



Institute of Actuaries of Australia

### **Dr Richard Madden awarded Actuary of the Year 2002**

This year's recipient of the Actuary of the Year award has worked as a hospital administrator, a reviewer of ambulance services, a government Under-Treasurer and Deputy Australian Statistician. You may wonder if, in fact, this person could possibly be an Actuary?

Dr Richard Madden, Director of the Australian Institute of Health and Welfare was presented with the Actuary of Year Award for 2002 at a President's Dinner in Canberra on Tuesday 20 August.

In making the award, Mrs Helen Martin, President of the Institute of Actuaries of Australia said:

'Richard's prominent role in the public sector has ensured that he brings a strategic and politically astute perspective to his work. Richard provides an important role model for his colleagues and others, who have benefited and learned through their association with him.

'I believe all actuaries currently working in the health and welfare sectors and, no doubt, Australia's next generation of actuaries in these sectors, will similarly benefit from his wisdom and influence.

'Richard Madden has made a significant contribution to the development of Australia's social policy infrastructure, and particularly to the framework of information and statistics which monitors this infrastructure.'

The honour of Actuary of the Year is awarded for meritorious contribution to the profession, business, government or community that has brought identifiable credit to the profession. The award, first presented in 1987, is made to an individual who has made ongoing contributions to the profession, or an outstanding recent achievement.

Richard Madden is a most suitable recipient of this award as he has been involved in many senior public sector positions throughout his career, and has a high profile outside the areas regarded as traditional actuarial practice areas. He has also consistently demonstrated and promoted the value that the actuarial profession can bring to these wider areas, particularly in health and welfare.

Background information on Richard Madden follows.

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## BACKGROUND INFORMATION

### DR RICHARD MADDEN – ACTUARY OF THE YEAR 2002

It is particularly appropriate that Richard Madden is chosen for the Actuary of the Year Award for 2002.

Richard's career has spanned areas as diverse as Treasury management, accident compensation, disability, government statistician, and most recently the oversight of Australia's production of health and welfare information, through his role as Director of the Australian Institute of Health and Welfare (AIHW).

Richard has held the role of Director of the AIHW since 1996, and during this time has worked to ensure a clear vision for the organisation and to establish a direct link to policy makers at all levels of government and in the community.

He set in place initiatives such as MOUs with key government agencies and collaborations with universities, and a major publications program which now totals 80 publications annually including the AIHW's flagships, *Australia's Health* and *Australia's Welfare*, to expand assistance to stakeholders with their information requirements.

Under Richard's leadership the AIHW has expanded in contract capability and operates on a strong business model and, consequently, now has a comprehensive work program covering information needs in most areas of the health and welfare sector.

Richard has been strongly involved in the work of the Institute of Actuaries of Australia, being an active member of the Health Practice Committee since 1998 and of the Ageing Australia Task Force. Most recently Richard has taken a key role in the development of the IA Aust's new Health Financing Course.

Richard began his career in 1966, after completing a Bachelor of Science with First Class Honours and gaining the University Medal in Mathematical Statistics, when he joined the Commonwealth Banking Corporation & Manufacturers Hanover Trust Company working in Australia, London and New York.

He then completed a Doctor of Philosophy (Statistics) at Princeton University and joined the Department of Repatriation and Compensation as Acting Assistant Secretary.

In 1977 Richard completed his professional qualifications through the Institute of Actuaries UK, and became a Fellow of the Institute of Actuaries of Australia and of the Institute of Actuaries UK.

He then moved to Prince of Wales Hospital as Administrator, Health Services Development for three years, and then on to the Health Commission of New South Wales, where he was responsible for health finance negotiations with the Federal Government and for health insurance matters in the public hospital system.

Richard also represented the Health Commission on the Board of the HCF. During 1982, he was appointed by the Minister to a review of the New South Wales Ambulance Service and was Principal Consultant to the New South Wales Law Reform Commission on its Accident Compensation Reference Committee.



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He was appointed Deputy Secretary of the new Department of Health in February 1983 and was responsible to the Secretary for all Central Office functions. Richard was approached by the Northern Territory Government to take up the position of Under Treasurer in 1983.

This unexpected offer presented a unique challenge and the opportunity for broad experience in Government administration, and, we expect, to introduce an actuarial perspective! He subsequently served under three NT Treasurers. In this role he introduced a number of initiatives, including a new Superannuation Scheme for the Northern Territory public sector which cut the actuarial cost of superannuation to the Government from 17% of salaries to 12%, and the introduction of a new home purchase assistance package which halved the impact of these arrangements on the Territory budget by encouraging the banks to become primary finance providers to middle income home buyers, and involvement in the development of a new Work Health Scheme which combined the three strands of occupational health and safety, rehabilitation and workers' compensation

Following an approach from the Secretary of the then Department of Community Services, Richard accepted the position of First Assistant Secretary, Disability Programs in 1987, with the Department of Community Services and Health. In this role Richard had responsibility for implementing the Disability Services Act (DSA), the Department's hearing services, the National Acoustics Laboratory, and the Commonwealth Rehabilitation Service (CRS). The Commonwealth Rehabilitation Service was placed on a more accountable, commercial basis following the move from centralised services in each capital to a regional network.

From 1988 to 1992, as Under Treasurer with the ACT Government, Richard developed and managed suitable accounting processes and financial management arrangements to support the ACT Government and served on a variety of steering committees, including ones overseeing planning and land use matters, hospital redevelopment, the casino development and corporatisation. Significant outcomes delivered by Richard during this period included the delivery of the first three ACT budgets, which were prepared under two different Governments in unstable political conditions; the Commonwealth's agreement to adopt a debt-free start for the ACT general government sector; and the management of major structural change, notably in the health sector and also in ACT revenue policy and practice.

In 1996 Richard commenced as the Deputy Australian Statistician with the Australian Bureau of Statistics with responsibility for all aspects of the Bureau's operations, including its State and Territory offices. Throughout the three years he managed ABS resources, the ABS work program was significantly realigned, with resources being shifted away from the traditional industry collections to more rapidly growing sectors of the economy. Resources were identified to rebuild many of the major ABS systems: the introduction of the new System of National Accounts and putting the national accounts on an input-output basis, rebuilding the business register, and introduction of Computer Assisted Personal Interviewing for social surveys. User funded work grew strongly, enabling the filling of many important information gaps in Australia: a notable example was in Aboriginal and Torres Strait Islander statistics.