



Parliament of Australia
Parliamentary Budget Office

Submission to Treasury's consultation on the proposal to remake the *Statistics Determination 1983*

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Introduction

On 7 December 2017, the Treasury issued a consultation paper and called for submissions on the proposal to remake the *Statistics Determination 1983* (the Determination), which is due to sunset on 1 October 2018. This will allow the Australian Bureau of Statistics (ABS) to continue to provide detailed statistical information that helps inform policy making. The consultation paper proposes a number of changes to improve access to data for policy makers, researchers and academics, and sought stakeholder views on the proposed changes.

This submission provides the Parliamentary Budget Office's (PBO) views on the proposed changes and provides some general comments on the areas where ABS data adds value from our perspective.

General comments

The purpose of the PBO is to inform the Parliament by providing independent and non-partisan analysis of the budget cycle, fiscal policy and the financial implications of proposals.

Given the breadth of subject matter areas that the PBO covers, we rely heavily on relevant, trusted and objective data, statistics and insights, like those provided by the ABS. As the central statistical authority for the Australian Government, the ABS provides us with comprehensive statistics about communities, families, industry and the economy. This information is used regularly by the PBO, in our published reports and in our costings and responses to Parliamentarians.^{1,2}

The PBO makes particular use of ABS microdata.³ The PBO accesses products like Confidentialised Unit Record Files (CURFs) and TableBuilder which provide the very granular detailed information needed to estimate behavioural responses to policy proposals and to provide distributional analysis. Access to these products is key for the PBO and hence it takes its role as a trusted data user seriously. This includes complying with requirements to implement internal controls within the PBO on who can access these products, and storing the CURFs on a secure computer network. The PBO welcomes further data being released that would allow more granular analysis to help inform policy development.

The PBO strongly supports the ABS continuing and expanding its work on data integration (or linking data), to improve the information that can be gleaned from existing data sources.⁴ This is an efficient and effective way of generating new insights about communities, families, industry and the economy.

1 See for example, PBO Report no. 04/2017, [National fiscal outlook: As at 2017–18 budgets](#).

2 See for example, the PBO costing minute to Senator David Leyonhjelm in response to his proposal to make electricity GST free — published [here](#).

3 See for example, PBO Report no. 05/2015, [Goods and Services Tax: Distributional analysis and indicative reform scenarios](#).

4 <http://abs.gov.au/websitedbs/D3310114.nsf/home/Statistical+Data+Integration+-+Value+of+Data+Integration+and+Security>

Linked data can be used to detect patterns and trends among groups or organisations to provide insights into the effectiveness of government policies, programs and services. For example, linked data can support better targeting of government services, such as specialised health and education services, to the people who need them.

The PBO supports the greater release of data for policy development and education. One of the roles of the PBO is to boost transparency around the federal Budget. Therefore the PBO supports changes to the Determination to improve access to data for policy makers, researchers and academics.

For all of these reasons the PBO strongly supports the ABS releasing additional data and providing greater access, and believes that the proposed changes to the Determination will help achieve the stated direct and indirect benefits. In particular:

- **Businesses** will benefit from the greater availability of information to inform planning, government services and programs that affect their business.
- **The public** will benefit from more evidence-based research, better targeting of programs and policies, and more efficient spending of public money.
- **Governments** will benefit by having better information to make decisions, evaluate programs, inform infrastructure projects, target services, and direct industry assistance.
- **Researchers** who are approved to access information will benefit from improved access to detailed statistical information for research, policy and other purposes.

The PBO notes that the changes would also align with the Government's Public Data Policy Statement to:

*...optimise the use and reuse of public data; to release non sensitive data as open by default; and to collaborate with the private and research sectors to extend the value of public data for the benefit of the Australian public.*⁵

5 Australian Government Public Data Policy Statement, 7 December 2015 (www.pmc.gov.au).

PBO responses to the proposed changes to the Determination

The following section provides the PBO's views on the proposed changes to the Determination as outlined in the consultation document.

The PBO notes that:

- the Determination will not alter the requirement under the *Census and Statistics Act 1905* that personal or domestic information must not be released in a manner that is likely to enable the identification of a person
- all other elements of the proposed Determination will remain as per the current version. This includes that information of a commercially sensitive manner must not be released into the public domain if it identifies a business or organisation, and that information released under the Determination may not be used for law enforcement purposes without a business's consent.

Proposed change (a): Release of information already available to the public (Clause 3 of the Determination)

This proposed change would allow the ABS to provide enhanced information and commentary by using publicly available information to support ABS statistical products relating to businesses and organisations. This would increase the value of these products and allow users to gain a better understanding of the explicit drivers behind changes in the numbers. This would allow for a greater understanding of the workings of the Australian economy and hence can potentially lead to more targeted insights and better policy development.

The PBO strongly supports this proposed change as the enhanced information and commentary would allow for a greater understanding of the drivers behind the statistics related to businesses and organisations. This will allow the PBO (and others) to use these statistics more meaningfully in the work we undertake to understand the current market environment.

Proposed change (b) (i): Release a greater range of business characteristics to a broader range of recipients in the form of a list of businesses (Clause 6 of the Determination)

This change would allow the ABS to have a flexible approach when deciding which business characteristics to release, and to enable the release of lists of business characteristics to a broader group of users. If agreed, it would be important to guarantee that new users of these lists are using it for statistical purposes only.⁶ This change would allow the ABS to better meet the needs of its users which is a positive step so long as its use is managed in accordance with existing ABS safeguards.⁷ The PBO notes that comparable disclosure schemes operate abroad and some have been in effect for a number of years and have proven successful in delivering benefits to statistical users whilst continuing to protect business information.

The PBO supports this proposed change to release business characteristics and a list of businesses provided the existing safeguards are maintained to ensure that these lists are used for statistical purposes only.

Proposed change (b) (ii): Simplify the current notification process (Clause 6 of the Determination)

Simplifying the current notification process would deliver some administrative saving to the ABS. It would not reduce transparency or accountability as these descriptions cannot currently be disallowed by Parliament and do not require Parliament's approval. Making the description of each list of business characteristics that is to be released available on the ABS website would also make it accessible for any person wishing to access it.

The PBO supports this simplification of the current notification process.

Proposed change (c): Release of information about government businesses (Clause 2 of the Determination)

This change would allow the ABS to release the same information for Government Business Enterprises (Commonwealth and state equivalents) as it currently does for other government entities, unless a Government Business Enterprise objects to the release of its information.

6 Characteristics include information that describes a business, such as its name, address, type of legal entity and its size, as well as the activities and industries that the business engages in. An indicator of size is typically determined in the context of what the list is being used for. For example, if the list will be used by another government department to survey business employment satisfaction, the indicator of size could be based on the number of employees in a business. If the list is being used to survey retailers, the indicator of size could be based on turnover.

7 See [ABS Data Access Arrangements](#).

This would allow the public to gain a greater understanding of Government Business Enterprises and of how the Australian Government works, enhancing transparency.

The PBO strongly supports this proposed change as the additional information about Government Business Enterprises would support the work of the PBO. In particular it would improve our responses to requests for costings or budget analyses from a parliamentarian regarding Government Business Enterprises.

The PBO also supports this change as it increases transparency around Government Business Enterprises and hence the Government as a whole, which aligns with one of the PBO's goals of increasing transparency around federal Budget matters.

Proposed change (d) (i): Release of detailed business information with consent (Clause 5 (1)(b) of the Determination)

This proposal would allow the ABS to release the information of consenting businesses or organisations to approved entities. We consider that the risks of this proposal are low, given that it is limited to businesses or organisations that consent to the ABS releasing their information and that the information would only be released to entities such as universities or other researchers who are approved by an ABS delegate. Allowing governments, universities and the research sector to have more access to data should lead to better quality research, policy development and ultimately policy outcomes.

The PBO supports this proposed change, as it gives users access to more data which could help stimulate further research and policy development, so long as consent is given for the release of information and the users are approved by an ABS delegate.

Proposed change (d) (ii): Access to an increased range of de-identified unit record level business information⁸ (Clause 7 (1)(b) of the Determination)

Releasing more granular data at a unit record level through a secure ABS environment would allow users to perform more in-depth analysis and could lead to additional insights. This additional data could remove the need for some simplifying assumptions and improve the quality of some empirical estimates used in PBO costings and reports. Due to the finer level data being available, the risk of identification is increased. The existing ABS controls should achieve the level of protection needed to offset the increase risk of identification.⁹

8 De-identification means removing identifiers such as name, address and Australian Business Number.

9 These controls include limiting the purposes for which access is provided, the location where information may be accessed, and not allowing the disclosure of any identifying information.

The PBO supports this proposed change as access to more detailed de-identified unit record level data would improve information for policy development and evaluation, statistical research purposes and decision making for all users, including businesses.

The PBO notes that the ABS will continue to have sufficient authority to control users' access to this information.