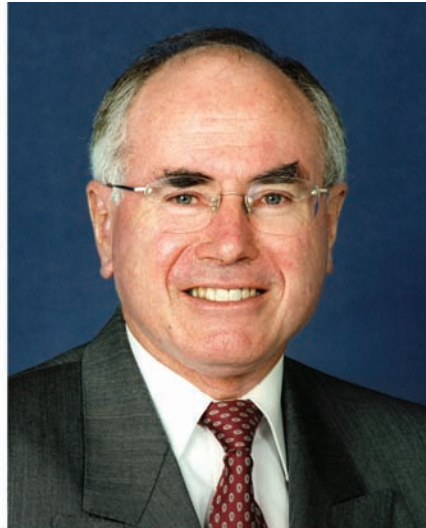


4. Know the real boss: support to the Prime Minister and the whole of government



Left: Prime Minister Paul Keating who first appointed Podger as Secretary of the Department of Administrative Services and the Arts in December 1993 (photo with kind permission of the Parliamentary Library)

Right: Prime Minister John Howard who appointed Podger as Secretary of the Department of Health and Family Services in March 1996, renewing the appointment as Secretary of the Department of Health and Aged Care in 2001, and appointing Podger as Public Service Commissioner from 2002 (photo by kind permission of the Parliamentary Library)

Elements of the role

The contribution of secretaries to 'collective responsibility' involves a number of activities, which overlap and link with the activities involved in supporting the minister. These include:

- involvement with cabinet and cabinet committees such as the Expenditure Review Committee (ERC)
- contributing to cross-portfolio policy development and review
- participating in meetings of secretaries, particularly meetings chaired by the Secretary of the Department of the Prime Minister and Cabinet (PM&C).

In addition, there has been an increasing role for formal guidance from the Prime Minister to ministers on political priorities over a term of office. As described in Chapter 3, charter letters grew in importance, length and formality during the Howard years; while Prime Minister Rudd has not so far continued that practice, he is certainly no less interventionist in his style, placing strong emphasis on whole-of-government management and political control.

It was common practice under the Hawke, Keating and Howard Governments for officials to attend cabinet committee meetings (though not cabinet itself) and to be invited to contribute to the discussion. The Rudd Government has continued the practice. This has proven to be an effective way of ensuring informed and timely consideration of the issues by ministers. Ministers can choose not to have officials accompany them or to have the relevant policy expert, who is not the secretary (this apparently is less common under the Rudd Government). Unless I felt insufficiently knowledgeable on the matters under consideration, I usually sought to be the official involved, as I was most often able to relate the issues concerned to wider policies and experience. I also had more experience than most of how cabinet committees worked, having sat on the ERC for many years in the Department of Finance and provided briefings to the Prime Minister when in PM&C.

Table 4.1 Doing deals in the ERC

In the 1995 budget process, Brian Howe was having difficulty getting support from his colleagues for his vision of a continuing role for the Commonwealth in cities and regions. The Prime Minister, Paul Keating, was sympathetic, particularly about the Better Cities program: he suggested the final decision on its funding be deferred until the inner cabinet could reflect on the revenue available at the end of the budget process. Howe, however, needed not only to keep his proposal for that program alive, he needed to avoid the ERC rejecting everything else on the table in order to offset what some ERC members clearly considered an indulgence of the Prime Minister and his deputy.

Howe's budget proposals covered a range of housing programs as well as cities and regional development. The standard ERC rule was that genuine, continuing savings must offset new policy. Howe's proposal did not meet this requirement and certainly did not provide savings to offset any post-ERC decision to provide new capital funds for cities.

The ERC gave Howe a hard time and he and his adviser (who attended with me) were dejected, as it seemed nothing would go the minister's way. I was, however, conscious that one of the minister's proposals was not really a priority for the portfolio (it was included at the strong insistence of another adviser) and, indeed, I suspected we would not spend the allocation we already had for that program. I quietly asked Howe if I could propose a deal, offering not only to withdraw that proposal but to offer up some savings. He agreed with reluctance, assuming there was no hope of a useful decision. I put the idea to the Finance Minister, Kim Beazley, as a trade for all the other proposals except for Better Cities, which was to be deferred until later anyway. Beazley turned to Prime Minister Keating, who was about to close the meeting on a sour note, to say that perhaps a deal was possible after all. Howe indicated he would accept my suggestion, which Beazley recommended to the ERC.

Howe and his adviser were still despondent. They had not appreciated the significance of the deal, having heard only that no new money was yet agreed for Better Cities, that another proposed measure had gone backwards and only criticism of the portfolio and Howe's vision.

It was not until the ERC cabinet decision was circulated that the minister and his office realised what we had won. Written cabinet decisions always reflect the exact words in the minister's cabinet submission unless cabinet (or the ERC) specifically decides differently. Thus, every proposal

was endorsed exactly as recommended with just two exceptions, and we had been extremely careful with the drafting of the minister's submission. On Better Cities, the decision included the minister's vision for the program, including that it would be a continuing one, but deferred the amount of new capital to be provided each year.

Belatedly, there was some celebration, particularly when new funds for Better Cities were also subsequently agreed.

The celebration was short-lived, as the department and the Better Cities program were abolished a year later.

For most of my time as a secretary, my minister was a member of the ERC. This can be an enormous advantage if well managed. The minister may seek departmental advice on submissions from other portfolios. When this happened, I usually did my best to provide the advice myself or drew on one or two senior officers with relevant experience. I provided Howe with advice on superannuation and tax (finding, to the Treasury's embarrassment, significant errors in its 1995 cabinet documents) and Wooldridge with advice on education, social security, housing and defence in 1996 and 1997, with substantial assistance from Louise Morauta, another former finance officer. Wooldridge took his broader ERC responsibilities very seriously and his performance was well regarded, including by Finance and Treasury department officials. This helped him when his own portfolio was under review, though more in terms of understanding the 'rules of the game' than in getting any special treatment.

Table 4.2 Clearing officials from the cabinet room

Very early in 1996, Michael Wooldridge asked me how the ERC worked. I outlined the process, emphasising that it was open to the (new) Prime Minister to vary it as he wished. The minister asked in particular whether he could ask for a ministers-only discussion to canvass political aspects without officials present. I told him that was a matter he could raise with the chair, usually being the Prime Minister when health was being discussed, noting nonetheless the advantages of having officials present.

Wooldridge frequently pursued this, seeking an opportunity for ministers-only discussions after some initial debate on his budget proposals with officials present. Max Moore-Wilton in particular was not amused, for the good reasons that the debate might not be as well-informed if central agency officials were not there to question arguments presented as facts and that the cabinet decision drafted by officials subsequently might not fully reflect the subtleties of the discussion and its conclusions.

Possibly for these very reasons, Wooldridge felt the idea served him well, strengthening his capacity to win his arguments. I advised him a few years later that he was using the tactic too often and was putting at risk his relationship with the Prime Minister, who was receiving strong objections from Moore-Wilton. He told me that he accepted my advice just before another ERC meeting. Nonetheless, about half an hour into the meeting, he turned to the Prime Minister and asked for a ministers-only discussion. It was a spur-of-the-moment request and was agreed to by the Prime Minister. Moore-Wilton glared down the table at the minister and me as he rose to leave. As I also rose, the minister said quietly to me: 'I got that wrong, didn't I?'

Contributing to the cabinet process also entails substantial prior work with other agencies and, frequently, post-cabinet work. Interaction with other agencies often contributed to the design of the minister's proposals and identified the key issues for debate in the cabinet room. This is articulated formally in the coordination comments in the minister's submission to cabinet and in the Department of Finance 'Green' (the Finance department's briefing for the ERC or cabinet ministers on each submission coming forward that has resource implications). Post-cabinet work can involve bilateral or trilateral deliberation to resolve differences consistent with cabinet directions or to explore additional options or to test proposals in more detail. It also involves providing regular reports to the Cabinet Implementation Unit and responses to questions raised about implementation.

Secretaries' personal involvement in such work depends on the significance of the issues involved. It is not unusual for secretary-to-secretary discussions to resolve, or at least narrow, differences for ministerial decisions. Most of the interaction among officials, however, occurs among SES officers, and sometimes below the SES. Particularly in any post-cabinet work, it is common that the respective ministerial offices will confer to resolve matters that cannot be settled by secretaries or other officials, or to identify politically acceptable compromises. In the pre-cabinet stages, there could also be some liaison between ministerial offices, parallel to the interaction among officials, exploring the political dimensions of the different views of the portfolios.

There are many mechanisms for whole-of-government policy development and management. The advantages and disadvantages of different processes and structures are canvassed in the 2004 Management Advisory Committee report *Connected Government*. Secretaries' involvement in such cross-portfolio activities is usually at the initial stages in setting the terms of reference for an exercise and at the final stages in confirming each department's position on the emerging policy options, proposals and conclusions. It is also increasingly common for a

reference group of secretaries, often chaired by the Secretary of the Department of PM&C, to oversee the work of a task force or interdepartmental committee, to ensure it is developing options that address the agenda ministers have set and that are achievable in the desired time frame. This was the model used effectively when I chaired the Prime Minister's Task Force on Health Services Delivery in 2005.

Secretaries (and their officers) are usually required to wear two hats in these exercises. The first is in line with their statutory duty to work 'under the minister', representing the minister's views and the department's program interests. The second is to collaborate to help achieve a collective solution for the Prime Minister and the government.

Table 4.3 Task Force on Health Services Delivery

From late 2004 until mid-2005, I chaired a task force on the delivery of health services in Australia. I had a small team of very able officers, seconded from the departments of Health and Ageing, Treasury and the Prime Minister and Cabinet, working for me. We were based in the Department of the Prime Minister and Cabinet.

There was also a reference group of the secretaries from these three departments, ensuring the task force addressed the terms of reference and met the objectives of the Prime Minister. The reference group commented on outlines and drafts of the report and took responsibility for a covering cabinet memorandum to which the final report was attached. Members of the Prime Minister's Office (PMO) attended most meetings of the reference group.

The report was nonetheless my report and I took very seriously my professional independence in preparing it (though I was directed not to consult widely). I resisted the preference of the Department of PM&C and the PMO to focus on incremental reform, believing that the terms of reference and the context in which the task force was established required me to give equal if not more attention to options for longer-term reform.

I was given the opportunity to brief the Prime Minister directly on the report and subsequently to brief the cabinet. They endorsed most of my shorter-term proposals, but balked at my options for more fundamental reform.

I believe the structure of the exercise was a very good one and am only disappointed by the government's decision not to publish the final report.

The Secretary of the Department of PM&C chairs a monthly meeting of portfolio secretaries plus the Public Service Commissioner. These meetings are usually of one hour's duration and focus mostly on informing secretaries of the current policy priorities of the Prime Minister and senior ministers, and processes for handling these and other high-level matters. Sometimes particular policy issues are discussed but, in the short time available, such discussion usually focuses on identifying a suitable process for more considered study and advice to ministers within the relevant timetable. Public service management issues are also sometimes identified but, again, mostly with a view to establishing a process for more considered study.

Once a year, the Secretary of the Department of PM&C hosts a two-day retreat that allows more substantial discussion of selected emerging policy issues and of some management issues (I understand, however, there was no retreat in 2008). As a rule, the Prime Minister joins the group for a lengthy discussion of his priorities and strategies and of any concerns secretaries might wish to raise. These discussions were usually very useful, Prime Minister Howard being quite forthcoming and frank in his assessments of future policy directions on such diverse issues as privatisation, Indigenous welfare and demographic change. On occasions, however, some secretaries seemed to use the opportunity to promote themselves rather than informed and frank discussion.

Table 4.4 Bring back the biff

At one portfolio secretaries' retreat, there was a more robust discussion than usual among secretaries and other invited agency heads of the government's policy on information technology (IT) outsourcing. Several people argued against the mandating of such outsourcing—the Statistician, Bill McLennan, being perhaps the most outspoken. While not constraining the discussion on this occasion, Max Moore-Wilton questioned McLennan's insistence on his statutory independence and hence his ability to ignore the government's policy.

McLennan, a former ACT rugby front rower, finally had enough. 'If you say that again, Max, I'll biff you one.'

It was a most effective way of getting his argument listened to seriously by Moore-Wilton—better than my tendency to be quietly persistent or some others' tendency just to go quiet.

Apart from these formal and regular gatherings (and those focused specifically on APS management—see Chapter 10), secretaries often meet in smaller forums, often informally, to confer on issues of shared interest. When Secretary of the Health department, I continued the practice (mentioned in Chapter 2) of Tony Blunn, former Secretary of the Department of Social Security, of hosting monthly

lunches of the secretaries of the social policy departments. The heads of other related agencies such as Centrelink also became involved and the value of the gatherings proved so great to those participating that secretaries refused to drop off the invitation list when they moved away from the social policy area. As a result, the attendance at times was counterproductive to the private discussions intended.

As well as such informal forums, there is often the need for selected secretaries to meet to discuss a matter of shared interest to their ministers and to establish processes through which officials can explore the issue in more detail. Examples in the Housing department included work with the departments of Social Security and PM&C (and later The Treasury and the Finance department) on housing reform and rental assistance and with the departments of Employment and Transport on regional development and cities; examples in the Department of Health included work with the Industry department on pharmaceutical pricing and regulation, with the Department of Veterans' Affairs on medical and pharmaceutical benefits, aged care and patient health records, with the Department of Family and Community Services on rehabilitation and health assessment services for social security clients, and with Customs, the Attorney-General's Department and others on illicit drug strategies.

Variations on these roles and activities

The extent of whole-of-government activity depends critically on the function of the department. Some departments are inevitably involved constantly in whole-of-government activities: the central agencies themselves and other agencies with specific coordinating roles (for example, the Attorney-General's and Foreign Affairs departments). Departments with wide responsibilities, such as the Health department, also find themselves with substantial overlapping interests with other agencies.

The extent also varies with the style and interests of the Prime Minister and the Secretary of the Department of PM&C. Prime Minister Howard made considerable use of task forces chaired by his department, often involving external players. He also engaged people to direct task forces overseen or supported by a reference group of secretaries chaired by his department.

Some secretaries of the Department of PM&C, such as Peter Shergold, have a naturally collaborative style that encourages more frequent and free discussions among secretaries. Others, such as Moore-Wilton or Mike Keating, took a more directive approach to address the government's agenda and their own perspective on it. Whatever the personal style of the Secretary of PM&C, forums of secretaries frequently play a critical role in setting the future policy agenda of the government, and for redirecting policy. Constructive examples in my time that I was involved in as secretary included discussions on housing reforms and the

Council of Australian Governments (COAG) microeconomic reform agenda in the mid-1990s (under Mike Keating), discussions on population ageing and the importance of workforce participation and productivity rather than just outlays on health and welfare (under Moore-Wilton, influenced by Ken Henry from the Treasury) and discussions on Indigenous programs (under Shergold). Less positive examples include policies on asylum seekers and illicit drugs in Moore-Wilton's time, though I must concede that the Howard Government felt well served by the advice received.

As Table 4.5 illustrates, not all of the cases I was personally involved in proved successful in the end—but not for want of extensive involvement by secretaries and other officials.

Table 4.5 The never completed 1995 housing reform agenda

In 1994, I was encouraged by Mike Keating to explore possible reforms to housing assistance programs as part of the then COAG agenda on microeconomic reform and the wider use of competition in the provision of government services.

I initially opened discussions among Housing department CEOs suggesting a new approach to the Commonwealth–State Housing Agreement. I was keen to see the imposition of market rents and the introduction of transparent income-tested rental subsidies to replace the existing formulae for rents (based on income but with open-ended subsidies). I also wanted to explore the possibility of narrowing the differential between social security rental assistance for those not in public housing and the effective subsidies for those in public housing, as an alternative approach to addressing the never-reducing queues for public housing.

The state housing CEOs were mostly sceptical, favouring their traditional approach of publicly owned housing stock with rents set at no more than 25 per cent of household income. The minister, Brian Howe, had also originally supported this approach but recognised the Commonwealth could never afford to provide the capital needed to meet outstanding need, and realised the subsidies for public housing in some locations were unsustainably high, encouraging tenants to stay longer than they needed to and limiting access to others.

Keating and the senior COAG officials supported the use of market rents and more commercial management of the housing stock, but were keen to go further to clarify federal responsibilities for housing. With some support from Victoria and South Australia, we developed more radical options under which the Commonwealth would take full responsibility for rental assistance, including subsidies to public housing tenants, and

the states would take full responsibility for managing the stock and policies to promote lower rental housing in the private housing sector. Howe supported this approach as long as it could maintain and extend current subsidies to social security recipients in rental housing in either the public or private sectors.

The benefits were not only greater efficiency in the management of public housing but wider access to low-rent housing, greater equity in housing assistance, more choice and the potential to break-up public housing estates, which in many places had become centres of crime and social disadvantage, limiting opportunities for escaping poverty. There would also be better accountability through clearer division of federal responsibilities.

Keating engaged the Treasury and Finance departments in the process, encouraging them to help address the necessary transfers in funds between the Commonwealth and the states arising from the states receiving market rents and the Commonwealth taking full responsibility for rental assistance.

Housing ministers accepted the proposals in principle and cabinet also agreed. COAG endorsed the proposals in November 1995 and Prime Minister Keating announced the reforms in December 1995 in the 'Community and Nation' policy statement.

Sadly, for political reasons I do not understand, the Howard Government dropped the proposals in mid-1996. The problems of public housing estates, queues for public housing and inadequate rental assistance for many social security recipients remain.

Changes in the role over time

Associated with the Public Service and financial management reforms of the 1980s and 1990s there was some shift in emphasis towards secretaries' responsibilities to their own ministers and to managing their departments. In part, this was a conscious move to reduce cabinet's workload and to rely more heavily on portfolio ministers to prioritise within broader budgetary allocations.

This shift has been limited, however, for several reasons. As argued in the MAC report *Connected Government*, there is increasing demand for cross-agency responses to social and economic concerns, for the government to marshal all the resources at its disposal to find the most effective solutions and for the community to have access to seamless services. As mentioned earlier, the pervasiveness of media coverage has also led to the political requirement for closer control of the policy agenda and of communications.

With the introduction of performance pay and increased use of short-term 'contracts', the balance also shifted during the past decade back towards the collective responsibility of secretaries. The collective responsibility of secretaries is made most clear by the Prime Minister's role in their appointments and their performance assessment. The fact that the Secretary of the Department of PM&C is the key adviser in both these respects adds considerable weight to secretaries' understanding that their legal responsibility to their ministers is balanced by real responsibilities to the Prime Minister and the secretary of his department.

Under successive Australian governments, cabinet and its committees have continued to provide the main processes for coordination, informed decision making and priority setting. The Prime Minister's Office has been strengthened progressively, but unlike in the United Kingdom and Canada, it has mostly complemented rather than offset the role of cabinet. The Expenditure Review Committee (ERC) in particular is the engine room for most of the detailed reviews of policy and resource allocation and for almost all, if not all, secretaries it is the most important mechanism for their interaction with the centre of government.

There have been some changes in the way ministers are collectively advised on cross-portfolio matters. The traditional interdepartmental committee, with each department represented by a senior officer forcefully presenting his or her agency's views based on its functional responsibilities, is now in abeyance and there is more emphasis on time-limited task forces and reviews charged with identifying preferred solutions to particular problems. The task force might involve officers from different agencies but they are not there as representatives but rather as experts helping to find a common solution. Such task forces might involve outside players and might even be chaired by them (for example, the former Prime Minister's task forces on welfare reform and on drugs). They might have a reference group of secretaries whose role includes directing the work of the task force and/or testing its proposals from the perspectives of the different portfolios. Where there is no reference group, secretaries will look to other avenues to influence the task force and to advise on its proposals. Task force reports might go to cabinet or a ministerial committee via joint cabinet submissions from relevant ministers, via cabinet memorandums prepared by the reference groups of secretaries or directly without a formal filtering process.

Another more recent development is to focus on implementation as well as policy development. This began after I moved to the APS Commission so I had little direct experience with the new arrangements. These include the Implementation Unit in the Department of PM&C, aimed primarily at ensuring implementation issues are addressed up front in cabinet submissions with a careful assessment of risks and their management. The unit also oversees a 'traffic-light' monitoring of implementation, drawing to ministers' attention where implementation is not in line with plans and objectives.

Issues

Balancing collective and individual responsibilities is not always easy. Where a minister has firm views that conflict with the views of the senior ministers and/or the central agencies, the secretary can be in a difficult position. The role in these circumstances is still to give the minister all the necessary support and advice, but also to facilitate informed debate in the appropriate ministerial forum. That might involve informing the secretaries of the other agencies of the minister's views and ensuring there is an opportunity for political debate. In doing this, care needs to be taken to ensure the minister does not feel the secretary is undermining the minister's position (particularly when the secretary has advised against the minister's position).

Table 4.6 Michael Wooldridge and control of the health agenda

Michael Wooldridge completed a thesis on the Fraser Government's initiatives on health financing as part of a master's degree. It convinced him of the need for the health minister and department to have control of the health policy agenda and not to allow the central agencies, with only a theoretical approach and limited practical understanding of the sector, to take the initiative.

While at times this led to some tensions, with the departments of PM&C and Finance in particular, for the most part it served the government well. Wooldridge as a member of the ERC felt obliged to ensure his proposals were financially and economically responsible, and we developed a series of budget packages that, while not always publicly popular, were effective, reduced outlays growth and addressed longer-term concerns. These included changes to aged care, the Medicare Benefits Schedule (MBS), primary care, the Pharmaceutical Benefits Scheme (PBS) and the introduction of lifetime community rating for private health insurance.

Wooldridge had Prime Minister Howard's full confidence in these issues for most of the time and in working with the sometimes difficult medical profession. Where he and the department were less successful in retaining the confidence of the central ministers and departments (particularly PM&C) was in public health policy (for example, drugs), Indigenous health (where the minister and department felt strongly that sustained increases in funding were required) and in the relationship between private health insurance and Medicare (it was widely known within the government that the department had not supported the 30 per cent rebate initiative at the time, despite the minister's involvement).

There were also sharp tensions at times over the negotiation of the 1998 Australian Health Care Agreements, particularly with the Department of PM&C and the PMO (see Chapter 8).

As mentioned, the Prime Minister appoints secretaries after a report from the Secretary of the Department of PM&C. They are acutely aware of the Prime Minister's priorities and expectations even while they are formally responsible to their own ministers. I have written previously of the challenge in balancing these pressures; Brian Howe more than once complaining that he felt I was more concerned about the views of the then PM&C Secretary, Michael Keating, than I was about his (Howe's) views. Mostly, however, Howe was conscious that I, as well as he, had Prime Minister Keating's confidence (from my earlier time in the Finance department and advising the ERC), and that this was helpful to him. For the most part, I think I also had Prime Minister Howard's confidence, but my more rocky relationship with Max Moore-Wilton presented challenges.

A more subtle issue is how secretaries handle the demand for collaboration when there are serious differences of perspective that should be addressed. There is a risk of 'group think' in collaborative processes, just as there is a risk of obstruction and delay in the traditional Interdepartmental Committee (IDC) process. For this reason, I have always favoured the task force approach combined with a reference group of relevant secretaries (or their representatives). Secretaries can find it difficult to ensure different perspectives are fully appreciated where there is no such reference group. It might be too late to advise a minister of concerns about a task force's recommendations after it has reported, particularly if the task force has officials and external people involved. By then, the recommendations might have a political momentum that, if halted, would cause significant damage.

Table 4.7 Collective responsibility or centralisation of power

One of Brian Howe's comments when we discussed a draft of this monograph was whether the increasing power of the Department of PM&C was not so much an emphasis on 'collective responsibility' as the centralisation of political and public service power. He cited the instance, when he was Deputy Prime Minister, of Robert Tickner (the then Minister for Aboriginal Affairs) being excluded from the then government's deliberations of the Mabo High Court case on Indigenous land rights; he felt that the Prime Minister and his department took over the issue completely, rather than just ensuring collective responsibility.

There certainly is a risk that 'whole-of-government' processes do not simply facilitate constructive collaboration and coordination, but involve

coopting public servants to serve the interests of the Prime Minister (or other central ministers) at the expense of the interests of line ministers and the groups and communities their policies and programs are designed to support.

For these reasons, it is essential for secretaries to keep their ministers closely informed about cross-portfolio activities and deliberations. There were occasions in my experience when central agencies, at the apparent behest of their ministers, attempted to constrain ministerial discussion of significant policy matters on the pretext of overriding financial imperatives. The Department of Finance at one stage even promoted a culture among its staff of 'winning' debates over resources and policies, rather than ensuring informed discussion among ministers to allow them to exercise collective responsibility properly.

My own approach in such circumstances was not just to keep the minister informed as best I could, but never to accept arguments that our concerns were not relevant because some more important issue was at stake that I was not authorised to debate.

The problem is not a new one, though it has almost certainly become more acute in recent decades. I learned my approach from very early days in my career not to be bullied by the Treasury in the 1970s over family allowances and tax expenditures, or in the 1980s over superannuation and tax reform, nor by all three central agencies in the 1990s and 2000s over Better Cities funding, Indigenous health and hospitals funding.

A related issue is the appropriate role for ministerial staff (for example, from the Prime Minister's Office) in task forces and reference groups. Their involvement can certainly facilitate clear understanding of the Prime Minister's wishes and concerns and help to give focus to the work of the task force. On the other hand, they can inhibit discussion of sensitive issues by secretaries (or the task force) that could be interpreted by ministerial staff as obstructing the work the government has requested. I felt this was the case in the Prime Minister's task force on drugs and, to a lesser extent (as I could personally resist the pressure), in the reference group of secretaries for the task force I chaired on health services delivery in 2005.

Lessons in supporting the Prime Minister and whole of government

The following points are among the lessons from my own experience in working across portfolios and with the Prime Minister and cabinet:

- To avoid misunderstandings about lines of responsibility, do not initiate direct contact with another minister or minister's office (including the PMO), but work through your own minister's office or through the other minister's department. If the Prime Minister or another minister, or his or her office, contacts you directly, quickly inform your own minister or his/her office.
- Informed discussion in cabinet or the ERC is enhanced when secretaries discuss important coordination comments in submissions before they are finalised, and consult on finance 'Greens' (the briefs the Finance department provides to all ERC members on every proposal put to the ERC). Secretary attendance at the ERC is also most often an aid to informed discussion, but ministers should be discouraged from taking in multiple officials or advisers (this only causes other ministers to have less confidence in the minister's capacity).
- Secretary discussion with the cabinet note-taker rarely goes astray after a complex discussion. It can help to avoid a decision being circulated that fails to reflect the subtlety of the issues involved and the difficulty of having such a decision corrected.
- Time-limited task forces are a particularly effective mechanism for whole-of-government action, particularly if there is also a reference group to facilitate discussion of portfolio views as well as (independent) task force views.
- It is usually better if reference groups and task forces do not include ministerial staff, but ministerial staff are invited to attend discussions at particular stages of the task.
- If there is a significant difference of view emerging between the minister and the Prime Minister or other senior ministers and/or the central agencies, ensure the Secretary of the Department of PM&C understands the issues, and keep the minister and his/her office informed of the advice going to the Prime Minister and senior ministers.
- Informal meetings among secretaries are important for cutting through the issues and clarifying remaining differences for ministers to settle. They also help understanding of political factors that are not always reflected in the papers.
- Improved implementation of whole-of-government measures is enhanced not so much by more reporting, but by better assessment of implementation risks when policy decisions are being made and closer consideration of the management of the risks. Light-touch monitoring can then allow selective review and intervention and avoid more widespread second-guessing.