

Submission to the Advisory Group on the Reform of Australian Government Administration

As a political scientist with a particular focus on the organization of public authority – I chair the International Political Science Association’s Research Committee on Public Policy and Administration, and was a consultant to the Coombs Royal Commission on Government Administration – I would like to raise some questions for consideration by the Advisory Group.

1. What are we looking at ?

The object of inquiry is said to be ‘Australian Government Administration’, but this appears to mean the institution formerly known as the Commonwealth Public Service. Most public servants in Australia (and most of those directly involved in service provision) are not in the APS, and the administration of public functions involves many more people than public servants. In the response to the newly-identified policy concern of childhood obesity, for instance, public servants can only play a relatively small part.

This was well illustrated in the *Sydney Morning Herald* of 2 October, when the Invitation for Public Submissions to the review was placed in the middle of an article (Mark Metherell ‘Agonising death by a thousand cuts’) pointing out that providing for the health needs of an ageing population cannot be done by simply increasing the present bureaucratised structure of service provision. Lynn Arnold, a former premier of South Australia, recently pointed out that at present, there are 33 people in the workforce for each person over the age of 85; by 2050, there will be eight or nine. Caring for the aged will call for a complete re-think of the relationship between the activities of family, community, non-government organization, market forces and state provision. Smartening up the APS is no doubt worth doing, but it is not the main task in the reform of Australian government administration.

2. How are we inquiring ?

There have been many different approaches taken to inquiring into the state of government administration in Australia, but it is not very clear how this review is going to operate. There is an Advisory Group, but no indication of who it is going to advise, or how it is going to formulate its advice, given that all of its members already have very demanding jobs. While the aim is said to be to build ‘the world’s best public service’, there is no international voice on the advisory group, and almost no one who could be considered an outsider in the Canberra scene. Submissions are called for, but there is no indication that the review has any research capacity of its own. And in a couple of months (which includes the Christmas/New Year break), this review is supposed to generate ‘the blueprint for reform’.

It is instructive to contrast this with the Coombs review (not that this is the only way to review). Then, working on the review was the principal task of the five commissioners (all 'insiders'), and in addition they appointed a Director of Research and commissioned a great deal of research, including 'action' research' on the one-stop shop. They took over a year to conduct the review and stimulated a great deal of critical discussion in the government community. Clearly, this is not the ambition of this review, but one might ask how much substantive reform is likely to come from an inquiry that is so constrained.

3. Does this matter ?

There is, of course, an argument that information in government needs to be 'timely', even if this means that the inquiry on which it is based is 'quick and dirty'. But this means that the field of vision is limited to what is immediately to hand – what we are already thinking about, or what is put in front of us by a familiar stakeholder. The discussion paper refers to 'the need to work across traditional boundaries', but the 'strategic policy hubs' are to be limited to the APS, as is the 'whole of government ethos'. It is difficult to see how effective an all-APS strategic policy hub could be in dealing with the development of an appropriate framework for the care of an ageing population, discussed earlier. And as the Discussion Paper notes, while members of the SES affirm their commitment to innovation, their subordinates are less sure that they can recognise it in practice. Will this 'internal audit' will simply reproduce the mantra in current use ?

4, What do these words mean ?

In this context, it is worth examining some of the themes in the Discussion Paper, and how they might look from outside Canberra.

- *Values.* The Discussion Paper stresses the importance of 'citizen centric philosophy' and a 'values-driven culture that retains public trust', and the Australian Public Service Commission continually assures us that this is what we have. But the recent Palmer Report into DIMIA, for instance, told a story of structural, deep-seated management failure. It described the management approach of the department as "'process rich" and "outcomes poor", with the predominant, and often sole, emphasis being on the achievement of quantitative yardsticks rather than qualitative performance'. Palmer found that the incidents which he was investigating 'stem from deep-seated cultural and attitudinal problems within DIMIA and a failure of executive leadership', and reflected 'a culture that is overly self-protective and defensive, a culture largely unwilling to challenge organizational norms or to engage in genuine self-criticism or analysis'. The interim Senate committee report similarly saw the problem as the culture of the departments concerned (DFAT as well as DIMIA), and their propensity to conceal maladministration rather than report and correct it.

The culture of denial continued in the official response to the inquiry. It was enunciated as a self-evident truth that 'Australia is extraordinarily fortunate to have a high-quality Australian Public Service', but that 'despite our best endeavours, mistakes can and do happen'. Palmer (a career police officer, and former agency head) found that the problem was deep-seated organizational failure stemming from the lack of 'strong executive leadership' and 'careful management', but for Dr Shergold it was just one of those mistakes that happens from time to time. So it was not surprising that several years later, the Commonwealth Ombudsman should find that Van Phuc Nguyen had been wrongfully imprisoned in Villawood for three years because DIMIA 'repeatedly failed to act on information' in 'the worst case he had ever seen' (*Sydney Morning Herald*, 3 October 2009). Nor were we surprised that the Iranian sculptor who had won a prize in the Sydney *Sculpture by the Sea* competition was unable to collect her prize because DIMIA would not grant a visa (SMH 7 November 2009), or to read of the tangle of bureaucratic confusion and incompetence underlying DIMIA's refusal of another visa (letter from Peter Nelson, SMH 5 October 2009).

So on the one hand, we have the Prime Minister's inspiring rhetoric about ensuring 'that our citizens lie at the centre rather than the inflexible behemoths of official bureaucracy' and repeated evidence of hostile, obstructive and incompetent dealing by DIMIA, exacerbated by a culture of official denial; in other contexts, this might be called cognitive dissonance.

- *Leadership*. The discussion paper states that agency heads and members of the SES 'have a particular obligation to uphold and promote the APS values'. In the 'children overboard' case, the key SES officer acted to promote a falsehood which served the partisan interests of the government, suppressing inconvenient information, acting largely on the basis of mobile phone calls and keeping no records of these, and when called to account to Parliament, claiming time and again to have no recollection of the events in question. She was subsequently promoted to head of department. In the DIMIA case, although the Secretary and Deputy Secretaries of the department moved on, this is not because government concurred with Palmer's view that they are 'unlikely ... to have the perspective or capacity to lead and bring about the major changes in mindset and practice that are required': all were moved at their own request to positions of equal or higher status. Dr Shergold stressed that all three are 'distinguished public servants' who would 'continue to serve with commitment'. So there was a failure of management, but no managers failed.

- *'whole of government'*. There are frequent references to the importance of a 'whole of government' approach, but without much idea of what it means, why we don't have it now, and what would be needed to make it happen. It seems to mean 'across the APS'. Although a footnote on Figure 6.3 says 'Undertaking reforms only at the Commonwealth service level will leave state, territory and local government providers outside the circle', there is no mention anywhere else in the Discussion Paper of how other levels of

government might relate to any reforms to the APS. And despite all the talk about governance and the involvement of the community, and the lessons to be learned from (for instance) the Victorian bushfires, there is no mention anywhere of the non-bureaucratic component of governing.

5. Are we learning anything ?

- *One-stop shops.* The Discussion Paper raises the possibility that possible reform directions could lead to 'new service delivery channels' such as 'place-based, one-stop public service shops' (p32). Given that this was a significant concern to the Coombs Commission (which not only recommended it, but actually carried out some action research, starting a one-stop shop to see what was involved), would it not be appropriate for this generation of reformers to look at previous experience of attempting this reform – not only that of the Coombs commission, but also of the ACT Government in setting up one-stop shops, or the Canadians' 'single window' ? Might we also ask how this might relate to the 'joined-up government' agenda ? In rural NSW, population shifts and the centralisation of government service provision have meant that for many rural people, the nearest office of the agency they need is a long way away, and the Commonwealth government set up a Commonwealth Services Delivery Agency, in an attempt to offer some sort of service to rural people. At about the same time, the NSW government established a similar network of Government Access Centres, but as I understand it, there was no structural connection between the Commonwealth and State centres, they were usually not in the same building, and sometimes not in the same town. There is now no mention of the Commonwealth Services Delivery Agency on the gov.au web site; I am not sure if it exists in some other form, but given this history, advocating the one-stop shop in passing, with no reference to our experience of this organisational form, is not going to take us very far.

- *Exhortation or analysis ?* In this connection, any reform efforts aimed at promoting integration of policy or delivery would do well to start by abandoning the assumption that there is a state of integration which is self-evident and morally superior to the alternatives. Discussion about fragmentation and integration in government is prone to lapse into this assumption, with odd-hand dismissive remarks about 'silos'. The fact is that all organizations have a distinctive perspective on themselves and their job, and one person's integration is another person's interference. As Gulick pointed out seventy years ago (expanding on a point made by the Haldane Commission twenty years earlier), public agencies can be organised in terms of purpose (e.g. health), process (e.g. community education), place, or people served. So there is no 'natural' home for a concern to (for instance) reduce smoking among Aboriginals; it is likely to involve different sorts of organizations, which will be interested in it for different reasons and bring different perspectives to bear, reflecting their own activities and agendas 'Integration' is about constructing a rationale and set of activities which maximises the synergies between different players and minimises the

frictions. This calls not for normative appeals for 'coordination', but for an understanding of the processes that facilitate synergies and avoid frictions.

- *learning from the hard cases.* One of the most high-profile efforts of the APS in recent years has been a commitment to improve the living standards of Aboriginal Australians, and in particular, the public service structures through which services are delivered. There was a strong commitment from departmental secretaries, backed up by CoAG, but little has been heard of it recently, each new reform activity in this field erasing the footprints of its predecessors. It would be fruitful for the review to initiate a scrutiny of these high-profile initiatives, which were conducted under near-optimal conditions: strong political support, administrative commitment, ample funding, etc. Such a review might ask 'were the intended outcomes achieved?' Was the service high quality, citizen-centred, etc.? If not, why not? What were the resources (financial and other) which were needed to achieve these results? What explains what worked and what didn't? What are the practical lessons to be drawn from these high-profile initiatives?

6. A practical agenda for future action

The question is how to achieve the reform of Australian government administration. The underlying assumption in the Discussion Paper is that what is needed is tighter steering of the APS, and the task of the review is to set out a plan which the central agencies will implement. But if the task for administration is to achieve better linkage between different forms of governing – not just between level of the bureaucratic state, but also involving community groups, professions, industry and the family – then what is called for is the stimulation of innovation, and of learning from innovation. The Advisory Group might identify some avenues which seem promising, and then set up a framework in which a range of participants – operating departments, central agencies, professional associations, researchers – could engage in sustained, practical inquiry into what might be done. This could include systematic reviews of previous initiatives, action research on innovative approaches, and comparison and evaluation. The role of the review would be to provide a framework to legitimate this sort of inquiry, help to find the resources needed, and try to draw conclusions and feed them into a continuing public conversation about governing. Submitting a 'blueprint' in early 2010 will only be the beginning of a process of reform.

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