

## Senate Estimates Opening Statement, 19 October 2016

The ABS is an organisation in transition.

My predecessor Brian Pink highlighted the parlous state of the ABS' statistical systems, and the risk this posed for Australia's key statistics. A Capability Review of the ABS conducted under the chairmanship of former Treasury Secretary Tony Cole in 2013 concluded that the ABS needed to transform in all three areas of its strategy, leadership and delivery. These were accurate assessments of the ABS.

The ABS is pursuing a comprehensive organisational transformation that complements our statistical expertise. We are seeking to be both more innovative and pay extra attention to the rigour of our key statistics.

We need to take advantage of emerging information sources to produce statistics, and improve relationships with our key stakeholders. We must pay attention to our priority activities, and continue to establish more contemporary governance. The ABS must strengthen our leadership and ensure a more diverse workforce. Finally, the ABS must build a culture that embraces more collaboration, and implement infrastructure that is fit for the 21<sup>st</sup> Century.

The ABS transformation program has now been underway for 15 months, assisted by a \$257m injection in the 2015 Budget to update our key statistical systems and processes. While this systems refresh is taking place, the ABS will continue to have fragile, ageing statistical and collection systems with heightened risk to Australia's key statistics over the next few years. We are putting additional effort on managing our statistical risks in this context.

The latest ABS Annual Report for 2015-16 shows the progress we have made with this extensive ABS transformation program in its first year, while we continue to deliver the essential statistics that Australia requires. This major transformation of one of Australia's iconic organisations will necessarily take a number of years.

I would like to briefly update the Committee on the 2016 Census.

I am pleased to report that we will have high quality Census data from the 2016 process, with a high level of community participation in the Census and no data quality issues apparent at this stage.

The ABS will undertake further intensive quality testing of Census data over the coming six months, as is always the case. This is an important element of advising and assuring key users and the community of the quality of the Census data.

2016 Census data will allow us to produce new population estimates that, in turn, contribute to federal and state funding allocations and are used for setting of electoral boundaries. New information on regional communities and small population groups will properly inform many future policy and planning decisions.

The community, governments and other key decision makers will all benefit from the new statistics we will be able to produce on important public policy issues using the 2016 Census data. The ABS produces national statistics from the sensitive information we receive from households, businesses and governments.

I would like to thank the Australian population for their forbearance and diligence in completing the 2016 Census. The ABS has tested the patience and commitment of many households, especially through the difficulties accessing the call centre and the unavailability of the Census on line form for nearly two days. We made a difficult decision to take the system off line on 9 August to ensure the security of Census data, but we should not have got to that point and the system should have been robust to DDOS events.

The ABS made a number of poor judgments in our preparation for Census 2016 that led to the poor service experienced by many households. I apologized to the community on behalf of the ABS and I repeat that apology sincerely again today.

Many other households did have a good Census experience in 2016, through access to a quick and easy on line form or use of paper forms. This is what we should achieve across the entire population.

I would also like to place on record my appreciation for the efforts of ABS staff to achieve a good quality Census. Staff from across the organization responded to the need to deliver a good Census

outcome, and we made use of the new adaptive design features in the 2016 Census. I saw some of the culture change we are seeking to make across the ABS encouraged through our subsequent Census actions.

I would also like to thank the Parliamentarians, the media and a number of commentators across the country who encouraged completion of the Census after the outage.

I still believe a digital-first approach was appropriate for the 2016 Census. The Australian community has a high level of internet connectivity, paper Census forms were available for those who wanted or required this option, many Australians could respond to the Census without having someone they didn't know turn up uninvited to their house, and we would reduce the need to hire and train as many temporary field staff. Census data from 2016 will also be available quicker and the Census program will cost taxpayers less than the previous approach.

My hope is that the 2016 Census experience will not reduce the public appetite for innovation across the broader public sector. The lesson for the ABS, and for others, is not to stop innovating, but to innovate more successfully.

Given some of the public reaction to the 2016 Census experience, and the need for the ABS to restore high levels of public trust in the Census process, planning for the 2021 Census will necessarily adopt a more rigorous approach. We will have the advantage of all the learnings from the new approach first adopted in the 2016 Census and desirably have five clear years to plan and implement a successful 2021 Census.