chief Minister of the Northern Territory nominates a person for appointment to the Council, the Minister shall appoint that person as one of the members referred to in paragraph (1)(c) unless the Council already includes a member appointed on the nomination of the Premier of that State or the Chief Minister of the Northern Territory, as the case may be.

20 Resignation and removal of members

(1) A member may resign his or her office by writing signed by the member and delivered to the Minister.

(2) The Minister may remove a member from office for misbehaviour or physical or mental incapacity.

21 Remuneration of members

(1) A member of the Council shall be paid such remuneration as is determined by the Remuneration Tribunal, but, if no determination of that remuneration by the Tribunal is in operation, the member shall be paid such remuneration as is prescribed.

(2) A member of the Council shall be paid such allowances as are prescribed.

(3) This section has effect subject to the *Remuneration Tribunal Act 1973*.

22 Meetings

(1) The Council shall hold such meetings as are necessary for the performance of its functions, and shall meet at least once in every calendar year.

(2) The meetings of the Council may be convened by the Chairperson or by the Minister.

(3) At a meeting of the Council, a quorum is constituted by one-third of the members for the time being holding office.

(4) The Chairperson shall preside at all meetings of the Council at which the Chairperson is present.

(5) If the Chairperson is not present at a meeting of the Council, the members present shall elect one of their number to preside at the meeting.

(6) Questions arising at a meeting of the Council shall be determined by a majority of the votes of the members present and voting.

(7) The member presiding at a meeting of the Council has a deliberative vote and, in the event of an equality of votes, also has a casting vote.

Part IV—Miscellaneous

24 Annual report on the Council

(1) The Council must, as soon as practicable after 30 June in each year, prepare and submit to the Minister, for presentation to the Parliament, a report relating to matters connected with the operation of this Act.

(2) The Minister must cause a copy of the report to be laid before each House of the Parliament within 15 sitting days of that House after its receipt by the Minister.