

# 1. Yes, minister—the privileged position of secretaries<sup>1</sup>

Roger Beale

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## Departmental secretaries

Early in my career I was lucky to be taken under Sir Frederick Wheeler's wing as one of his 'young people' when he was Chairman of the Public Service Board. As a result I was privileged to observe in action many of the great post-war figures of Australian public service – Wheeler himself, Wilson, Crawford, Randall, Tange, Bunting – as well as some lesser-lights such as Donald Anderson, Lenox Hewitt, Crisp and so on. Coombs I only saw at a distance.

I have met every secretary over the last thirty years or so, and worked with many of them. Against this background I wish to comment on some of the currently fashionable criticisms they attract – that today's secretaries are just a shadow of the post-war greats and that as a result of the changes in tenure that started in 1984 and were sharpened in the mid 90s we have become politically supine and led our departments down the same path.

In reality we have all heard these criticisms on and off for nearly twenty years now. Of course the great men – sadly no women – of the post-war period (Wilson, Wheeler, Tange and their ilk) were formidably bright, tough as old boots and firm in their dealings with ministers. But we forget a few things. First, for every Alf Rattigan at the Tariff Board courageously trying to open up the Australian economy there were senior public servants in industry, trade, agriculture and labour trying to perpetuate the web of protective tariffs, centralised employment

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<sup>1</sup> This speech was delivered in March 2004 at a function organised by the Department of Environment and Heritage.

With the benefit of hindsight

arrangements and regulations and subsidies; for every Wheeler trying to get a better deal for women and promote the entry of graduates in the public service there were senior colleagues trying to hang onto the preference for returned soldiers, the limits on the proportions of graduate entrants and to oppose the lifting of the marriage bar.

Second, while it is true that many secretaries exercised a great deal of personal power, this was often done in a way that was imperious rather than democratic. It is not surprising that first Whitlam and then Fraser believed that some key parts of the bureaucracy failed to engage with policies for which the Prime Minister had a clear democratic mandate. Both parties demanded greater policy responsiveness from the public service – but this should not be confused with being supine. As Sir William Cole put it, ‘It is your duty to argue – once is essential, twice if the issue is important, but three times or beyond it begins to sound like nagging.’

Finally, I would suggest that those great men of the post-war public service were also great haters and great players of time-wasting, self-indulgent bureaucratic games. Inter-departmental warfare was rife and personal feuds carried out over decades abounded. Anyone who drafted letters for Wheeler or Hewitt would have understood the disregard they felt for each other and the way that it was allowed to spill over into public administration. And they were not alone. John Stone was a late and particularly bizarre manifestation of this weakness.

The system had to change – and it did. We should honour the great men of the past. But let us keep this in perspective. The current and immediately past generation of secretaries and agency heads, which at last contains a share of talented women, is undoubtedly on the whole better educated, harder working, much more inclined to take a whole-of-government view of issues rather than a narrowly departmental one and are far more interested and capable in management than many of their illustrious predecessors.

On the question of politicisation of advice as a result of tenure shifts, I think this too has been overemphasised. In the areas I have worked in – the economic, industry and environmental – I have been impressed not just at the quality of the advice provided by secretaries but also their willingness to provide it even when it would not be welcomed. That has not changed over the years.

While analytical and emotional intelligence, together with education and drive are all of importance, a certain degree of toughness and moral independence is part of every successful secretary’s personality. These are not people to easily push around. People try – senior colleagues, lobby groups, some ministers and even prime ministers at times. But from my observation this is little different now from over the past 30 years, and the success rate is not, from my observation, any higher.

In some senses secretaries and their senior departmental colleagues are in a privileged position. Their advice is provided in private, sometimes orally, and their views are not usually referred to as justifying government policy decisions – and any sane government wants to get plain, unvarnished advice in camera, even if it decides to ignore it. The corollary is that secretaries have to be very careful about their public presentation – they need not to be seen as either advocates of government policy, nor of course to inadvertently or otherwise criticise it.

Over the years, the biggest risk to the provision of straightforward advice has always arisen not from fear but from the desire to be liked by our political masters, loved by an external constituency or to push a personally preferred policy line. Those have always been, and always will be, temptations for those advising the powerful.

## **Economic modelling**

One issue does worry me however, and that is the way in which economic modelling is sometimes commissioned and used. From a professional economist's viewpoint, the almost mythic power ascribed to economic models in public policy discourse is puzzling. Even good models are only as useful as the input assumptions allow them to be – and sometimes I have seen these used to distort rather than illuminate public policy debate.

Models should play an important role in thought experiments about policy choices and alternative instruments. But far too often in public debate they are used as weapons of offence and defence – usually, not by those who produce them, and often by those who do not really understand them.

The focus is placed on a single number – the cost or gain to GDP – on a single set of assumptions. This is 'dumbing down' of the public policy debate. This problem is not restricted to economic modelling as anyone who has followed the climate change science debate or that on genetically manipulated organisms will understand – it is very easy to fall into the trap of failing to mention uncertainties and assumptions that are often clearly spelled out in the source papers, or to confuse scenarios and projections with forecasts.

Expert advisers should always set out clearly and prominently their assumptions and their sources so their reasonableness can be judged, as well as any inherent error margins in the analytic techniques used and the sensitivity of results to all of these. This should be very explicit in the executive summaries of the advice so that it is not easy to 'cherry pick' the conclusions that are preferred without being equally aware of the cautions and limitations.

## **Ministerial responsibility and the tenure of secretaries**

These problems are not new or particularly associated with secretaries, or even necessarily the public sector. They certainly do not flow from the changes in tenure at the top. But the reduction in tenure and the increase in personal accountability for secretaries does have its downsides. There is a real risk that the old myth of strict ministerial responsibility for egregious administrative and policy blunders is in the process of being replaced by an actual strict secretarial liability for departmental error.

This is perhaps more pronounced at the state level than the Commonwealth, but the progressive decline in the time in office of secretaries over the last 30 years is worrying – particularly if the focus is on the time which a secretary is given in an individual department. You simply cannot provide the longer-term planning, staff development, budgeting and change management that are critical to high performance if you are only chief executive for two to three years – five to seven is often needed. Perhaps we ought to be thinking of five years being the normal term, and more ordered and deliberate processes for considering the removal of secretaries perceived to be underperforming.

## **Ministers**

But enough about secretaries. Ministers get a raw deal from the press and the public; an unjust deal, in most cases at least. I have worked directly to 25 ministers and one prime minister. The vast majority of these have been talented, hard working and decent. Some have lacked one or other of these qualities – but there is only one I can think of who lacked all three, and I am not going to disclose who he was!

Of course it wasn't Robert Hill or David Kemp. In different ways I have had a relationship with both Robert and David that I have treasured – just as I did in earlier times with Bob Collins and John Dawkins. I thank all the ministers I have assisted in the past for the privilege of working to support you in this great democratic adventure.

## **Wheeler versus Westerman**

Wheeler, when Chairman of the Public Service Board, had a long running dispute with Sir Alan Westerman, Secretary of the Department of Trade and

Industry (and by implication with Black Jack McEwen the Deputy Prime Minister and leader of the Country Party) over whether the Department of Trade should get an additional special high level staffing position. Eventually Menzies wrote to Wheeler asking him to attend a cabinet meeting to explain the Board's refusal to provide it – noting that Westerman, Bunting and Randall would be present. Wheeler refused Menzies' invitation to attend cabinet on the grounds that it would be improper for the board to appear to be 'hailed' before cabinet in the presence of its secretary peers and suggested that the Prime Minister might instead care to call on the board instead. This was the last folio on the file and Trade did not get its high level position – much to the satisfaction of the Treasury.

## Secretaries and democracy

Speaking of which – there is nothing more democratic than accompanying your minister on a visit to a key part of the department's constituency. We used to do that more often in the days before MoPs' act staff. For example when I was running the growth centres program under Kevin Newman I went with him to Albury-Wodonga to open the Uncle Ben's Pet Food Factory. That was fine. Then we went to the Boomerang Hotel where he was going to give a speech I had written to the Chamber of Commerce. Air conditioning hadn't reached that far yet – they just had big fans and open windows – with gentle breezes blowing from the abattoir holding pen across the road.

Anyway he got up to speak. He didn't trip, clearly pulled the right speech from his pocket and was well away. I had a carafe of red wine and relaxed. In fact I drifted off to the gentle drone of the blowies and the buzz of the minister. Then I woke up with a feeling that something was terribly wrong. The speech was going on for far too long. Then I realized that somehow he had started again from about page two. And just after that he realised what he had done. He began to stammer, thump the table and say things like 'as I say again for emphasis' while he worked out how to bring it to an end. Kevin in fury was a horrible sight – puce face, straining buttons, froth on the lips – and he came across, pointed and said 'this is your fault – you should put 'THE END' at the end.' 'Yes, Minister', was my reply.

Finally, if I were a young person would I do it all over again? Unequivocally yes. It is not an easy life, but it is immensely rewarding. There are frustrations, there is scrutiny, there is more competition for the ear of ministers – but it is still a huge privilege to be part of our national democratic life.