

PRIME MINISTER AND CABINET PM&C: Roles, Responsibilities and Resources

Navigation: Home > Organisational Restructure > PM&C: Roles, Responsibilities and Resources

PM&C: Roles, Responsibilities and Resources

Secretary's All Staff Address - 14 May 2003

I have been in the Department now for about three months. It has been an unusual and challenging period. However, through all of this, from the time we first met in an "All Staff Meeting", I have been been extraordinarily impressed by the performance of the Department and of you, its people. I've been particularly pleased by your commitment to achievement; your willingness to sacrifice in order to get things done; and the support that I have received from you. It seems to me that the key characteristics of our Department are: responsiveness, timeliness and a commitment to accuracy. These are the hallmarks of good public service.

I'm impressed by the sheer willingness of people in our Department to 'put in': to work when it's necessary of an evening; to come in on weekends; even to accept without complaint my need to disrupt Easter holidays. Of course, I'm somewhat embarrassed by the fact that these demands have, on occasion, to be met, but I am also pleased that when the need arises, the people accept it as a part of working in PM&C.

Nevertheless, it does seem to me that we are stretched very thin as a department and that presents dangers to the quality of the service that we provide to the Prime Minister. We continue to take on additional responsibilities. With this year's Budget, we now have the resources to undertake them successfully. I've called you together today because I want to give you an understanding of how I believe we should respond to these challenges ahead and, more broadly, how I see our future as a Department.

Understand Our Role

I want to talk about the role that I think PM&C should take in government; the culture to which we should aspire; and the structure around which we should organise ourselves. In doing that I hope I can indicate to you how I want to invest in our Department: in our building, our IT and communications, our physical security and -most importantly - how I want to invest in ourselves. I hope that in traversing these subjects I'll give you some idea of my perspective on a few of the more controversial public service issues.

My starting point this morning is: how do we serve the Prime Minister and the government most effectively?

It is my view that the government wants two prime things from the APS and those emphases should drive our Department. The first is **robust policy advice**. I shy away from the term 'frank and fearless' for two reasons. First, the term has now become a cliché and, consequently, has lost its power of characterisation. Second, it seems to me that 'frank and fearless' only captures a part of the content of robust policy advice. Our advice should seek not only to have honesty and integrity, but to be **imaginative and innovative**. Creativity is crucial when the Department's advice to the Prime Minister is going to be contested, not just by other departments, but also by the CPU, the PMO, ministerial advisers, more indirectly, by outside think-tanks.

Let me make it clear that we should extol the fact that **our policy advice is contested**. We should welcome it intellectually: our perspectives and strategies benefit from challenge. We should also welcome it professionally, as public servants. In my view, the role of ministerial advisers does not represent the 'politicisation of the APS', still less the demise of an independent public service or undermining of the Westminster tradition.

My perspective is exactly the opposite. As a Department we should recognise that there is an essential difference between public servants and ministerial advisers. We have equally important but quite distinctive roles. We, in this Department, are **non-partisan public servants**. We are, if you will, a professional administrative class. We have a high degree of job security across government and over a career are likely to serve successive Prime Ministers of different political persuasions.

By contrast, the political adviser is necessarily and appropriately partisan. The fortunes of a ministerial adviser are tied to the political career of a Prime Minister, Minister or government. Our roles are complementary. The public service provides advice which is based on careful analysis and independent assessment. It should be responsive to the policy directions established by government, but not party political.

Advisers play a very beneficial and healthy role in our system of governance. They are able to handle issues of a confidential nature, deal directly with the media and on occasion liaise with party organisations. Their role helps

PM&C to do its job. Advisers help to question and test the quality of advice that the public service is providing, bringing a perspective that reflects the close working relationship they have with the Prime Minister. As a Department, it is quite appropriate - indeed absolutely necessary - that we work closely with ministerial advisers. We can exchange ideas, assess policy options, enjoy friendships and share a commitment to serving the Prime Minister. However, we need to recognise that the perspective that we and they bring is subtly different. We need to work closely with ministerial advisers and to respond to the requests that they make on the Prime Minister's behalf - but we are not answerable to them. You should always be clear that the accountability of this Department is, through me, to the Prime Minister and, through him, to the Parliament.

In my experience, the relationship between public servants and advisers has been in most instances overwhelmingly positive. Tensions are inescapable, and should be there if ideas and approaches are to be discussed and debated, but what essentially is required is a **relationship of trust**. That relationship, in my view, cannot and should not be subject to unnecessary prescription and rigid definition. The essential elements of this relationship are that: we ensure that we keep excellent records; we are clear in how we communicate; we argue our policy perspective clearly; and we distinguish fact from argument, and intelligence from analysis. What destroys trust is when a public servant believes it is appropriate to leak records of confidential discussions between public servants and/or Ministers. It is for the elected government, not career bureaucrats, to decide the national interest. Leaking is absolutely corrosive to the relationship of trust that the Westminister tradition depends upon.

A second major issue from the Prime Minister's perspective is to ensure the **committed delivery of services** on behalf of the government. My personal perspective is that we should aspire to an APS which is respected as much for its capability to deliver as for its ability to develop policy.

There is a frustration in government, and it is one which I share, that for a wide variety of reasons the implementation of policy or the delivery of programmes is sometimes slower and less successful than the government had anticipated. On occasion services are riddled with administrative complexity, often introduced for the very best of policy reasons, but which impose heavy costs on those who are their recipients. Greater scrutiny by advocacy groups, that play such a healthy role in our democracy, could often help to streamline administrative process. We need to recognise that our commitment to ensuring **effective implementation** is now more - not less - important as an increasing number of government programmes are contract managed rather than delivered directly by the APS.

It's in response to these concerns that we are about to establish an Implementation Unit in this Department. Prospectively, its goal will be to ensure that strategic delivery, planning and project management is built into cabinet submissions and to identify those systemic issues which often make implementation difficult. Retrospectively, the aim of the Unit is to monitor and report to government on the timeliness and the effectiveness of delivery of key programmes and services.

Now in both of these capacities, policy development and policy delivery, our role as PM&C is fraught with danger. We suffer the weaknesses as well as the strengths of being a key central agency. "Co-ordination" of agencies which is insensitive to their line responsibilities is likely to be perceived as running interference.

On occasion this is a Department which prepares independent policy advice to the Prime Minister. Very often we contribute to the advice that is being developed or we comment on that advice. By contrast, in terms of implementation, this Department has very little direct experience. We've got several programmes that are delivered through the Office of the Status of Women; and we play a valuable role in advising the Prime Minister on government and parliamentary processes, and arranging the ceremonial and hospitality functions associated with his role, but in general we don't deliver programmes.

If we are not careful it will be muttered in the corridors of power that we, who don't face the daily challenge of delivering programmes, now imagine how we can comment on the performance of those who do.

There is an ever-present danger, of which we need to be aware, that we will be seen to play a role of second-guessing others. We may be accused of critiquing the policy responsibility that sits with others. We may be seen to be intervening without fully understanding the complex background of public policy issues, how and why they are being developed or what has been the influence of stakeholders. At worst there is the danger that we will focus too heavily on process at the expense of outcomes. As a Department we need to ensure that others across the APS can appreciate the manner in which we add value to the process of policy advice and programme implementation.

My take on this is quite clear. If PM&C's advice to the Prime Minister becomes predictable, if it starts to take on a proforma quality of sameness, if it becomes possible for others to anticipate what our advice is likely to be, then we will lose the power to persuade. We have to think through every issue on its merits. We have to think freshly about old issues. And we need to comprehend the larger, strategic picture. The success of our role is going to be tied, in large measure, on the extent to which we ensure a **whole-of-government approach** to policy development.

The world in which we work as public servants is remarkably difficult. Public policy is not just a matter of undertaking the research, doing the analysis, developing the policy and evaluating the results. Public policy is "wicked", not reduceable to linear formulations. Policy development often changes direction. We often begin work

on policy issues when we not only do not know the answers, but when we don't even have a clear understanding of the questions that need to be asked. Complexity often only emerges as the ramifications of a policy evolve. Now in that environment, in that untidy world of public administration inhabited by people disguised as citizens, how can we establish a whole-of-government approach?

It can rarely mean that it will be advice on which all bureaucratic parties agree. It is quite unrealistic to think that PM&C can successfully cajole a group of agencies and, at the end, approach the Prime Minister or Cabinet and say, "Here is a considered piece of advice on which we share a common view." Rather, what we need to do is to make sure that there is an agreement on the background to the policy issue; on the factual basis of the argument; on the methodological framework for analysis; and on how the issue should be articulated. Additionally, the remaining matters of disagreement need to be clearly identified so that government can make informed sensible public policy decisions.

In short, we should see our role as seeking to ensure that we have a whole-of-government approach to the development of policy and to seamless programme delivery. It's not easy to achieve. It's something that I want not just PM&C, but the whole of the public service to focus on.

That is why whole-of-government issues are going to be the subject of the first major review to be undertaken by the *Management Advisory Committee* under my chairmanship.

That project is at an early stage. However, it is already evident to me that for no Department is the objective of ensuring a whole-of-government perspective more significant than for us. Sometimes we can address the need for a whole-of-government approach by setting up innovative structures. On occasion we can eschew IDCs as a vehicle of co-ordination and, instead, set up cross-departmental taskforces or establish separate or purpose-oriented units to focus on important policy issues for short periods.

However, the key to ensuring a whole-of-government approach is unlikely to be found in the structures we organise. Fundamentally, our success is going to depend on the culture that we bring to our roles. It is the behaviours we display and the examples which we set that will determine the effectiveness of the structures on which we participate or chair.

I would say to you that there are four things we should seek to do in this Department. First, we need to be **open**: in the way we deal with other public service agencies; to be clear about what our purpose is; to share information; to seek policy agreement; to acknowledge and argue differences; and to be outward looking and outcome

Second, we need to make sure that our role is seen by other public servants to be **supportive**. We need to participate, and often to lead, on the basis of a recognition that all parties are able to contribute equally. We should seek the help of other agencies to achieve goals and we should provide them with assistance. Our role should be to moderate argument and to facilitate conclusion.

Third, we need to make sure that our approach is **collegial**. It is imperative to acknowledge that the APS is greater than the sum of its constituent parts. We need to recognise that those in central agencies; and those in line agencies who develop policy, draft legislation and deliver programmes; can actually learn one from the other.

Indeed, my profound belief is that we need to rearticulate the notion of the APS as a "career service". So often in the past we defined a career service in terms of lifetime permanency of tenure. We should move on. A career service can now be more meaningfully defined by understanding that those of us who join the public service, whether temporarily or permanently, are actually **part of a common APS**. We are bound together with our colleagues in other departments and other agencies by common values and ethical standards. These values are, to a surprising extent, traditional. In that sense the mobility of people between different agencies is positive for the career service.

It is with that in mind that I've been talking to my Secretarial colleagues. I have received their strong in-principle support for a new scheme which will allow up-and-comers from other agencies, particularly line departments, to come and work in PM&C for a time In a sense, what I'm promoting is a PM&C development opportunity programme, a "Development Opportunity Secondment Scheme". It is mutually advantageous. There are benefits to those who join us, in career development terms, from gaining a centre of government perspective. Equally important, there are real advantages to ourselves from actively encouraging new approaches, different skills and fresh ideas.

Out of that diversity of opinion and approaches we will get robust policy advice defined in terms of creativity. This new scheme will be jointly funded by ourselves and the other departments and agencies who provide resources.

Fourth, we need to ensure that our approach is **strategic**. We have already had the opportunity to work with the Cabinet Policy Unit in identifying the priority issues of public policy. These are the areas that the Prime Minister identified in his speech to CEDA at the end of last year. But beyond that, we need to ensure that all the advice which goes to the Prime Minister is framed in a broader and longer-term framework. Just think about some of the issues we are currently working on in PM&C, such as health, energy, work and family, security and demographic

change. Every one of these issues will benefit from being informed by **a wider range of perspectives**. Examine any of the key policy objectives on which we work, and it is obvious that our approach will benefit from the fact that we analyse those issues from economic, fiscal, social, environmental, legal and gender-based perspectives.

If we do our job well we should provide a longer-term vision to government - a social, economic, demographic and international perspective - that assesses the impact of public policy not just for the next year, but for the next decade, even for the next generation. The aim of our Department should be to stimulate this approach. We need to work closely with the CPU and PMO to establish strategic priority areas. We also need to work harmoniously with our colleagues in other agencies to establish a strategic analytic framework that is responsive to a wide range of different perspectives.

Our ambition at PM&C should be to operate at the centre of this whole-of-government approach, whether defined in terms of policy development, legislative drafting or service delivery. Of course, we should co-ordinate. But, more fundamentally, we should be in there facilitating, contributing and energising across the whole of the APS. We need to be at the heart of transforming the almost infinite amount of information that is now at our disposal into knowledge - and then directing that knowledge towards a timely and innovative approach to policy which is **responsive** to the directions that are set by the government of today.

Building our Resources

To undertake our role and responsibilities to a high standard, we are going to need sufficient resources - resources that are structured appropriately and managed with an emphasis on organisational performance. I've already said that I think PM&C is marked by the quality of its public servants. Presently there are not enough of us. We are inadequately structured in terms of the contemporary political environment. We do not have sufficient resources to take on the increased range of tasks that we are being asked to perform and, indeed, that I believe we need to undertake. I also believe that there has been insufficient attention given to the importance of supporting, recognising and rewarding people within the Department.

That is why, looking to the year ahead, it is time for us to commit to change. You can be forgiven for not noticing matters of detail in the Budget that was handed down last night. I want to alert you to the fact that our Portfolio Budget Statement indicates that the Department received an extra \$4.2 million in recurrent funding for the year ahead, and about \$15 million more over four years. That represents about a 9% increase in our resources. I'm planning to spend most of those additional funds to employ more staff to better manage the departmental workload. We are presently running at about 350 staff. What I'm hoping, particularly through encouraging other departments to provide staff on a cost-sharing basis, is to increase the number of people in this Department by up to 50.

I believe that, in spite of the significant new responsibilities we will acquire, the increase in staffing resources should be sufficient to alleviate pressures and should enable us to flexibly manage staff levels in response to changing political priorities.

I also intend to direct \$4.6 million of the department's accumulated surplus into capital investment. We will allocate \$3.1 million of that funding to improve our IT and communications infrastructure. You would already be aware that we are moving to replace our telephone system. I'm planning to upgrade the software environment to the latest versions of Windows XP and Office XP in order to improve the functionality, reliability and the security of our IT. This upgrading will be completed by the end of this year or beginning of 2004. Additionally, as our current leasing arrangements expire, I intend to ensure that your desktop PCs will be replaced with a more modern flat screen model that takes up less desk space.

We have already released a request for expressions of interest to the market for when our current contract with Telstra Enterprise Services expires in the middle of next year. I want you to be assured that what I am particularly focussing on is the help desk, onsite IT support and systems applications.

Frankly I have come to the conclusion that I am leading a first rate department with second rate infrastructure support. There needs to be a substantial capital investment in our communications capabilities. I would rather have the equipment on your desks than the money in the bank.

A further \$1.5 million will go towards improving building security. You would all be aware that, since the general security alert in November of last year, steps have already been taken to enhance security. The level of guarding has been increased and shatter resistant film has been applied to all our exterior windows. We are now moving very rapidly to the next stages: upgrading access control arrangements in our foyer; restricting vehicle access across the building perimeter; and improving CCTV and security lighting. The aim is to have that upgrading finished by August.

Improvements to security may appear inconvenient. Parking and building access may become more restricted. Nevertheless, I hope you will also understand that it would be an absolute dereliction of my duty if I did not make sure that we got serious about protecting the people who work in the Prime Minister's Department. I will do absolutely everything I can to ensure the safety of our working environment.

Let me now talk briefly about the structure of the Department. I have already indicated to you that I'm going to be setting up a new Implementation Unit. It is going to be based in a new 'Cabinet Division'. Within that Division there will be the Cabinet Secretariat, which will now take on an expanded role of serving the National Security Committee as well as the other Cabinet Committees. I think that will improve the NSC processes by bringing them closer to Cabinet. I also anticipate that it will free up policy resources in the International Division. I envisage that, although the Cabinet Division will report through a Deputy Secretary, on a number of key issues both the Cabinet Secretariat and the Implementation Unit will report to me directly.

I'm also intending to establish a new National Security Division, which will have a Defence and Intelligence Branch and a Domestic Security Branch. It is clear to me that defence, security and intelligence issues can no longer be seen as adjuncts to international policy. Regional disputes and, in particular, cross-border terrorism has transformed our world. It has altered Australia's place in the world in a profound manner, with long-term consequences. Defence and security expenditure is now the largest and fastest growing component of the budget. Many of Australia's greatest strategic and political challenges are emerging in areas of regional security, border protection and the prevention of terrorism. That is going to be the case for the foreseeable future. This is an area where we clearly have to build up our resources within this Department. We need to be able to ensure effective coordination of intelligence, analysis and the development and implementation of strategic policy responses.

I believe that PM&C, building on its strength in co-ordination, can ensure that national security is developed in a whole-of-government manner. It is, in my view, a far more effective approach than creating a new bureaucratic edifice.

The SCNS Committee, which I chair, and the other taskforces on which we participate, receive contributions from the intelligence agencies, Defence, Foreign Affairs, Immigration, Attorney-General's, Treasury and Finance. We have to make sure that the perspectives of all these areas is integrated in a manner that can best inform decision making of government.

I also intend to set up a new Economic and Industry Support Branch, to respond to the fact that so many of the government's strategic priorities fall into the areas of economic development, industry support, infrastructure or the environment. To some extent I can respond to emerging political priorities through establishing new taskforces, as we've done on energy, but I also need to provide a more flexible use of divisional resources in the economic and industry area.

It is imperative that we devote greater attention to the management of our corporate services. They enable us to do our jobs with maximum effectiveness. Indeed, they are the key to whether we can sustain ourselves as a high performing organisation. I am planning to develop a new People, Resources and Communications Division with the aim of providing greater strategic management of our finances, IT, communications and - most importantly - ourselves.

A new People and Resource Management Branch will place a much greater emphasis on investing in ourselves, the people who make PM&C what it is. This will involve providing on-the-job workplace training, skills acquisition training, and more career development opportunities. We also need to work at providing a more flexible workplace environment and, by doing so, allow greater recognition of the need to balance our work and personal lives. I would also encourage us to provide feedback on individual performance, not just formally once or twice a year, but on an ongoing regular basis.

The importance of these objectives is going to be highlighted by establishing a couple of new management committees: an Information Management Strategic Advisory Committee chaired by Andrew Metcalfe, and a People and Leadership Committee, which I intend to chair myself.

I hope that I have provided an indication of the directions in which we are moving. But, in transforming these goals into reality, I need your contribution. On building security, IT enhancement, people management and accommodation, it is important to establish a framework for effective consultation. I want to seek feedback speedily but wisely. Meetings on building security have already been scheduled. There will also be meetings of our new management committees in the immediate weeks ahead. There will need to be a meeting of the Staff Consultative Committee. We will move progressively, but speedily, to implement our new structure and to recruit additional staff. I hope to have the new structure fully in place by the beginning of July.

Thank you for your attendance this morning. Let me conclude by emphasising just how much I am enjoying working with you. I believe that the changes I have announced today will improve the way we can serve the Prime Minister, Ministers Assisting, Parliamentary Secretaries, Cabinet and government. Equally important, I very much hope that they will improve the job satisfaction that you get from working for PM&C.

Last Revised: 5 June, 2003 Page Custodian: Executive PM&C: Roles, Responsibilities and Resources

Information | IT Services

Human Resources | Guideline/Handbooks | Parliamentary/Government |

Comments and Feedback

Home | Search