

# TRANSCRIPT OF PROCEEDINGS

## Maximising Value from Data: Navigating the Opportunities and Challenges

Half-Day Conference

Gandel Hall, National Gallery of Australia

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### Transcript 4: Closing Remarks

- David Kalisch: Thanks. And for those that have, I suppose, been observing the way in which today's been done, I've been furiously taking a lot of notes and I have got quite a few, but I'll hopefully not take up the full 15 minutes. But I suppose I wanted to start off by just making sure that we understand that today's gathering is a little bit atypical, in that we don't need to convince each other of the value of data. And that, I think, is a good starting point for us to understand that we all pretty much appreciate the value of data and that's why we've devoted a morning to coming here. We also do manage data within a resource constraint and certainly some of the media are about the ABS in the past few days is focused on the resource constraint that we've faced. But even within that, I suppose one thing that we do make quite clear within our Forward Work Programme is the way in which we seek to maximise public value from the way in which we work.
- David Kalisch: And we do that by delivering quality official statistics. Making sure our statistics maintain their relevance, ensuring access and safe access to data, being considerate about the respondent burden on households and businesses, and looking at data substitution opportunities wherever we can. And the last aspect of our public value proposition is quite pertinent today. It's around building data capability.
- David Kalisch: So I wanted to, I suppose, reflect on, I suppose, what I saw as some of the key themes that came out right through the conversation this morning. One was I suppose that data schools capability was really surfaced as an emerging issue. And I'll talk a little bit about that later as well. Aspects around funding constraints around culture and around legislation being enabling. But I think the important dimension I also heard as a key theme through today's conversation was around collaboration, and the opportunities for greater collaboration between data agencies and policy agencies, data and policy and service agencies, public and private sector, public private sector and research community.
- David Kalisch: So I think collaboration is, I think, the key and I think it does actually hold part of the challenge and part of the response to actually dealing with capability issues. We did hear about good or bad data. I would prefer to probably reframe that in terms of fit for purpose data. So more specialist activity requires more care, and the nature of the decision does also mean that you need to be careful about what data you use. So the Reserve Bank, when they're doing their monetary policy decisions, doesn't refer to some of the short term unstructured data. They often use a lot of the ABS official statistics, of which today's labour market statistics that were released at 11:30 is one more of those pieces of the puzzle.
- David Kalisch: But there are new data opportunities and technology opportunities emerging and they will continue to emerge over time. But I suppose I keep using, and probably ABS staff are sick of me using this analogy, but the animal farm analogy. Not all data is equal. And that is key. And we just need to be expert data users. But also it's not just about the data. I suppose one of the really insightful things I heard from Abigail in her keynote address was start first with the core question of what we want to know, and then think about and understand what data will be useful to answer those questions.

- David Kalisch: So if we're trying to understand the economy, population, society, environment, what are the key data sources that we should be using? We also need to recognise that and, I think, it did come up a couple of times how data helps inform our democratic institutions. In the last election campaign, I heard many references to data around employment, unemployment, population, inequality, cost of living, energy costs, housing affordability and the list goes on and on. And those issues were ones that were all able to be answered through the availability of data. Some of it accurate data and sometimes some people's interpretation of data. That was a little bit different from what the data was actually saying.
- David Kalisch: But the reality is, I think, particularly on the use of data front, that I think what we've touched on today of some areas, and perhaps this didn't get as much focus as I've perhaps expected, that there are many areas of policy and service delivery where data can better inform changes to policy and service delivery strategies. So it is more effective and more efficient. And I think there's scope for us to do much more with not just available data, but also newly emerging data and linked data.
- David Kalisch: So we've heard also about technology and data developments enabling much more efficient and effective use of data. That's certainly the case. We can now manage datasets that people 10, 20 years ago couldn't dream of. Or they would take nights and weeks and they'd churn it through and they'd find an error with their code and they'd need to redo it. Nowadays with the technology that we've got at our disposal, we are in a completely different new world.
- David Kalisch: But this does bring the importance of transparency and also being an understanding that bigger data doesn't necessarily mean it is also representative. And I suppose even in the world of linked data, I see that there are some good data linkages and there are some pretty poor ones. So again if I could bring in the farm analogy, not all linked data is equal as well. You really do need to think about it being fit for purpose.
- David Kalisch: What we also heard in that last session in particular was around, I suppose, capabilities and data use within the private sector. So within the public sector we often think that our world is pretty good. We have all of this data expertise. I'd say to some extent in some areas we're just fooling ourselves. The private sector is very advanced in terms of its use of data and we you see the way in which the private sector is using data to inform their key decisions, and using their data in pretty smart ways.
- David Kalisch: The other thing I do want to reflect on though is that private sector data is increasingly being used in the public sector, and even in the ABS context, we use a lot of private sector data. We use it to produce our financial statistics products. We're using scanner data so every time you guys go to the supermarkets, put the product over the scanner, we get that to inform our CPI. So instead of having an ABS officer going down the aisles of the supermarket with their clipboard and pen, or perhaps an iPad, checking the prices of particular products, we're getting a direct feed from the supermarkets weekly, but of the daily feeds. We don't know that you've used that product or bought that product, so privacy is all okay,

but we do know what's being bought at what price in what location and that's feeding into more accurate assessment of the CPI.

David Kalisch: We're also using private sector housing information, and I think we're increasingly looking at the other opportunities. Telco Data was talked about, and we've done some investigations about the opportunity for using some of that data to estimate temporary populations in certain suburbs. We generally, in our population data, produce information about resident populations, which is really good for some purposes, but not necessarily for traffic flows and other policy purposes where you're seeing populations move within a day. We did hear quite a bit about the difference between can we and should we, and I suppose that does bring the challenge of judgments. I've heard a lot about pub tests this morning, but I suppose I'd just put a caution there about what pubs we're all going to. And I suspect there are probably a range of different pub tests that different people in this room would also apply, so really be a bit cautious about that. But nonetheless, I think it does highlight the dimension around technology shouldn't just drive this. It is around us making smart judgments and good judgements, and having ones that can be defended in the broader suite of public opinion.

David Kalisch: I was surprised that one aspect didn't come up so much today and that was actually the international context. Australia is an island, but we do need to necessarily draw upon international dimensions. There was some discussion of, I suppose, some international regulatory requirements, such as GDPR, but not much more. And I suppose one thing that I certainly am quite alert to from the perspective of the ABS is that the community are increasingly hearing about private sector and public sector data breaches, about poor data practises internationally. They're hearing about, I suppose, the arrangements of the Russian government with the American political system. They've heard about the range of data breaches of really big tech companies and other companies across the globe. So we can't be immune from that and we need to be quite aware that this can affect community trust and ability to use data in Australia.

David Kalisch: From an international dimension, we do also need to appreciate probably two things. One is that Australia is a leader in some areas, so the quality of our economic and population data is first class. And we are also at the forefront of doing some innovative things with use of data around particularly scanner data and some of the ways in which we've been, I suppose, collaborating with the international community around good use of satellite imagery and some of the other uses of big data. So Australia has got some real insights. But increasingly we're also going to be in that learning environment where we will also be learning from data practises and data structures that are used quite effectively overseas.

David Kalisch: So if I can probably leave you with three final comments. One is, and it really is around maximising the value of good data, that this will require a balance across three areas. So one is around effective data use. The second aspect is around effective data governance, and the third is effective transparency. Having one of these is not enough, so just if you have data access, that is not going to be good enough. The community will not tolerate that, per se. They will want to have the

assurance that you are being upfront with them about how data is being used, but even that is not enough as well. They also want to be assured that you have got the structures, the processes, the systems that will make sure that data is being managed properly. So it's around access, governance and transparency, I'd say are the three legs of the stool. You take away one of those legs and you're more than likely going to fall over.

David Kalisch: Community trust is going to become more challenging for us. Don't fool ourselves that this is a picnic. This is easy to do. We do need to get, and this comes to the second aspect, we do need to get better about telling the stories about how data is being used, but more importantly what it's showing. We're all pretty good about sitting at our desks doing the data analysis, getting the great insights, but we're pretty poor about telling what the story is of what that data is being used, how it's providing new insights, what it's showing. And I'd say that the ABS is really amongst that group, that we need to get better as well about telling the data story, telling the stories that come through the data, making sure that people are alert to what the data is saying.

David Kalisch: The third aspect I just want to come back to one of the key themes of today and that's actually the capability challenge. It's a capability challenge now, but particularly into the future. And I suppose I say this more as a labour market economists, rather than as the head of the ABS. They actually see the way in which data skills are being sought across the private sector, across the research community, across government, both internationally and domestically. And I'd say we're going to come to a big crunch. That we need to be careful about and make best use of the data specialists that we have. For those of you that are data specialists, this is going to be great for you. But I think one of the ways of actually managing this is actually through better and more effective collaborations, making best use of the specialists that are available in short supply, but making really good use of them across a range of different dimensions.

David Kalisch: The one danger I do actually see in the public sector, and it's something we do need to guard against, is actually potentially, some agencies can overreach what they're seeking to do. They will seek to do it alone, as we get into the silos of governments and agencies. They will seek to do it alone and they'll not understand what they don't know. And so that this, I think, is where improved collaboration, improved cooperation across the public sector with the private sector and with academia, really holds out that great promise.

David Kalisch: So I'll leave it with that in terms of some reactions, but I think a really great day. And can I also thank IPAA for coordinating this and for PM and C for contributing to the process as well. And thank you very much for your attendance.