Reformist dreams and political reality

Accountability

Ministerial pressures will always severely limit the possibilities of public sector reform.

The Moran report (Ahead of the Game), as one would expect, adopts a generally conservative game-plan, unclear, as the Australian Public Service operates in a stable constitutional and political environment with no widespread public demand for reform of the government system, suggestions for radical change would gain little traction. The key unit of organization remains the individual department, with the key member of the department being the secretary to whom all other members of the department are accountable through a hierarchical chain of command. As in all Westminster systems, the secretary, a professional public servant, is accountable to the minister who, in turn, is accountable to Parliament. This wider constitutional context is acknowledged in the introduction but subsequently drops out of sight in the concentration on the APS’s internal practices. Nonetheless, it continues to provide strong, if unspoken, support for the existing basic structure while placing constraints on any major deviations from the status quo.

As recent political events have reminded us, the conventions of ministerial responsibility still impose a set of powerful incentives not only on ministers but also on the public service. Political debate is largely driven by the continuous election campaign between the elected government and the opposition. Ministers try to manage the media to give themselves and their portfolios favourable publicity. In turn, the government’s opponents seek weaknesses in government performance which can be used to put ministers under pressure. Professional public servants, owing their loyalty to their ministers and to the government of the day, are inevitably caught up in this campaign. Protecting the minister from political attack and public embarrassment is the No 1 priority for secretaries. An accountability crisis for the minister, actual or potential, trumps almost all other calls on their time. These conventions of supporting the minister cast long shadows through the public service. They underline the role of the secretary as someone on whom the minister relies for experienced political support while also cementing the secretary’s obligation to make sure that the rest of the department does nothing to damage the reputation of the minister. Thus, the fact that public accountability focuses on ministers and the conduct of their portfolios helps to reinforce the top-down hierarchical structure of departments.

For the most part, then, the report implicitly accepts political realities and operates within the context of the single department under a secretary, looking for ways to improve departmental performance within these parameters. On occasion, however, it does try to break free of the constraints that the single-department framework imposes. Most notable are the “whole-of-government” inspired moves towards greater coordination between federal government departments. These are based around the new Secretaries Board, chaired by the secretary of the Department of the Prime Minister and Cabinet, and a strengthened role for the Public Service Commission. The board will commission cross-portfolio strategic advice and service-delivery teams. It will also work with the Finance Department to develop shared outcomes across portfolios in policy priority areas, such as outcomes for indigenous Australians, homelessness and national security. The roles of secretaries are to be broadened to include the achievement of “whole-of-government outcomes within their portfolios”.

The report is silent, however, on how these coordination mechanisms will fit into existing patterns of ministerial responsibility. Which ministers will be asked to front up for the performance of shared outcomes? Will one minister (and therefore one department) be given the lead role, thus encouraging other departments to take less responsibility and show less interest, the pattern that has so far tended to bedevil attempts at genuine cross-portfolio collaboration. Or will responsibility and accountability be moved up to the prime minister? Involved the prime minister would appear logical once whole-of-government initiatives are centralised within the Secretaries Board under the PM&C secretary. If the PM&C secretary takes administrative responsibility, then the prime minister will need to take political responsibility. As commentators noted of Britain’s Blair government, where the whole-of-government movement began, whole-of-government cross-portfolio coordination tends to be a means of centralising more policy under the prime minister and his or her department. But do we want still more policy centralisation focusing on the prime minister?

“Whole-of-government” or “joined-up government” can also cover cross-jurisdictional rather than cross-portfolio cooperation, between different levels of government, particularly federal and state. Here, the political accountability dynamics are quite different. Ministerial responsibility, operating in two separate jurisdictions with overlapping responsibilities, typically leads to buck-passing as politicians seek to avoid blame for failures (while taking credit for successes). This is the notorious “blame-game” which bedevils federal-state relations and to which the only solution is for one level of government to take sole responsibility. The report talks about new partnerships and agreements between all three levels of government, including shared locations for providing cross-jurisdictional, one-stop-shop services to citizens. The ideas are sensible but, without the back-up of a unified political will, they may remain more in the realm of pious hopes than practical suggestions.

The report also acknowledges another common complaint made against top-down departmental hierarchies, particularly from the non-government sector, that they are...
over-centralised and insufficiently sensitive to the needs of different localities. Public servants on the spot, critics argue, should be granted more discretion to make particular decisions that suit local circumstances. The report’s theme of a “citizen-centred” approach to both policy and service delivery certainly points in the direction of allowing greater devolution away from the centre to public servants operating in the front line. However, the recommendations under this heading do not point to any significant shift in responsibility. “Citizen-centred” means finding out more about what citizens want, particularly through surveys and the creative use of new information technologies. But the main use of the improved feedback will be used “to connect front-line service deliverers to policy designers” rather than to inform genuinely local decisions. Departments becoming more citizen-centred means that head offices and their strategic policy analysts will have better information about what citizens want.

Overall, then, the report confirms the key role of departments under secretaries. It has some new, centralising features, through the Secretaries Board, and greater uniformity in employment conclusions. By contrast, attempts at greater devolution seem somewhat perfunctory and impractical. In this respect, the report is simply reflecting political reality. So long as public expectations of the public service are mainly channelled through the top-down mechanism of ministerial responsibility, the structure of public administration needs to remain highly centralised.

Another aspect in which political reality has had an undoubted, if unacknowledged effect, is in the report’s attitude to public servants and risk-taking. The familiar complaint that government bureaucrats are averse to taking risks is repeated in the report, particularly through the reported comments of outside organisations in business and the not-for-profit sector. Bureaucrats are said to be too consumed with red tape and due process and discouraged from being flexible and innovative. The need for greater flexibility and innovation has also been one of PM&C secretary Terry Moran’s main themes. For example, in his address to the Institute of Public Administration in July last year, Moran called for “a responsible but bolder approach to risk”. He was full of praise for the way in which the APS had administered the various elements of the National Building and Jobs Plan. The advisory group’s discussion paper in October last year also highlighted the need for engaging more with risk in the pursuit of innovation. In the final report, problems of excessive risk aversion are still mentioned but given much less prominence. Focus has shifted to Finance removing red tape, with less talk of a more innovative, risk-taking public service culture.

The reason for the shift in emphasis, we must assume, is the recent fiasco over the home insulation program and the various implementation problems arising in other stimulus spending projects. Public servants have displayed too little risk-aversion rather than too much, with fatal consequences. The report acknowledges the point *sotto voce* with a reference to “high risk implementation tasks” (a phrase not found in the earlier discussion paper), such as “discretionary grant programs with very short time frames”.

The public service’s commitment to red tape and avoiding risk is not simply designed to make life more comfortable for public servants. It is a rational response to public demands for firm regulation and due process, underlined by the processes of public accountability. We should not expect too much change on this front, or on others where the government’s opponents are likely to direct the piercing searchlight of political accountability on individual ministers. Political pressures from ministers will always set severe limits to the possibilities of public sector reform. Moran and his team know this fact but they have chosen not to spell it out.

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Protecting the minister from political attack and public embarrassment is the No 1 priority for secretaries. An accountability crisis for the minister, actual or potential, trumps almost all other calls on their time.