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PRIME MINISTER

ROYAL COMMISSION ON AUSTRALIAN GOVERNMENT ADMINISTRATION

9TH DECEMBER, 1976.

The Royal Commission on Australian Government Administration, under the chairmanship of Dr. H.C. Coombs, presented its report in July of this year.

In announcing the submission of the report at that time, I said that the Government would study carefully and give thorough consideration to the recommendations made by the Commission on the principles for more efficient administration. The necessary machinery has since been established for this purpose and decisions on recommendations will be announced progressively.

For purposes of our examination of the Commission's report, the Government decided that its recommendations could be grouped in five main categories on the following basis:

- (1) matters requiring Cabinet consideration, by reason of their implications or the likelihood of legislation being required if they were to be implemented
- (2) matters which relate to the subject matter of other inquiries, and which will need to be taken into account in the Government's consideration of the reports of those inquiries
- (3) matters relating to the allocation of functions among Ministries and to possible changes in administrative arrangements
- (4) matters having implications for particular Ministers and Departments
- (5) matters having implications for most or all Ministers and Departments, or requiring follow-up by the Public Service Board.

Action has been put in train in relation to each of the five categories. In particular, I have asked that Ministers let me have their views on the Commission's recommendations which have both specific and general relevance to departments and authorities under their control. I have also suggested that their consideration of the Commission's report could be regarded as a useful starting point for a wide-ranging examination of the efficiency and effectiveness of administrative procedures.

In response to my request, the Public Service Board has completed its initial examination of the matters specifically referred to it and I will shortly be announcing the nature of the further action which it has in mind.

The Government has now taken initial decisions on a number of the Royal Commission's recommendations.

The Government has approved in principle the Commission's recommendations for implementation of a system of efficiency audits. Officials have been asked to report on the details of how such a system might be implemented. The Government has also agreed that the Public Service Board should continue its management improvement functions, including efficiency and staff utilisation reviews, in general accordance with its present responsibilities under the Public Service Act.

The Government has also noted the particular significance which the Royal Commission attached to integrated forward estimates of both financial and manpower requirements. In this regard, I mention that the Government has previously agreed with proposals by the Treasurer that forward financial estimates should be collected for the three years 1977-78 to 1979-80. The development of the Department of Finance will enable these to be pursued with great vigour. The Public Service Board has also been progressively developing a comprehensive system of forward manpower estimates. Whilst noting the complexity surrounding many of the issues involved, and the Commission's view that development of a satisfactory process might take several years, the Government has decided that action should proceed immediately for detailed examination and report on the Commission's proposals.

A number of other decisions taken by the Government will, I am sure, be of interest to public service staff organisations. In particular:

- (a) We have authorised the Public Service Board to commence discussions with staff organisation, departments and statutory authorities, and in Joint Council (the joint consultative body presently operating under the Public Service Act) and to report to me on the manner in which the Royal Commission's recommendations both for expanding the jurisdiction of the Joint Council, and for creating consultative councils within departments and authorities, might be implemented.
- (b) Approval has been given for drafting to continue on legislation to give effect to changes in the disciplinary provisions of the Public Service Act, in accordance with recommendations which resulted from a review of those provisions by the Public Service Board, in conjunction with the Joint Council.

- (c) The Public Service Board has been asked to report to me as soon as possible on a number of Royal Commission recommendations relating to promotion processes in the Australian Public Service, after consideration of those matters has been finalised in the Joint Council and after the Board has completed all necessary consultations with staff organisation. The Government strongly supports the Commission's recommendations on promotion by merit.
- (d) The Government has agreed that the Public Service Act should be amended at an appropriate time to abolish the present 10% restriction on the annual intake of non-specialist graduate recruits into the Australian Public Service.
- (e) The Government has endorsed the view of the Public Service Board that the present distinctions between the Third and Fourth Divisions of the Public Service were becoming increasingly irrelevant and the Board has been asked to consult with staff organisations on possible changes in the divisional structure and to report to the Government.
- (f) The Board has also been asked to consult with staff organisations on the possible elimination of inappropriate distinctions between permanent officers and temporary employees in the present employment arrangements under the Public Service Act and to report to the Government.
- (g) The Board has also been asked to continue its detailed examination of the desirability of developing arrangements under which the whole or much of Commonwealth Government civilian employment would be treated as one entity for a number of purposes.

The Government has also accepted the Royal Commission's recommendation that a practice should be established permitting the Leader of the Opposition, before a general election, to confer with the Public Service Board and the Secretary to the Department of the Prime Minister and Cabinet, and permitting shadow Ministers to confer with the heads of relevant departments. Guidelines have been developed covering the conduct of these discussions and I have informed the Honourable the Leader of the Opposition of them. I seek leave to have the guidelines incorporated in Hansard.

The Government has also accepted the Royal Commission's recommendations that there should be guidelines governing the briefing of Members and Party Committees by Public Servants and the handling of requests for information by Members of Parliament to departments and authorities. The Government has endorsed draft guidelines for these matters and I have referred them to Members of the Government Parties. I am writing to the Honourable the Leader of the Opposition informing him of the guidelines endorsed so that he may do likewise with Members of his Party. I seek leave to have these guidelines also incorporated in Hansard.

In response to the Royal Commission's suggestion that greater attention is required to the provision of more realistic objectives for staff training and development activities, the Government has decided that all departments should be asked to review their overall arrangements in these areas. In the light of those reviews, the Public Service Board has been asked to review the nature of its own role in relation to training and personnel development matters and to report its findings to the Government by mid 1977.

The Government did not take up the Commission's recommendation that the special statutory provisions for the appointment of ex-servicemen in Section 47A of the Public Service Act be not re-enacted when the Act is amended. We do not believe that there should be any suggestion of a lessening of the Government's special concern for veterans who served their country.

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The Government has noted that the Commission highlighted the proliferation of Commonwealth statutory authorities, particularly in recent years. For its part, my Government endorses the Commission's conclusion in favour of adopting the departmental form of organisation for government agencies unless a clear necessity can be demonstrated for the functions concerned to be carried out by a body which is wholly, or in some desired way, separate from ministerial and departmental administration. In conformity with this approach, we have decided that formulation of broad guidelines for the creation of statutory authorities would be desirable. Accordingly, a working party of officials is to be established to prepare a guideline document as soon as possible for the Government's consideration. We would expect that the guidelines ultimately approved by the Government would be applied not only in circumstances where creation of a new statutory authority was being proposed, but also for purposes of assessing whether existing statutory bodies continued to satisfy the guideline criteria. This would not pre-clude Ministers from proposing particular structural arrangements where they felt there were worthwhile advantages to be gained.

As reflected in the terms of the decisions which I have now announced, my Government is conscious of the need for consultation with staff organisation on matters arising from the Royal Commission's recommendations which have major industrial relations implications. Such consultation will take place with the peak councils of the staff organisations and with other bodies as appropriate.

Legislation introduced recently on appointment of Permanent Heads of Public Service departments and on early retirement, followed the Government's acceptance of the main thrust of the Commission's recommendations on these matters.

Because of the wide-ranging terms of reference of the Royal Commission it was obviously not in a position to prepare detailed implementation plans for its recommendations. I believe that we have made substantial progress in our initial examination of the report and have set in train work to prepare such detailed plans. I have no doubt that, when implemented, these reforms will lead to a more efficient administration - a matter which should be of concern to all Australians.

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Guidelines for Pre-election Consultation with the Opposition

- (i) The pre-election period is to date from three months prior to the expiry of the House of Representatives or the date of announcement of the House of Representatives election, whichever date comes first. It does not apply in respect of Senate elections only.
- (ii) Under the special arrangement, shadow Ministers may be given approval to have discussions with appropriate officials of Government Departments. Party Leaders may have other Members of Parliament or their staff members present. A Permanent Head may have other officials present.
- (iii) The procedure will be initiated by the Leaders of non-Government parties making a request to the Prime Minister specifying the Departments involved. If he agrees, the Prime Minister will then put the arrangements in hand.
- (iv) The discussions will be at the initiative of the Leaders of non-Government parties, not officials. Officials will inform their Ministers when the discussions are taking place.
- (v) Officials will not be authorised to discuss Government policies or to give opinions on matters of a party political nature. The subject matter of the discussions would relate to the machinery of government and administration. The discussions may include the administrative and technical practicalities and procedures involved in implementation of policies proposed by the non-Government parties. If the Opposition representatives raised matters which, in the judgement of the officials, sought information on Government policies or sought expressions of opinion on alternative policies, the officials would suggest that the matter be raised with the Minister.
- (vi) The detailed substance of the discussions will be confidential but Ministers will be entitled to seek from officials general information on whether the discussions kept within the agreed purposes.

GUIDELINES TO APPLY TO APPEARANCES BY PUBLIC
SERVANTS BEFORE PARTY COMMITTEES

1. Ministers may authorise officers of their departments to appear before Government and Opposition Party Committees to provide briefings or background material on Government or ministerial decisions and proposals, including details and/or explanations of proposed legislation.
2. Briefing of this nature will be authorised on the principle of promoting the freest possible flow of factual and background material to permit informed consideration by the committees and parties concerned of the issues involved, consistent with preserving the necessary confidence of Government and maintaining the traditional political impartiality of officials.
3. Committee requests for briefing in the above terms will be directed to the Minister concerned. If he agrees, the Minister will authorise his department to put the necessary arrangements in hand. It will also be open for a Minister himself to initiate proposals for briefing of committees, where he considers this to be desirable.
4. Officials will not be expected or authorised to express opinions on Government policies, policy options or matters of a party political nature. The discussions may however include administrative arrangements and procedures involved in implementation of the proposed policies or legislation.

5. If matters are raised which in the judgement of officials seek expressions of opinion on Government policies or on alternative policies, the officials would suggest that the matter be raised with the Minister.

6. Where considered necessary or desirable, Ministers may elect to be present at discussions with Government party committees, to deal with questions of a policy or party political nature.

7. Where the Minister does not attend the committee proceedings, he will have the right to be kept informed by officials of the nature of the discussions and of any matters not able to be resolved by the officials to the committee's satisfaction.

8. Where an official considers that questioning by a committee goes beyond the authorised scope of the briefing arrangements, he should so indicate to the committee, and before answering will be at liberty to raise the matter with his departmental head and the Minister, and if he so desires, with the Public Service Board.

Guidelines Relating to Access by Members
of Parliament to Public Servants

- (a) Much will depend on the nature of the request. There will, for example, be occasions when a request by a Member of Parliament amounts to no more than a request for available factual information equivalent to any request from a member of the public. In these circumstances, the information should obviously be provided;
- (b) there will be other occasions when the request is sensitive, or where answering it would necessitate the use of substantial departmental resources. In such cases, it would be appropriate to suggest that the member write to the Minister requesting the information;
- (c) the officer should, as appropriate, inform his Permanent Head or Minister of a request for information and of the outcome;
- (d) care should be taken to avoid unauthorised disclosure of classified or otherwise confidential information, for example, where a breach of personal or commercial privacy could be involved.