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RESEARCH AND EVALUATION

Investigating the production and communication of evidence by the Productivity Commission: Apolitical, political, or somewhere in between?

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Abstract

The Australian Productivity Commission (PC) is an inquiry body of international renown, which Australian governments engage to obtain objective evidence-informed recommendations regarding a wide range of policy issues. Despite its prominence in the Australian policy landscape, there has been little empirical investigation into its practices. This study sought to understand the processes by which evidence is produced and communicated by the PC, with an emphasis on understanding its role within the policy process. Our findings unsettle the notion of the PC as an arms-length, independent body from government – revealing a more complex interplay of interpersonal strategies in both the production of evidence, shaping of recommendations, and communication of both. We identify practices undertaken by PC staff commonly attributed to policy entrepreneurs – or individuals seeking to influence policy and political processes. Our findings suggest that in different contexts and at different times, the PC shifts between being an apolitical or political actor.

KEYWORDS

evidence production, government, policy entrepreneur, policy process, Productivity Commission

1 | INTRODUCTION AND BACKGROUND

The Australian Productivity Commission (PC) has played an important role in economic reform since its establishment in 1998 (Productivity Commission, 2003). Over time, this has expanded considerably into social policy (Productivity Commission, 2003). The PC is said to provide independent advice and information to government(s), operating at arms-length to other government agencies (Productivity Commission, 2003).

The Australian PC is arguably the premier policy advisory body to the Australian government. Rather than designing or implementing policy, it 'contributes by providing quality, independent advice and information' (Productivity Commission, 2015). The work of the PC primarily takes two forms – independently designed programs of work driven by the PC, or commissioned inquiries in response to clear terms of reference set by government. The latter forms the bulk of the PC's work. Its existence and remit for advice is protected by its own legislation (The Productivity Commissions Act 1998) and through the Chairperson, Deputy Chairperson, and Commissioners who are appointed by the Governor-General. In this sense, the PC is said to be an autonomous, independent body that undertakes 'inquiries' (taking the form of detailed research reports and consultations) on behalf of government (Productivity Commission, 2003).

2 | THE ROLE OF THE PRODUCTIVITY COMMISSION IN EVIDENCE-BASED POLICY MAKING

In recent years, 'evidence-based policy making' (EBPM) has been the paradigm of choice and a lofty goal for governments and academics alike (Botterill & Hindmoor, 2012; Canty-Waldron, 2014). In academia, the EBPM movement has sought to couple evidence and policy making to provide policy recommendations that 'work', untarnished by the influence of values or ideology (Botterill & Hindmoor, 2012). As a former Chair of the PC, Gary Banks (2009) argues, it seems an incontrovertible truth that policy should be based on evidence and not on emotion, ideology, or conventional wisdom. Cairney (2016) identifies that this is a reflection of the idea that socially impactful decisions requiring a strong evidence base, such as the allocation of healthcare resources, should be taken out of the hands of politicians who are perceived to be driven by the primary need to stay popular.

Within the EBPM paradigm, the PC has promoted itself as holding a unique place as a purveyor of research evidence to the Australian Government (Banks, 1998). This 'uniqueness' is seen to stem from its history as an 'independent' body, outside the realm of political influences (Banks, 2009). Indeed the PC's own in-house history identifies independence first in a list of three principles that make it 'unusual if not unique, among public sector institutions around the world' (Productivity Commission, 2003). Arguably, from an international standpoint, the PC is not unique but rather belongs to a large group of quasi-independent regulatory bodies and reform commissions common across almost all Western nations. For example the PC could be grouped with the United Kingdom's Regulatory Policy Committee, the European Union Regulatory Scrutiny Board, and the Australian Law Reform Commission (ALRC). Further, other countries including New Zealand, Denmark, and Norway have now created their own productivity commissions (International Monetary Fund, 2014) governments have a long history of creating independent authorities for a variety of reasons (Cairney, 2016), one such being a 'depoliticisation' strategy which aims to remove any political character from decision-making. Assigning tasks or research to bodies that are supposedly independent of executive government has been a mainstay of depoliticisation

(Elgie, 2006), with the PC identified as an exemplar of this, to be upheld as a model for the rest of the world (Garnaut & Vines, 2007; Spriggs, 1991). However, being 'independent' does not necessarily mean removed from any dealings with government, something which has been explored in the literature with regard to law reform commissions. Croucher (2018) for example discusses the meaning of 'independence' in the context of law reform agencies which are funded by government. She argues that 'independence' is not about the way reform commissions or agencies are structured, but rather is about 'intellectual' independence, which is what provides value to the work they produce for government. As such 'independence' can be maintained even when agencies participate in activities that bring them close to government such as communicating with ministers. The concept of 'independence' from government can thus take a variety of forms, some of which may not fit with a more traditional view of an independent body which stays at arm's length from government in all respects.

The PC emerged out of an amalgamation of the Industry Commission, Bureau of Industry Economics, and the Economic Planning Advisory Commission in 1998, and hence has strong roots as a primarily economic policy body. As a result, it has been known to broadly adhere to the group of policy ideas interchangeably known as 'neoliberalism', 'economic rationalism', and 'market liberalism' (Corr & Carey, 2017; Dalitz, 2016; Sheil, 2017). Sheil (2017) argues that one reason the 'independence' of the PC has rarely been questioned is because whether the PC is seen as independent becomes largely irrelevant when there is an unquestioning belief from governments and the media in the same economic ideology that the PC champions. Indeed, the PC has been criticised for operating as a 'a publicly-funded lobby group for free trade and free-market policies' (Quiggin, 2002, p. 169).

The PC has gained strong standing in social policy in the last few decades, involved in inquiries into key issues in Australia such as the National Disability Insurance Scheme, the role of the not-for-profit sector, and mental health. Yet despite the standing of the PC in Australian policy, it has been the subject of little investigation. The PC provided its own in-house history some 15 years ago (Productivity Commission, 2003). More recently, an unusual occurrence whereby two inquiries on the same social policy issue were commissioned by two successive governments (Labour, and then Liberal) provided an opportunity to examine the ideological underpinnings of the PC and, to some degree, the extent to which it responds differently to different political agendas (Corr & Carey, 2017). This research found that the PC has its own set of institutional norms and values, which can be broadly conceptualised as economic rationalist – a paradigm seen by many as incongruent with the goals of social policy and the welfare state, to protect and provide for the wellbeing of citizens (Corr & Carey, 2017).

To date, very little empirical research has been conducted into the role of the PC in the policy decision-making process (Corr & Carey, 2017). Moses, Gollan, and Tranter (2015) conducted an empirical study where they analysed PC inquiry reports to investigate the extent to which the PC relies on different types of evidence in its formulation of recommendations. They found that in its evidence production the PC takes a surprisingly broad view of what is considered 'evidence' to include arguments made in submissions, taking a 'consultation as evidence' approach. The authors argue that this should prompt a broader debate into how the PC produces evidence, particularly in areas of social policy which may require an evidence base that goes beyond 'empirically verified' evidence. Others have also analysed PC reports such as Sheil (2017) who investigated the limits to the PC's independence by analysing two reports pertaining to Australia's landmark 1997–1998 waterfront dispute. They found that the PC exercised selectivity at points where the work would have seriously conflicted with the government's interests, concluding that seeking to avoid conflict with the well-known position of government 'constitutes a grave caution over

the commission's independence' (p. 57). However, to our knowledge there have been no empirical investigations into the production and communication of evidence by the PC that use qualitative interview data to explore viewpoints from both inside and outside the Commission.

In this paper, we draw on interviews with current and former Commissioners, PC staff members as well as those involved in the commissioning process within government, to explore the role of the PC in policymaking. We find that although the PC is often described as independent and at arms-length from government, the practical realities of the independence of the PC are not so clear cut. We use the work of Alford, Hartley, Yates, and Hughes (2017) to examine how and why PC staff work within the bureaucratic 'purple zone', blurring the administrative and political realms. Although this can be considered a matter of practicality (i.e. holding a clear 'line' between administrative and political realms is unrealistic), given that the legitimacy of the PC relies so heavily on notions of 'objectivity' and 'independence', one might reasonably assume that it does not engage in more political activities. This paper highlights critical differences between how the independence of PC is perceived compared to how it operates. In doing so, we hope to spark further debate into how the PC operates within the policy process.

3 | METHODS

The aim of the study is to explore the experiences of key policy actors involved in producing, using, and communicating evidence arising from the advice and information provided to government by the PC. To investigate these, the research took an interpretivist approach – seeking to access tacit knowledge of a range of actors, as it pertains to the subject under inquiry. Here, meaning is understood to derive from the experiences of individuals and the ways in which they make sense of them (Blaikie, 1993). The researcher is thus able to 'discover the explanations, rationales, anecdotes, normative views, myths and mysteries' that exist within organisations such as government departments or advisory bodies (Smircich, 1983, p. 162).

The research received ethics clearance from the University Human Ethics Committee (Ethics number HC17092). Snowball sampling was conducted to identify participants. Participants were sought from both the PC and central government agencies involved in utilising evidence produced by the PC. Thirteen semi-structured interviews were undertaken with senior officials (past and present) from the PC ($n = 8$) and central government agencies including the Department of Prime Minister and Cabinet, Treasury, Finance, and Environment and Energy ($n = 5$). Participants from central government agencies were all either Secretaries or Deputy Secretaries. Participants from the PC included current and past commissioners, executive managers, and special advisors. Sampling was continued until participants were unable to suggest other possible participants or started to nominate people already contacted or interviewed. Given the small number of individuals in roles within the public service who would be in close contact and communication with senior PC staff, and the small number of individuals in senior roles within the PC (combined with the fact that participants began to suggest those already interviewed), it can be inferred that the pool of potential participants was largely spent, despite the small sample size. This was a similar experience to that of Carey, McLoughlin, and Crammond (2015) who also sought to recruit participants of a very senior nature and exhausted their potential participant pool after recruiting six individuals.

Interview questions sought to explore how evidence was produced within the PC, how recommendations were prepared, and how these were communicated with, and received by, governments. Participants were assured their responses would be anonymised. Interviews were coded

thematically, and the interrelationships between the themes interrogated (Schutz, 1963). The relationship between codes (e.g. economic rationalism, knowledge production) were interrogated and debated by the authors until consensus was reached. This process enabled the team to draw out greater nuance from the data.

4 | FINDINGS

4.1 | Independence of the PC and evidenced based policy making

As discussed above, the PC has obtained such a prominent status in Australian policy making in part due to the largely unquestioned assumption that through its processes and systems the PC is able to maintain its independence and thereby present objective evidence free from the politicisation that clouds other institutions. This view was evident in the comments from senior government bureaucrats when questioned about the value placed on evidence produced by the PC:

> *Because they're an institution that has top quality people in it, but also has very sound and solid systems in it to make sure that how it's using data is…appropriate. [P4]*

> *Because it's independent, it's going to assess the data rigorously rather than looking for selected facts that might support a proposition. [P8]*

The independence of the PC was also strongly defended by those currently working at the PC. As one participant explained, since the establishment of the PC where independence was written into its Act there has been a strong focus on protecting this independence by remaining at arm's length from government:

> *I think there was a concern early on that the Commission must at all costs protect its independence and we must be seen to be independent and that meant that once we handed something to government that was out of our hands and it was a reflection of retaining our independence. [P11]*

Trust in the objectivity and independence of the PC was also reflected in the observation from participants that PC reports had good 'shelf life' compared with other forms of evidence government departments might turn to. As this participant noted, PC research is seen as thorough and thus trusted, and in a busy policy making world where government departments do not always have time to sift through different forms of evidence this is highly valued:

> *…what they did was a very good job of going through this pretty rigorously and carefully and then they publish it. So that then becomes a source document for an agency like this. We've got limited resources so that sort of thing is quite valuable because it's trusted. [P4]*

This perception of independence has helped cement the PC as a premier advisory body to government and in response governments have increasingly turned to the PC for advice on an expanding range of policy areas including complex social policy issues as this PC staff member noted:

> *Initially some of the initial social policy work we had, I guess the government put its toe in the water at the time and the Commission's kind of evolved over time. It's the range of work that we do now… it's just expanded and expanded and further and further into social policy fields than it used to. [P11]*

This expansion into social policy has broadened the type of work and evidence base the PC must contend with and as this participant observed, making recommendations on social policy is not as straight forward as when the work is focused on a more discrete economic policy issue:

> *In the social policy realm, life's a lot more complex, and when we're given a terms of reference… I don't think anyone can really predict what it is that we're going to say because we don't ourselves know what we're going to say, and in that sense that's a much more open-ended inquiry… and it's much more of a journey. [P12]*

As shown, claims of independence are central to the perceived validity of the work produced by the PC. However, as we explore below, there is 'no view from nowhere', and in the practical realities of operation the PC at times undertakes activities more common to those seeking to influence policy decision-making which these statements of independence gloss over.

4.2 | Frames in which PC advice is constructed

Despite claims of objectivity or independence 'evidence, whether new or old, never speaks for itself' (Pawson, 2002, p. 340). Evidence is always situated within the context of its production and the ways in which knowledge is consumed, for example access to knowledge by the public and the media, and digital scrutiny of the government (Pawson, 2002). Notions of objectivity are further complicated when evidence is being used and produced in the realm of social policy with social policy researchers long being sceptical of assumptions that policy making is simply or only an 'objective' or empirical process shaped by 'reality' (Bessant, Watts, Dalton, & Smith, 2005, p. 28). Consistent with these arguments, our findings show there are distinct frames in which the advice from the PC is constructed. This brings into question whether the evidence produced by the PC can in fact be considered 'objective' in the way it is described in the remit of the PC, and by participants above. Moreover, participants' descriptions of communicating evidence disrupt claims of independence from government, revealing a complex and nuanced way of working 'in and around' the policy process (Hartley, Alford, Hughes, & Yates, 2013).

We identify two distinct frames in which PC evidence is situated. The first is the frame of 'economic rationalism' which has previously been identified as a guiding ideology underpinning the work of the PC (Corr & Carey, 2017). Overtime, the government has increasingly turned to the PC for advice on a range of social policy areas, beyond its original economic remit (Corr & Carey, 2017). Here, the economic rationalist frame has been problematised by some, who have queried whether it is an appropriate ideology from which to provide analysis and advice regarding social policy (Corr & Carey, 2017). This is because economic rationalism is primarily concerned with economic efficiency, whereas social policy is underpinned by welfare state commitments to provide for and protect the wellbeing of citizens (which may in fact not be, or need to be, economically efficient) (Titmuss, 1958; Wilson, Spies-Butcher, Stebbing, & St John, 2013). Our findings are consistent with the work of Corr and Carey (2017), which suggests that the economic rationalist lens is applied to issues of social policy as well as economic policy. Some participants raised questions

regarding the appropriateness of the PC as a purveyor of social policy evidence and recommendations. We also find that the increasing amount of social policy work being undertaken by the PC has led the PC itself to question the appropriateness of applying an economic rationalist approach to complex social policy issues.

Secondly, we show how evidence produced and communicated by the PC is influenced by the realities of the policy process of which the PC is a part. Our findings demonstrate that rather than being 'truly' independent of government, as often described, the reality is less clear cut. We find that the expansion of social policy work being undertaken by the PC has required a greater involvement with the policy process than has historically been the norm, with PC staff engaging in activities which are similar to those used by what are termed 'policy entrepreneurs' in the political science literature. We discuss both these frames in more detail in the sections below.

4.3 | Economic rationalism

Given the historical roots of the PC are in a range of economic bodies, it is perhaps unsurprising that when questioned on the ways in which the PC produces evidence, there were a number of responses from participants that highlighted the economic ideology within which the PC operates and makes its recommendations. As this comment illustrates, the economic principles used at the PC inform not only the way in which problems are constructed, but the empirical tools used to gather evidence and analyse data:

> *Economics permeates everything we do, and it's really some basic economic principles that comes through…so that's sort of the framework, the thinking. And, economics has also developed many of the empirical tools that we use in inquiries. [P2]*

The PC has traditionally been commissioned to investigate policy issues directly related to economic outcomes, for example tariffs. However, in the last decade governments have increasingly turned to the PC for advice on social issues from childcare through to aged care and disability, with one of the most notable being the 2011 inquiry into the establishment of the National Disability Insurance Scheme. Participants noted that the economic rationalist model which has underpinned much of the past work of the PC remains influential when investigating social policy:

> *They're all different ways of improving what we do in the space of social policy. We bring an economic lens to these things, so we can consider things from a whole economy perspective, what variety of costs and benefits that accrue from policy interventions. [P2]*

> *I still think there's a strong economic focus in all of our work, and it's about bringing some of the basic economics principal to any issues. [P8]*

> *The economy-wide approach that we take and the economic framework we bring are all kind of integral to what we do, and I think make us, if I might say so, a good evidence-based organisation. [P11]*

Additionally, as the following PC staff member commented, those working at the PC often come from an economics background and would thus not be considered experts on social policy. This becomes pertinent when the PC is asked to provide governments with advice on complex social policy issues:

> *We're a curious body in another respect. We are not experts. So, we are economists for sure. We've got people who have got science backgrounds and arts backgrounds, but when we come into a field like gambling or parental paid leave, they're not people who have got a long history of understanding these things. [P7]*

However, the fact that Commissioners may not be experts on every topic being investigated was also seen as a positive and a way to remain objective when producing evidence:

> *I think it helps to militate in favour of objectivity. I mean, the thing that we have to grapple with is, in effect, we're not experts in any of the issues that we look into. So we try and make a bit of a virtue of that by trying to bring a - what you might think of as a kind of objective lens. [P12]*

Some participants questioned whether applying these economic principles to social policy areas was appropriate. As this participant noted, as the PC has evolved into providing advice on social policy, measures of economic efficiency might not be the best way to look at social issues that are often more complex in terms of measures and outcomes than more direct economic policy issues might be:

> *It's quite interesting that there's been an evolution in the commission, and I know I've pushed hard for it to be thinking about the flanking policies or complementary policies… more in a sense of what is the right mix and balance that we need to worry about because we understand while this might improve economic efficiency, it might undermine equity and that might actually be problematic. [P6]*

From a public sector perspective, this senior public servant questioned whether there needs to be more thought into the function of the PC in terms of providing advice to government on social policy:

> *I support the idea of a Productivity Commission type organisation I just wonder if it needs to be thought through more broadly as a sort of function or government to consider that goes, includes, but goes beyond economics.*

> *I do worry that it's stretched an awfully long way right across the policy domains that it's now being asked to consider. I wonder if that's sustainable in a single institutional framework or if there needs to be some sort of specialisation across different policy domains. [P10]*

Those working within the PC were more confident that the commission was evolving in the way they worked on social policy, with some shifts away from the traditional economic approach

as there is a growing realisation that this approach might not be appropriate for more complex social issues:

> *As you get more into social policy where the issues are much more complex, you're actually really not necessarily just trying to maximise economic efficiency, you're actually trying to get the right balance going on in there. [P6]*

> *So I think there's a reasonable, good attempt in coming at these issues where the sort of conventional economics is less the starting point, and it's more about…I call them the sort of complex social policy… it's basically where the sort of conventional behavioural assumptions that an economist might make don't necessarily hold or don't hold with the same regularity. So people's motivations are much broader than utility maximisation. [P12]*

As a current Commissioner reflected, the advent of behavioural economics started a shift in the PC's thinking around the economic frameworks it might bring to bear in social policy:

> *The PC, credit at the time, convened, I think, a very significant conference around that, and I think it's understood that a pure analytical cost benefit, strict evidence based approach, does have its limitations. [P13]*

They also commented that the appointment of Commissioners with a specific social policy focus such as Indigenous policy has helped the PC see the limitations of always applying an economic framework in a social policy context:

> *Most recently that's becoming very clear with the work we're doing with the indigenous program, and the Indigenous Commissioner is really playing a terrific role in helping the PC to question more fundamental assumptions about what are the significant issues…Which sometimes aren't obvious to those who are exercising it, and need to think differently about how do you approach those challenging issues. [P13]*

This view was reflected by another Commissioner who noted that increased work on social policy has meant the ways in which the PC approaches an issue are not as predictable as in the past:

> *There was a time I think when people would say, 'If you gave something to the Commission, well we know what they'll say before we start on it. Like, of course, the Commission would say that'. I don't think people would say this about the Commission anymore. Now that we do social policy work. [P11]*

However, some participants who had worked across both the PC and the public service felt that although the PC was now more open to looking at social policy through a more varied lens, an economic framework was still the starting point in evidence production:

> *What the Commission does is start with a fairly traditional microeconomic framework to those social policy issues, so there's a base that is a fairly standard and accepted the-*

> *ory that they start with, but what has been interesting, and what I think has been both healthy and needs to continue is the Commission has become better at wrestling with the values that you need to define when you underpin social policy. [P9]*

> *It is an institution that is oriented more towards a market-based economic system with sets of assumptions about the way in which the economy operates and best operates that underpins that… I think one of the challenges the Productivity Commission is having in recent years in exercises around things like mental health and early childhood, is that in those going for a free market model just doesn't work, and I think, to its credit, the Productivity Commission can see that, and the sorts of reports that it's done in those sorts of areas, I think, over time, have shown a greater recognition of the other ways of framing economic and social relations, but it still starts from that neo-liberal free market set of assumptions. [P10]*

Given that many staff inside the PC are economists, we would expect the view from inside the PC to be less critical of its dominant economic ideology and framing.

4.4 | Political context

Theories of the policy process describe ways in which policy actors seek to draw policy maker's attention to particular solutions they are championing in order to address a policy issue (see e.g. Baumgartner & Jones, 1991; Cairney, 2016; Kingdon, 1995). This is because policy makers, like anyone else, are 'boundedly rational', meaning that they cannot process all available evidence in order to make a policy decision. Instead, they rely on cognitive shortcuts to make decisions (Wellstead, Cairney, & Oliver, 2018). Cairney (2016) identifies these shortcuts as rational where clear goals are pursued and certain sources of evidence are sought, and irrational where policy makers draw on emotions, deep held beliefs, gut feelings, and habits to make quick decisions. Policy entrepreneurs, wishing to influence policy, target both these decision-making shortcuts through various means in order to push their agenda and increase the likelihood policymakers will make decisions that favour their preferred solutions (Kingdon, 1995). This is particularly pertinent in social policy which is an 'intensely human and political process' that is intrinsically linked to underlying value and belief systems and thus often involves political conflicts and controversy (Bessant et al., 2005, p. 32). As Bessant et al. (2005) discuss, when policy actors are involved in making or shaping social policy there are continuing practices of sense-making and a construction of 'reality' where talking and words become central to creating ideas about what is a serious problem, or why a particular solution might be better than another. We find that as the PC has evolved and 'developed more of an appetite for looking at social implications to a number of issues' [P13], workers within the PC have begun to use strategies common to policy entrepreneurs which seek to exploit the bounded rationality of policymakers, and have utilised the sense-making or 'talking policy' that Bessant et al. (2005) describe in order to promote their work.

Given the PC's prominent place in the policy landscape hinges on its independence and apolitical nature, the notion of policy entrepreneurship is at a borderline. That is we would expect a body which prides itself on being apolitical to not partake in policy entrepreneurship type activities to promote the uptake of their recommendations. We also find that the PC may shape its evidence production to increase the chance recommendations will be taken up by government, and to take

into account policy process factors such as the media environment and public perceptions. As this participant who worked as a research advisor at the PC comments, PC commissioners need to be aware of politics of evidence production:

> *Part of the role of commissioners to some degree is to be switched on to that. So the staff job is to go, "What is the right thing from the data and evidence we've got to be done?" And the commissioners might be saying, "Yeah well in theory that might be the right, it's not going to fly, so therefore how do we shape and structure things so that we make sure we still have viable options that will be politically acceptable as well rather than just putting out the completely unacceptable?" So part of the job of the commission is on how to sell it. [P6]*

A PC staff member also expanded on the way in which the PC produces evidence to fit the prevailing narrative of the day which includes not only government perceptions, but the national mood and media environment:

> *We don't want to come across as naïve, and quite often in our policy work, we're not looking at first best practice, because we know it won't fly. So, you might have second best, third best options, or you might want to break up your recommendations into multiple parts, so that one thing doesn't derail eight other good things.*
>
> *…we read the newspapers, we watch the TV, we're very cognisant of the environment, and the likelihood of things getting through. And we're conscious of that and we let that guide how we package up our material and things like that.*
>
> *It will never stop us from saying something that we think is really important, but yeah, we are conscious of that, and we want good stuff to happen. [P2]*

Another participant from the PC also discussed that in more recent times the PC has started to actively seek a media presence for its work and that in the past this did not occur due to perceptions it might threaten independence. Interestingly, it was also noted that a media presence is one way the PC uses to secure its relevance given that in the past the PC has been a target of government cost savings.

> *I would say we work a lot harder on getting a media presence now for our reports and things. Again, I think some of that previously was that our independence might look threatened. I think also because… the Productivity Commission was the savings option for at least two or three successive elections. Both sides were saying that one savings option was to abolish the Productivity Commission and if they got voted in, they would abolish the Commission. [P11]*

Participants from the PC also commented that evidence is produced with both a short and long-term view. In the shorter term, we can see that a marker of producing a good report is whether or not recommendations are taken up by government. The PC also produces evidence being mindful of influencing policy over the longer term. This is another strategy found in the

policy entrepreneur literature, used as a means by which policy actors capitalise potential policy windows that might open and allow them a means of pushing their agenda (Kingdon, 1995):

> *So I think we influence policy two ways… sometimes we're asked a question that goes specifically to design a better way or give us recommendations about how something could be done better, and it's quite practical and reasonably immediate. So it's a sort of thing that a government might respond to and we would probably judge our success by how many recommendations got taken up or whether the government was basically taking up the thrust of our recommendations. There are others where we probably would think of our role maybe as a bit longer-term and more changing the way people think about a particular issue. [P12]*

> *All the time, and that goes to the heart of; when you are writing recommendations, you have got obviously an eye to the immediate but, by and large, what you are really trying to do is influence the long term. [P6]*

Although it could be argued that shaping and promoting evidence to ensure uptake of a particular point of view is contrary to notions of the production of purely objective evidence, the realities of the policy process also mean that, as this past PC employee identifies, shaping evidence to appeal to the government is seen as a strength of the PC. Given that the government itself commissions the PC to produce evidence and policy recommendations, if none of these recommendations were taken up then the PC would not be 'succeeding' in its role and its relevance as an institution could be brought into question:

> *I will put myself in the position of chair for the moment. If I was running the commission, and over the course of three years I had ten enquiries all of which were binned by the government of the day, I would think about… that issue of; am I taking enough notice of the practicalities? So, strategically I would think about; am I taking enough notice? I think that would be the right thing to do if governments were simply, because it was coming from the commission, dumping stuff. But if an individual report got rejected out of hand by government, I wouldn't – It has never bothered the commission, and nor should it. [P9]*

As previously noted, the prevailing idea that sets the PC apart from other institutions is its independence from government, which suggests the PC needs to stay at arm's length from government in the way that it produces and communicates evidence. However, we find that the PC, as an institution that provides and communicates on policy recommendations, is inherently 'part' of the policy process and its relevance tied to whether governments use its reports. As such it is not surprising that over time the PC has begun to draw more on tactics commonly associated with policy entrepreneurs, to help secure uptake of recommendations and remain relevant (and thus useful) to government.

Although this does not mean the PC is political in the sense of being aligned with a particular political party or political leaning, it could be argued that any attempt to influence policy is in itself a political action. The idea of the 'purple zone' was recently introduced by Alford et al. (2017) to describe the day to day practice and lived experience of public servants as they negotiate between political and non-political spheres. They outline that in practice the 'red zone' of political activity

frequently overlaps with the 'blue zone' of administration. Descriptions from participants of policy entrepreneur type strategies that have been used more recently at the PC highlight the ways in which strict demarcations between independent advisory roles and political roles are not always able to be maintained given the practical realities of the policy process. Like Alford et al. (2017) found, this is the difference between 'roles as written' and 'roles as practiced', which are inherently more complex. For example Commissioners discussed how they provide what they term 'after sales service' once a report has been released:

> *Now we tend to do a little bit more after-sales service where we'll try and help people a bit, rather than just saying, 'Well, here's our report, sort of take it or leave it'. Often our reports are very dense, they have a lot of detail.…so we're more open to providing a bit more information after the reports have been submitted than we had traditionally been, just to try and help people in understanding what we were recommending and why. [P11]*

> *Increasingly we put a lot more focus on after-sales service… where we have tried to provide much more detailed follow-up and assistance to government departments where they're looking to formulate a government response and they need a bit of deeper insight or additional kind of perspective - often there are things that underpin recommendations and findings which aren't necessarily really apparent in the written report. [P12]*

As these quotes illustrate, in the busy policy making world those wishing to have their ideas heard (and thus remain relevant and useful to government) need to partake in strategies that help facilitate this process, especially in complex policy areas like social policy. As Bessant et al. (2005) describe, those engaging in social policy assemble complex arguments based on a vocabulary of ideas and concepts. To communicate or advocate for these complex arguments or viewpoints, policy actors utilise 'talking policy' which refers to the way they talk to each other to facilitate understanding and interpretation of an issue:

> *In the early days when the Commission was a new body, it wasn't quite a written rule, but you handed the report to government, that was the end of our involvement…Whereas now I think we recognise that people are busy, sometimes getting on top of detail is difficult. If there are things we can do to help our reports be more accessible, even after they've gone to government, we are prepared to talk. Not to change anything we said, but just to clarify and help explain, provide more context, that sort of thing which can help I think in making our reports more accessible to the people that need to use our recommendations to then frame the next stage for government for those things to become policy. [P11]*

These strategies are particularly important when an issue may have multiple points of view:

> *There are times when we've had reports which were quite controversial…in the sense that you had stakeholders who had opposing views…and the government was kind of grappling with that. And we've gotten in there and given briefings to government to kind of explain our position, what we think of the differing stakeholder positions, the relative strengths of arguments and that sort of thing. [P12]*

Hence, although the PC is framed in official documentation as operating in an independent (blue zone) space of advice and the provision of evidence, in practice different actors within the Commission find themselves operating in what looks more like the purple zone in particular situations and under particular circumstances. This is a practical reality which has been overlooked and unaddressed in discussion of the PC to date. Interestingly this has, however, been acknowledged by those at the PC itself who recognise that partaking in policy entrepreneur type activities means a risk of being perceived to be operating in the political red zone, and this is something that is discussed within the PC:

> *I think we're being pretty cautious about it, the way we do it, but I think it's a fine judgment… So you've got to take into account a number of factors, and ultimately it's a judgment call about that line, and it's very much up to the Chair, but we would discuss it. It's a very collegial environment amongst the commissioners… we talk about issues like this… we'll all put in what we think is appropriate, but very cognisant of, we can't run the risk of becoming a player. [P13]*

The idea that the PC may operate within the purple zone was also recognised by a senior public servant; however, this was seen as a positive and a practical reality given the PC's advisory role:

> *As a general concept, I'm quite happy that you might characterise what the Productivity Commission does as sitting more in the purple zone than the blue zone. But simply because it's in that analytical advisory role, as opposed to implementation and program delivery. And I think at least that the conception of the purple zone that I feel is perhaps more of a sort of good purple zone is in that advisory and analytical role. And yes, the Productivity Commission certainly operates there. [P9]*

However, they also noted that their practice is more complex still. Although they need, at times, to work in the purple zone, they cannot openly be seen as crossing into the red zone:

> *The difficulty is working out what are the risks of it becoming more red than purple, and how do you guard against it… I didn't see any signs of the Productivity Commission becoming, in quotes, politicised, in that way. There were processes where you could see that there might be a risk, but the Productivity Commission always had quite a strong culture of guarding against that. [P9]*

Hence, our findings suggest that the day to day practice and lived experience of PC staff is highly complex, as they negotiate between objective evidence production and political debates in policymaking. There appears to be a delicate dance between the red and purple zones, and perception management of where the commission sits, as the PC strives to reach its aims of objective evidence, relevance to government, and having its evidence 'heard'.

5 | DISCUSSION

Given the central and unique role of the PC in Australian policymaking, any description of how policy is made – particularly concerning the role of evidence in policymaking – is remiss without an account of the PC. However, both formal descriptions of the policy process and academic

literature almost exclusively position the PC as an apolitical, objective, and independent body which provides evidence (and recommendations based on that evidence) to government (Banks, 2009; Corr & Carey, 2017; Productivity Commission, 2003). Statements from those working within the PC, and those inside central government receiving this evidence, problematise this fairly straightforward description of how the PC operates. In seeking to understand the nuances of how evidence is produced and communicated by the PC, we find that a more complex – or blurred – picture emerges. This was the case for both the production and the communication of evidence and recommendations.

Other researches, as well as policy commentators, have noted and raised concerns about the highly economic lens of the PC and its appropriateness for social policy issues (Corr & Carey, 2017; Quiggin, 2002; Sheil, 2017). Participants in our research raised similar concerns, noting that an economic lens is not always apposite for social policy issues. This included those within the PC who describe the way the PC approaches social policy issues is changing with greater acknowledgement that an economic rationalist approach is not always appropriate, although this is still often the starting point for evidence production. One participant went so far as to suggest that another body, focused specifically on social policy, ought to be created. One might argue, however, that given the prevailing norms and dominance of market and economic concerns in current policy, such a body may lack the legitimacy of the PC. Hence, the very thing that brings into question whether the PC is fit-for-purpose with regard to the provision of social policy recommendations also gives it authority to speak on a wide range of policy issues.

We also find that the production of evidence by the PC is shaped by the reality of being an actor in the policy process. This runs counter to much rhetoric on the PC, which frames it as objective and at arms-length from government. In practice, we find that recommendations may be tailored to fit the political environment and government of the day, a similar finding to Sheil (2017) who concluded the PC shaped recommendations to fit with the prevailing government sentiment. Ensuring uptake of recommendations is positioned as important to ensuring the PC remains relevant. That is if the PC makes recommendations that are not taken up, its role and relevance could come into question – a point made by a number of participants.

As the PC has increasingly been commissioned to make recommendations on complex social policy, the way it communicates evidence has also evolved. We have explored how PC staff have begun to engage in policy entrepreneur type activities such as seeking a media presence and 'after sales service' where they utilise the 'talking policy' type practices and processes described by Bessant et al. (2005). In this process, talking becomes central to the way policy makers make sense of and construct 'reality', for example the way words help create an idea that something is a real or significant problem, or that one policy solution might be better than another. In a busy policy making environment, policy makers cannot attend to all evidence available, such as detailed reports, to make decisions. Where evidence may be complex and values laden such as in social policy, policy entrepreneurs target decision-making shortcuts of policy makers by using strategies of persuasion and/or manipulation to promote a dominant way of framing a problem (Cairney, Oliver & Wellstead, 2016). Thus through the informal processes of talking through, explaining, or even persuading policy makers as to why recommendations have been made, the PC has shifted into a way of working that could be perceived as being within the purple zone.

As previously noted, Alford et al. (2017) recently introduced this term to capture the more nuanced way in which public service actors work between the political (red) and administrative

(blue) functions of government. As they note, there have been wide ranging and strongly held beliefs about whether public servants should step into political matters, with some arguing it is inappropriate and others holding it is a fundamental part of ensuring public value (Alford et al., 2017; Campbell & Peters, 1988; Carboni, 2010). As Alford et al. (2017) suggest, between these two extreme positions is the view that there exists an 'in-between', which is an arena of conversations between ministers and senior officials. This is not uniform, but rather takes different forms depending on context and issues. They hold that operating within the purple zone, in its different forms, is an important way in which public servants uphold public value (Alford et al., 2017).

The notion of a purple zone is a useful framing of the ways in which PC staff operate both in the production and communication of evidence and the shaping of recommendations. However, we cannot ignore the fact the PC and its staff occupy a fundamentally different position to more traditional public servants, given the independent remit of the PC. What is particularly interesting in the comments by our participants is the rationales they give for stepping into the purple zone. Operating in this space is seen as crucial to legitimacy of the PC, despite being a direct challenge to it. By this, we mean that a measure of effectiveness and success for the PC, at least internally, appears to be the uptake of their recommendations. This idea has been echoed in the law reform literature where Hughes (2014) describes how law reform commissions that develop a communication loop with government are being 'nimble' and communication with government is crucial to the success of a commission 'and very likely to its existence' (p. 107). Croucher (2018) also explores the idea of independence of law reform agencies by using the concept of 'intellectual independence' which 'does not mean we snub our noses at government' (p. 83). In contrast, consulting and educating stakeholders, promoting work in the media, and having open communication channels with government are activities viewed as not only sensible, but essential in the context of maintaining relevance and thus survival. However, Croucher (2018) notes this is a 'delicate line' and as the Hon. Michael Kirby the first Chairman of the ALRC commented in a 2008 presentation on the future of law reform, a difficulty for law reformers is being 'constantly torn between getting too close to politicians and the media, in order to attract interest in, and action on their proposals' (Kirby, 2008). Similarly, a participant from outside the PC noted they see no issue with the PC operating in a purple zone (or perhaps a 'light purple zone') given its advisory function, and that although this may be interpreted as the PC being a 'political' actor, this is different from being perceived as 'party' political. Interestingly, we find it is also the historical perception of independence, secured over the years, that has allowed the PC the legitimacy to work in ways that could now be perceived as a threat to its independence. Croucher (2018) also identified this in relation to the ALRC which she notes has a high reputation to maintain and although has demonstrated its independence 'must continue to demonstrate the right to keep it' (p. 91).

Whether or not the PC is, or should be, operating in the purple zone is a matter of debate, one which we hope this article will spark. Nonetheless, it is important to outline that at the heart of how the PC operates is a paradox which is rarely, if ever, articulated explicitly. The PC maintains its legitimacy and authority as an independent body and the purveyor of evidence by pointing to the uptake of its recommendations to government. However, securing this uptake takes PC staff into a less independent/arm-length relationship with government. As the PC acknowledges, it is important to be aware of where the line between the blue and red zone lays, and how the PC operates within this space. A challenge for the PC moving forward will be in ensuring there are adequate formal processes to monitor this line, something especially important to have in place

when the Chair of the Commission and thus the direction and conversations taking place within the PC changes.

6 | CONCLUSION

Despite the prominence of the PC in policy decision-making in Australia, there has been no qualitative empirical investigations into the ways in which it works with government in the provision of evidence and recommendations. This paper has sought to address this through interviewing PC staff and government officials about how evidence is produced and communicated to government.

The PC is frequently referred to as independent and objective, and these principles are central to the high profile and authoritative role it holds in the Australian policy landscape. Our findings suggest that a more accurate framing of the PC would draw on the work of Alford et al. (2017), repositioning the PC in the 'purple zone' as an actor that is sometimes arms-length, and sometimes political. As Alford et al. suggest, there is an element of practicality here – the functioning of government requires public managers to engage in political processes/acts at different times and a hard and fast line is not practicable. Nonetheless, given the legitimacy of the PC leans so heavily on notions of 'objectivity' and 'independence' many might reasonably assume that it does not engage in activities which could be perceived as more political in nature. This paper has raised critical differences between how the PC is perceived compared to how it operates, which demand further debate and examination.

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