I am pleased to be here today to present the 1997 Garran Oration.

Sir Robert Garran was a remarkable man. He played an active part in the constitutional conventions of the 1890s, and was secretary to the committee which drafted the proposed federal Constitution that emerged from the 1897-98 convention. Sir Robert became the first Commonwealth public servant in 1901, as head of the Attorney-General's Department, a post he held for 32 years. After his retirement he remained active in official, church and academic life. He died in 1957, one month short of his 90th birthday.

We correctly talk, at this the end of the 20th century, about the pace and extent of change here in Australia and across the world. There is no doubt that, particularly in the area of technological change and the communication of information, we are seeing developments unique in our history.

I wonder though if we sometimes underestimate the changes, excitements, disruptions and adjustments previous generations have experienced. Sir Robert Garran knew the promise and reality of federation. He was part of the establishment of a public service which, in many ways, is clearly recognisable today.

He lived through the First World War, advising on unfamiliar issues such as domestic wartime powers and the application of international law in time of war. He advised Billy Hughes during the bitter debate on conscription, and accompanied him to the Paris peace conference in 1919.

He saw the social change and economic upheaval of the 1920s, and at the time he was ending his public service career, Australia was just beginning to emerge from the great depression. Sir Robert dealt with the constant tides of change, not least in serving 11 Attorneys-General during his long career.
Change, of course, affects both individuals and institutions. And the conference of which this Garran Oration is the starting point is at least in part about the institution of the Australian Public Service. A healthy public service is a vital part of Australia’s democratic system of government, and I regard it as being in the national interest that the service emerges with strength and vigour from the process of change which it, like other institutions, is experiencing.

I mentioned the recognisable characteristics of the service handed down through the last 97 years since Sir Robert Garran. Among those characteristics there are qualities and values which it is the duty of governments and public servants alike to guard and preserve. The public service cannot, however, be discrete from its environment. The way it develops in the months and years ahead must reflect the values and priorities of Australians, and meet the needs of government and the community.

There are, of course, those who believe that it is an option for the public service to return to some idealised, comfortable past in which it was quarantined from the winds of change blowing through the rest of Australian society. Those who hold out such an option for the public service deny the forces that are transforming Australia.

Let me state at the outset my firm belief that an accountable, non-partisan and professional public service which responds creatively to the changing roles and demands of government is a great national asset. Preserving its value and nurturing its innovation is a priority for this government.

One of the many challenges of change though is to ensure that certain essentials are not lost. Just as each nation must take account of its culture in determining the direction of change, so it is important to determine what basic characteristics an institution must retain if its fundamental worth is to be preserved.

There are many ways in which the public service might change - and some in which it must.

The public service must, for example, continue its progress towards being a modern, flexible institution whose administrative practices measure up to the best in the nation and the world. Already it can claim success in implementing reform at a pace, and with a substance, that compares with the public sectors of many western democracies.

This is not a particularly recent trend. Change did not start in March 1996. I have commented on several occasions that the public service I found in 1996 was, in many of its operations, markedly improved on the service I had known in the 1970s and early 80s.

The budgetary and financial systems have been streamlined, and there is a greater emphasis on results in place of the past concentration on process and inputs.
Central agencies exercise far less control over the staffing and finances of other agencies, so that the public servants managing programmes are clearly responsible for performance.

There is more competition in the delivery of programmes both within the public service and outside.

And there is vastly more interest shown in delivering high quality service to the public.

I think it is important to acknowledge that while governments, of both political persuasions, have been active in bringing about change, a good deal of the impetus has come from within the public service itself.

And that is hardly surprising. Intelligent men and women do not want to work for an institution that does not reflect the changes - the opportunities and excitement - of the society and world around them. In a competitive environment, good public servants need to know they are every bit as good as those in other occupations; that they too can meet the challenges of the late 20th century and beyond.

But for some - whether they be public servants or not - change can be difficult and unsettling. So there is an important leadership role for government and public service managers in developing and supporting the goal of a modern, relevant and valued public service, but with its fundamental values preserved. Change has to be placed in context. Consistent with all my views, change must not be for its own sake.

One can look beyond Australia to see the full picture of why change is both inevitable and desirable. What is happening here is part of a trend observable in most liberal democracies.

Since the early 1980s globalisation of the world economy has seen an opening up of markets, a breaking down of barriers in trade and communication, and the emergence of a greater competitive edge which requires Australia, along with other nations, to become more efficient and innovative in the way it does business.

Australian business is increasingly more competitive, and that process must continue if we are to meet the challenge of the increasingly global economy.

The government is committed to implementing policies that create an economic environment that is conducive to investment, jobs and growth. That requires fiscal stability, structural and taxation reform, strategic intervention and a reduced burden of business regulation.

For their part, Australian industry must be forward and outward looking. The challenge is for industry to harness Australia’s rich endowment of natural, human and man-made resources in
a constructive and positive way. In doing this, industry must focus on implementing best practice in production, management and customer service.

The public service is not quarantined from these international pressures, and its effectiveness must be seen in the context of its contribution to the strength of the national economy.

There are certain common, international responses to this new way of looking at the public sector. There is much less focus on process and more on outcomes. Managers work with a stronger client service orientation. And the burdens imposed on the private sectors are being reduced.

There is another common feature, and that relates to numbers, and the size of the public service.

Many governments have been critically examining their activities and deciding where they can and should allocate their scarce resources. In the United States, for example, the "reinventing government" programme, under the direction of Vice President Gore, has focussed on efficiencies and cost and size reductions across the administration. In Canada and a number of OECD countries, similar processes of re-defining activities have occurred.

In Australia too, there have of course been reductions in the size of the Australian Public Service.

The number of staff has declined over the past 10 years, with two significant periods of reduction. From 1987 to 1990 there was a decrease of nearly 16,000 or 9 per cent. Between 1994 and the present, the decrease has been 32,720, or nearly 20 per cent. - Those figures however include 9,500 flowing from the transfer of ACT government staff and the staff of three repatriation hospitals from coverage of the Commonwealth Act.

There has, over the last decade or two, been a blurring of the divide between the public and private sectors as government business enterprises have become more competitive, more interactive with the dynamics of the marketplace and some have been privatised.

There is perhaps no better metaphor for the changing phenomenon than Telstra. When I commenced my working life, the Postmaster-General’s Department looked after all communications - not, I think, that we called them that then. With Telstra this week we have seen the Australian public enthusiastically welcome the float of a third of a highly competitive and efficient company.

The reduction in the size of the public service has come about not only through a shedding of functions by this and previous governments. It has also come about through the changing role
of government. The impact of information technology has also reduced the need for staff who previously performed tasks which lent themselves to computerisation.

There is no reason why a smaller number of government employees should mean that the nation is less well served. There is greater contestability in the delivery of publicly funded services, and it will continue to grow. Some functions are as efficiently or more efficiently carried out by the private sector. I make no apology for this being a private enterprise government - but it is one also that values a strong and effective public service.

And the public service accepts that its effectiveness involves taking on many of the standards and challenges placed on Australian business.

In many areas of its operations, the public service is identifying best practice and introducing the changes that will be necessary to achieve that best practice.

In looking at internal procedures, the service has undertaken an impressive benchmarking exercise in relation to personnel services. No attempt was made to hide from public scrutiny the rather horrifying examples of bureaucratic maze and duplication. Nor was time lost in determining ways of achieving more cost effective services. One of the purposes of the Public Service Bill currently before the Senate is to help the service free itself of the daunting load of process.

There are numerous other examples of how the public service is analysing its standards and performance in order to produce greater efficiency and greater client satisfaction. One of the biggest challenges, however, will be to back such change with a fresh culture that supports ongoing improvements and demands high performance standards, but accepts that this entails prudent risk management.

The government intends the new Public Service Bill to assist the service in developing that new culture. The Bill, which was introduced into Parliament in June this year, is more than just a rewrite of the existing legislation.

It provides a new conceptual framework that will enable the service to meet future challenges.

It provides a legal framework for employment that achieves a proper balance between improved accountability and devolved responsibility.

Importantly, it also provides a succinct message about the expectations of a public service appropriate to the twenty-first century.

The government hopes the new Bill will lead to better policy advice to the government, high quality services to the community and a more efficient and effective use of resources.
For that reason it is in the interests of all Australians that the Senate pass the Bill as soon as possible.

One of the marked changes we have seen in the public service over the last ten to fifteen years has been its acceptance of the need for a culture of quality service delivery. It is not, of course, just in the public service that the reality of good service is emerging as an essential part of overall performance. It is not so long ago that Queensland tourist resorts used to close their dining rooms before the last international tourist flight arrived for the day. Just as resort operators worked out that tourists did not want sandwiches in their rooms, so the public service worked out that members of the public did not want to be treated as nuisances when they sought services which were their right by law.

I was delighted recently to launch Centrelink, the Commonwealth services delivery agency which consolidates the major service delivery activities of the federal government. It will provide services and payments to over 7.8 million Australians and will be located at over 400 locations across the country. I described it as probably the biggest administrative reform of recent times. It combines efficiency with sympathetic and responsible service.

Another initiative has been the introduction of customer service charters. These will commit government agencies to the delivery of high quality services to the community. They will set out the expectations the public might reasonably have of agencies, and provide opportunities for public comment and suggestions on service.

At one level, I believe it right that as a government we expect the public service to measure up to the best standards of business. But before a host of my predecessors and truly admirable heads of departments turn collectively in their graves, I add that it is not good business practice alone which has created the fine tradition of the public service and it is not good business practice alone which will continue that tradition.

And, no matter how radical anyone's view is about the role of government in the twenty-first century, I believe there will always be an irreducible minimum of public service functions.

Defence, justice, a social security safety net, the monitoring of outcomes of, and alternatives to, existing policies - all these will require public service input. And there will always be a need for high quality economic, constitutional and other policy advice.

For these functions we will want a highly professional, disinterested yet effective public service. And lest there be any misunderstanding, the examples I have cited are just that: they are illustrative, not exclusive. They highlight the key discrete public service functions which are distinct from the private sector.
Before expanding on the qualities of the public service that give it a distinctive place among Australia’s institutions, I want to touch briefly on what I see as a greater interdependence among the various sectors and institutions in Australia.

Just as nations are no longer able to maintain a separateness in an increasingly globalised world, I believe we are seeing a growing need within Australia for governments, business and the community to work together. And the public service has a significant role to play in that regard, both in ideas and implementation.

I am still surprised on occasions to find that public servants fail to understand the requirements and perspectives of business. But it can be said with equal force that business does not always have a good understanding of government.

In particular, business often fails to appreciate that corners it might be able to cut, simply cannot be cut in government. Accountability to Parliament and the people demand care and transparency. No chairman of the board, even at meetings with probing shareholders, comes under such constant and intense scrutiny as public servants before Senate estimates committees!

Far from being necessary inconveniences, both shareholders’ meetings and estimates committees are vital elements of the accountability regimes of business and the Parliament respectively.

There are already innovative examples of co-operation between sectors.

The Supermarket to Asia Council is a great example of industry and government working together, in this case towards the common goal of increasing the Australian share of the Asian food market. The Council brings industry and government leaders together to provide the leadership and drive necessary to achieve success for Australian food products in export markets. The target the Council has set, incidentally, is for export growth to accelerate so that by the year 2001 there will be $16 billion a year in value of Australian food exports to Asia. This could create an extra 10,000 jobs in the agri-food industry.

Connected with the initiative, the Australian Quarantine Inspection Service and the Australian Customs Service are, in consultation with industry, developing a streamlined export clearance procedure to save businesses time and effort in obtaining export clearance.

In the international sphere too, the public service is working to support co-operative ventures. Australia’s relationship with China is one of our most important bilateral relationships. China’s modernisation will be one of the forces which defines the shape of the twenty-first century.
Australia is well placed to play a key role in assisting that development, particularly as a provider of energy and raw materials but also as a supplier of technology and skills.

When I visited China in March I offered to make available to the Chinese government Australia’s very considerable public sector experience and expertise. Australia has much to offer the region in terms of developing public sector infrastructure in areas such as social security and taxation. Officials are currently exploring the scope for closer cooperation between Australia and China on these issues.

There is another area of partnership that I would like to announce today and about which I am very enthusiastic. It relates to improved links between Australian businesses and the community sector.

The community sector comprises a large number of non-profit organisations engaged in a broad range of activities including welfare service delivery, sporting and cultural pursuits. These organisations typically rely heavily on volunteer assistance, and each year around 2.5 million Australians participate in voluntary work.

Many of these organisations have special insights and capacities to resolve social problems, and can provide a vital integrating force between different sectors of society.

While governments have an on-going role in facilitating the community sector’s work, including financial support, the business sector also has a role to play.

Consultations indicate a strong interest by business to become more involved. At present only a small proportion of the non-profit sector’s funding is derived from corporate Australia.

As a result, the government has decided on the following approaches to promote closer partnerships:

- I will convene a round table of business and community leaders early next year to develop specific strategies to improve business and community sector partnerships. The round table will also consider the need for a broader consultative process;
- from 1998, I will present Prime Ministerial awards in recognition of business and individual philanthropy; and
- The Minister for Family Services, Warwick Smith, will examine other ways of improving recognition of business and individual philanthropic activities, to educating Australians about philanthropy, and enhancing links between the business and community sectors.

I believe there is great scope for further development of co-operative activities across sectors, institutions and the community generally. As the Clerk of the Privy Council and Secretary to
Cabinet in Canada said recently in her annual report to the Canadian Prime Minister, "Partnership arrangements recognize that government does not need to "do it all" for the public interest to be well served".

Having put the case for the public service adopting the best, appropriate features of business, I want to return to those purposes and qualities of the public service which make it distinctive from other businesses.

There are important areas of interaction between the activities of the public and private sectors. But there are also important differences. The private sector is directed wholly at delivering goals and services to customers. The public service is accountable to the democratically elected government of the day, and through ministers to the Parliament and to all Australians.

In that context, I want to address the more major concerns expressed from time to time in the Parliament and media about the future of the public service.

If one were asked to gather from the writings and comments of past leaders the qualities they most valued in public servants, I believe one would find high on the ensuing list the continuing and impartial nature of public service advice; that public servants are able to serve with equal dedication, successive governments of varying political persuasions.

This was in fact one of the most frequently mentioned attributes in the obituaries and articles which appeared on the recent death of that fine public servant, Dr H C Coombs.

Sir Paul Hasluck, speaking of Sir Robert Menzies, conveyed similar sentiments, "... Menzies knew, respected and used the public service. He held clearly the traditional view that the public service had its own distinctive place in the structure of Government and should be capable of serving successive Governments without fear or favour regardless of which party had gained power ... ".

One of my very firm views on government is that, while it is most important to seek and take full account of public service advice, ultimately decisions must be for government to make, and responsibility must lie with government.

Nevertheless I, like my predecessors, regard the capacity for continuing, impartial advice as one of the essential values of the service. And it is a tradition the great majority of public servants are continuing at this very moment.

The service I have described though - one of change and one that increasingly looks outwards - carries with it the consequences that the public service will not be a career for life
for all those who join it. It is a healthy thing that talented people are able to move between the public and private sectors, academia, international experience and so forth.

But I consider it of enormous importance to any government that there be a continuing source of sound, fearless advice based on corporate knowledge.

I do not see employment mobility and short-term appointments to the public service as endangering our tradition of continuity. It is another instance of the breaking down of the barriers between institutions, and a sharing of skills and experience to the benefit of good government.

Any government must, and should, reserve the right to adapt the administrative structures of the public service to best achieve the policy priorities on which it was elected. So also, any government must, and should, reserve the right to have in the top leadership positions within the public service people who it believes can best give administrative effect to the policies which it was elected to implement. Governments of both political persuasions have recognised these realities.

But these realities are quite different and distinct from a move towards the American system where a new administration sees a change throughout the middle and upper ranks of policy advisers within the public service. I would oppose a move in that direction in Australia.

In fact, I strongly reject the proposition that we have adopted what some commentators call the "Washminster" system. I think it far more accurate to say that we have an Australian version of the Westminster system. We began in 1901 with elements of both the United Kingdom and United States models of government. Since then we have evolved in our own, unique way, sensibly selecting what suits our culture and recognises our experiences.

And one of the institutions we have chosen to retain is, as I say, an impartial, continuing public service.

There are practical reasons for this of course. Reinventing the wheel is not a profitable way for a government to spend its time. And we all know that it can also be fraught with danger.

On a more philosophical level, however, I believe the end of continuity in advice would take from Australian government the valuable asset of considered, honest advice based on knowledge of administrative practice and sensible precedent.

The greatest demonstration of the seamless character of government I have personally witnessed was on the morning of 4 March 1996 when Michael Keating, Bill Blick and Greg Wood arrived in my Leader of the Opposition, Philip Street office to provide professional and comprehensive briefing for my transition to government.
That power can be transferred in this calm, understated way, is a supreme asset.

Far from being idealistic, my own experience tells me that the best public servants can provide impartial advice untouched by self-interest in a way that is nurtured and encouraged within the Australian Public Service.

Given the importance attached to impartiality as a foundation of public service professionalism, I think it fair to assume that at any given time since Federation there have been those concerned about the weakening of the tradition of impartiality within the service. Those concerns have been seen to increase through the 1980s and 1990s - or, at least, have been given greater prominence.

Many of those concerns are based on unrealistic assumptions about what the basis of competent public service advice should be. They also neglect some of the changing realities of governance in which the public service has operated over recent decades.

Ministers are taking greater control of policy planning, detail and implementation. This is in part a response to a more demanding electorate that expects quite properly to see members of the government responding to community needs and answering for their decisions in a public and continuous way.

Although I would hope that a "Yes Minister" model of government has never existed in Australia, perhaps the very screening of that series made the public all the more aware that they did not want to be governed by anonymous public servants but by the people they elected and could remove at the next election. Australians want value from their politicians.

So that has brought ministers into a more prominent role in policy making, but it does not in any way diminish the need a government has for ideas, constructive suggestions and even warnings based on the wisdom of past public service experience.

I have read many articles and commentaries about my relationship with and opinions on the public service.

Let me make it clear now. I want a public service that is willing and able to generate ideas - new, innovative ideas.

I will never react negatively to new ideas put forward by public servants, and the presence of political office staff should in no way be seen as a signal that new ideas will not be welcome.

Public servants need to be responsive, as well as responsible, in the advice they give. Now I believe public servants have always been responsive to governments. But the requirement
over recent years has become a more prominent one, indeed it is one of the values referred to in the draft Public Service Bill - as it was in the draft prepared by the previous government.

I think the voicing of the requirement flows in part from the need for public servants to give advice that is not only impartial, but also creative, innovative and relevant. Public servants are required to recognise the directions in which a government is moving and be capable of playing a major role in developing policy options and assisting in imaginative and professional implementation.

The need for responsive, relevant advice in no way removes the obligation on public servants to be comprehensive, informed and honest in framing their advice. Advice might have regard to known political implications, but all other implications must also be presented in a balanced way that enables the minister to make an informed decision.

No minister wants to be told what is politically pleasing without being advised of legal implications, precedents and what constitutes good policy.

Another changing reality for the public service in the 1990s is that it is competing with other sources of advice to government.

The advisory role is not exclusive to public servants. In an era of streamlined communications and an informed and vocal community, it is to be expected that governments will receive advice from many quarters.

I do not see that, in a democracy, this can be anything but healthy.

I made it clear before gaining government and on occasions since that I do not intend to fall into the trap of being a captive of any interest group. That does not mean, however, that the government does not wish to hear from individuals reflecting the great breadth of the Australian community.

Governments for many years have used a variety of sources in developing policy options. These have included industry, business - big and small - community and welfare groups, academia and ministers’ personal offices. This in no way reflects on the advice given by the public service, but is simply a sensible use of a broad range of knowledge and abilities. There is nothing intrinsically new about it.

I think it only realistic to acknowledge though that public service advice is more obviously and more regularly contestable than in the past. This is a function of our age. People no longer receive their information from just one source. Even children these days move quickly to sources of learning other than their parents and teachers.
Public servants know that their advice must be comprehensive and rigorous - and relevant - if it is to be useful to government. That has always been the case, in fact. But these days the alternative advice is likely to be more immediate, more diverse and more open.

This is not something I sense the public service has any problem with, though the service naturally wishes to ensure that its views are among those considered.

I too believe it important that public service advice flow freely to ministers’ offices, in accordance with long-standing practice. Sir John Bunting wrote of Menzies, "... his practice was to urge his new ministers to get to know their departments and the people in it, to look for their advice and, without being enmeshed in it, never to act without taking it into account".

In the charter letters I send to ministers when they are first appointed, I stress the importance of ministers establishing relationships of trust and confidence with their departments, while requiring ministers to make decisions on the basis of their own informed judgement and to accept responsibility for the policy directions and outcomes that result.

I mentioned just now ministers’ personal advisers as one of the sources of advice to government. This is yet another matter about which commentators from time to time express concern.

As you all know, since the 1970s the nature of private office assistance to ministers has changed quite fundamentally. Not only are ministers’ offices larger, but there is a public recognition that at least some of the personal staff are appointed because they share with the minister a common political philosophy and party commitments.

One of the pleasing observations I made on coming to government was that the tension I had observed between public servants and those newly developed offices of the late 70s and early 80s had significantly subsided.

I recall with some amusement from the time I was Treasurer, a reference by a then senior public servant to "meretricious players who flit across the private ministerial advisory stage". That was widely thought at the time to be a reference to Dr John Hewson and Professor John Rose, then respectively economic advisers to myself and the former Prime Minister.

In my opinion ministers deserve - and need - to have around them staff with whom they can properly discuss political issues and from whom they can receive straight political advice.

And I believe strongly that public servants should not be used in that way. Their role is different and they are all the more valuable for remaining, not unaware of or insensitive to the day-to-day political happenings, but separate from the need to give those happenings sole or even top priority.
There is now a mature acceptance of the different roles, and, with the absence of the past tensions, I believe a more effective working relationship exists.

It is, of course, open to ministers to employ public servants in their private offices so that a full range of skills - political and public service - is available. I currently have five public service advisers within my own office, among them my chief of staff, Mr Arthur Sinodinos.

Ministers are best served when they have alert and activist personal staff, a responsive and professional range of public service advisers, and a relationship between their personal staff and their department which is based on openness, co-operation and mutual respect.

While maintaining a distance from political decision-making, public servants have lost some of the anonymity that existed until the 1970s and the advent of Senate committees. That too is a function of our age. Shadowy, manipulative figures are not fashionable, especially when paid for from the public purse. The detail of administration is in any case an appropriate area for scrutiny by the Parliament. And the public service I am sure accepts that role as part of the government’s accountability to the Parliament, although it does throw them into the public gaze, and sometime a political limelight.

I am a very strong believer in the independence and supremacy of the Parliament, but the occasional "Christians 1, Lions nil" result can be pleasing. I recall Sir Geoffrey Yeend appearing once before a Senate committee examining proposed freedom of information legislation. Now, I suspect Sir Geoffrey was not the strongest advocate of the legislation, and I suspect too that the committee knew it. Sir Geoffrey, of course, would never have allowed a criticism of government policy to cross his lips, so it was a long, hard session. At the end of the committee’s day, one senator was heard to remark to another, "Now I know what it must feel like to bowl all day to Geoffrey Boycott".

This government certainly does not want a politicised public service. It does require people in key jobs to be delivering what the government wants and what it was elected to do.

I like to think Sir Robert Garran would be pleased that the public service has maintained its capacity to adjust to changing needs over the decades.

Overall, today’s public service is looking outwards far more than in the past.

It is looking more responsively at the needs of government.

It is beginning to work more closely with the private sector.

And it is accepting the responsibility of servicing individual members of the public in a highly efficient and accountable way.
No government "owns" the public service. It must remain a national asset that services the national interest, adding value to the directions set by the government of the day. The responsibility of any government must be to pass on to its successors a public service which is better able to meet the challenges of its time than the one it inherited. My government clearly accepts that responsibility.

I see no conflict between the notion of a modern and efficient public service with the best features of the business sector, and a public service with the traditional attributes of impartiality, honesty and professionalism.

It is a challenge, of course, to maintain such an institution. And government and public service managers must provide leadership to ensure that a flexible, outward-looking service does not lose sight of the principles which justify its special place among our institutions.

That is a challenge I am committed to meeting.