

Mr Steven Sedgwick
Australian Public Service Commissioner
Aviation House, 16 Furzer Street,
PHILLIP ACT 2606

Dear Mr Sedgwick,
Thanks for inviting IPAA National to share its views on improving Australian Public Service (APS) values.

Our thoughts on these matters were expressed in a submission to the Advisory Group on the Reform of Australian Government Administration (Nov 2009), the relevant chapter of which is attached to this letter. I draw your attention in particular to pages 9 and 10 which include five recommendations on public service values.

Having recently become National President I would add the following refinements to our submission.

Core Values

Page 8: *“There would...be unambiguous advantage in a markedly more concise statement based on pre-eminent themes concerning the distinctive role and responsibility of the APS”.*

The submission then proposes a simpler recapitulation of such values as follows:

The Australian Public Service is:

- *Professional and non-partisan, and openly accountable to the Parliament within the framework of Ministerial responsibility;*
- *Responsible for providing the Government and ministers with frank, fearless, comprehensive and timely advice, and for implementing policies expeditiously, efficiently, equitably, and economically;*
- *Staffed according to merit and equal opportunity, free from discrimination;*
- *Impartial in all its interactions with the Australian public, delivering services fairly, effectively and courteously;*
- *Honest and professional, with the highest ethical standards.*

For core public service values to be readily recognised and remembered I think this statement should be prefaced by a short pledge:

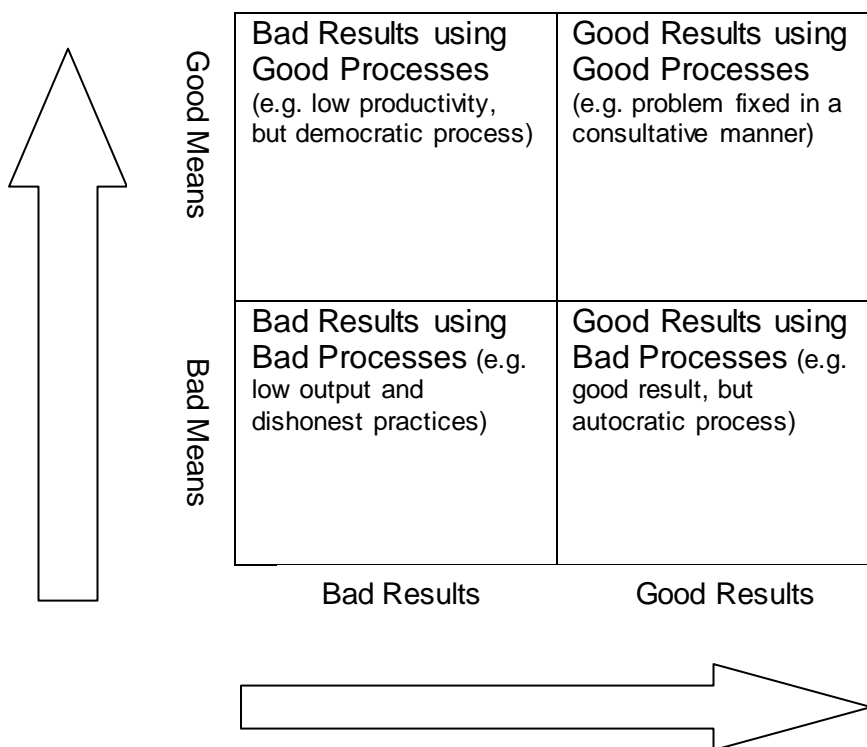
Public Servants must prize their integrity and accountability; integrity in the way they do things and accountability for the results they achieve.

While values are different to leadership, they each have a dual attribute when it comes to defining them.

Research shows that a good leader is one who gets results by motivating others to do things that they would not do of their own accord.

In other words leadership is not just about achieving the right ends (i.e. good results), but also using the right means (i.e. appropriate behaviour)¹.

Public service values like good leadership need to address both ends and means. This can be illustrated by a matrix:



For public administration, good means (i.e. processes) ensure integrity, a concept that captures a range of values including honesty, impartiality, objectivity and transparency.

By contrast, good ends (i.e. results) require accountability for outcomes such as the relevance, effectiveness, productivity and efficiency of the policy advice, regulation or public service provided.

¹ See David Ulrich, et al, Results Based Leadership, Harvard Business School Press, Boston, 1999.

Citizens expect public servants to both do the right thing (e.g. be impartial and honest) and achieve good results (e.g. deliver services that are relevant and effective). Hence public administration values if they are to change public servant behaviour for the better need to address the two core things that citizens expect – good means (processes) towards good ends (results).

Simply focusing on behaviours without results would reinforce a public perception that public servants want to be pure, but not servants. In other words above moral reproach, but not accountable to citizens for how well outcomes were achieved.

Highlighting these two dimensions (i.e. ends and means) might sound simplistic, but it is the nub of good government. Following this with words along the lines suggested in our submission would then reinforce the APSC's highly useful classification of relationships (government and parliament, public, workplace and personal traits) which are central to the practical application of values-based management.

These dimensions clarify the unique characteristics of the public service in each of these areas, distinguishing them from the political arm of government and from the private sector.

This is the maximum amount of detail that should be set out in legislation or regulations. Anything more would make the primary message too complex for either public administrators or their stakeholders (i.e. ministers, MPs, political staff, ordinary citizens, agency clients, fellow workers, etc) to remember and judge public service by.

Further elaboration should be left to guidelines which support teaching and applying the values. These can include illustrations of how (a) integrity in behaviour and (b) accountability for results affects each dimension of a public servant's interaction with others.

Scope of Values

Page 9: *"The effectiveness of the Values statement is also limited if their existence is known only to staff of the APS. Others who need an active knowledge of the APS Values are parliamentarians and their staffs. ministers and their staffs..."*

We should also recognise that it's difficult for public servants to accept and adhere to a set of values and a code of conduct unless ministers, politicians and their advisers and other staff also have an agreed set of principles to which they can be held to account.

Action on this front is needed by government, but the APSC is in a strong position to advise the Prime Minister to spearhead such an initiative.

Commercial Entities

Page 9: “...agencies now not under the Public Service Act should become so, and be bound by the APS values”

The general government sector which is largely funded by the taxpayer and typically enjoys an exclusive franchise in exercising its powers and tasks will require a different set of values to the government trading enterprise sector which is largely funded by charging its clients and which may be exposed to competition from other service providers.

Whereas general government sector agencies are required to deliver services in accordance with political directions, corporatised government business enterprises (GBEs) are required to deliver services in accordance with commercial imperatives. Some general government agencies have commercial units which are expected to behave like mini-GBEs.

Commercial operations by definition are not concerned with equitable social outcomes unless they are specifically subsidised to do so through community service obligation grants. Applying the Public Service Act per se to commercial entities which have been corporatized and are meant to behave like private enterprises could put them at a disadvantage to their competitors who operate under the Corporations Act and other regulatory requirements.

Social equity is a major consideration for general government agencies, but for GBEs and other public sector commercial entities to cross-subsidise customers or to undercharge them the true economic cost of their services would be contrary to their commercial charters and could undermine their competitiveness.

Nevertheless, being government owned such commercial enterprises should still exhibit high standards of integrity in their dealings with both suppliers and customers. The Uhrig Report offered the opportunity to pursue this through its recommended Statements of Expectations. This, of course, is particularly important for agencies and authorities outside the Public Service Act which are not GBEs. In their case, values might more closely reflect those in the Act.

Yours sincerely



Percy Allan AM
National President
31st July 2010