

# 13. A road less travelled – reflecting on three professional pillars of support<sup>1</sup>

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*In 1981, Michael L'Estrange joined the Department of Prime Minister and Cabinet, having studied at Oxford University from 1976 to 1979. From 1989 to 1994 he worked for several leaders of the opposition in a range of policy advisory positions. In 1995, he was appointed the inaugural Executive Director of the Menzies Research Centre in Canberra. In 1996 he was appointed Secretary to Cabinet and Head of the Cabinet Policy Unit, a position he held until becoming Australia's High Commissioner to the United Kingdom in 2000. He served as Secretary of the Department of Foreign Affairs and Trade from 2005-2009, and was appointed Director of the ANU National Security College upon his retirement from the Australian Public Service.*

This perspective on my years as Secretary of the Department of Foreign Affairs and Trade from 2005 to 2009 is more a brief personal reflection than any attempt at a thorough-going assessment of the professional relationships and decision-making processes that shaped the carrying out of my responsibilities in that period.

It is inherent in the positions departmental secretaries hold that many personal confidences are entered into with the expectation that they will be respected in both the short and longer term. Departmental secretaries are involved in many frank and sensitive exchanges of view, often leading to significant policy or administrative outcomes. The context in which those exchanges took place, and the relationships of trust that underpinned them, also need to be respected over time. In this context, I believe that senior public servants have an ongoing and particular responsibility. It is not a responsibility that prevents or should inhibit them, if they so wish, from systemic analyses of public administration and how it can be improved. It is, however, a responsibility that demands respect for the professional relationships of trust and confidence in which they were involved.

In my view, this ongoing responsibility of senior officials is of a different order to that applying to elected decision-makers and representatives. Those who are elected to public office campaign on a commitment to pursue particular policy

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<sup>1</sup> This essay was provided in 2011 at the invitation of the editors. Michael L'Estrange did not make a valedictory speech upon his retirement in 2009.

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priorities; they work to implement them; and they are judged at the polls on their actions. Some choose, and are fully entitled, to provide their perspectives on deliberations that led to particular policy outcomes when they were in office. Senior officials have different entitlements and constraints in this respect because of the different roles and accountability that they have.

In this brief retrospective, therefore, the insights that I give into the role of being a departmental secretary do not lie in revealing confidences or the internal deliberations that led to particular outcomes. Nor do they lie in re-fighting old policy battles, or exhuming the bones of administrative actions long ago. They lie more in focusing on the broad challenges I encountered as secretary, the pillars of support I valued most in meeting those challenges, and the inherent strengths of the department I had the honour to lead. This focus also embraces some reflection on a number of important administrative matters which encompass the Australian Public Service generally, and the contours of which have changed significantly over recent years.

It was Robert Frost who wrote:

‘Two roads diverged in a wood, and I –  
I took the one less traveled by,  
And that has made all the difference.’

I came to the position of Secretary of DFAT in January 2005 by a ‘road less traveled’. That was not a deliberate choice with any particular destination in mind. It was a product of chance, circumstance and opportunity. Its route, staging posts and end point were anything but pre-determined. Unlike most secretaries of DFAT, I was not a career departmental officer. I brought to the position of secretary a different kind of background. It was one associated with the work of DFAT officers and with the issues on which they were focused. It was not one with as deep an immersion in the ways and structures of the department as most of my predecessors had experienced over a much longer period of time, but it was a background that reflected a different range of institutional perspectives on Australian foreign policy and its processes.

The background I brought to DFAT included broad experience on foreign policy, defence and national security issues as an officer of the Australian Public Service (in the Department of the Prime Minister and Cabinet), as a Policy Adviser in the Office of the Leader of the Opposition, as Secretary to the Cabinet (1996-2000) and as High Commissioner to the United Kingdom (2000-2005). This was a background that reflected a range of different involvements with foreign policy issues and relevant institutional architecture at official, parliamentary and executive levels. It also included the practical challenges of leading one of

Australia's largest diplomatic missions overseas (in the United Kingdom) during a period of significant international crisis generated, in particular, by the global reach of terrorist networks.

In the future, 'the road less traveled' of the kind that I followed may be a less uncommon route to positions of departmental leadership than what it has been in the past. That may well be the case because the next and subsequent generations of leaders in the Australian Public Service, together with their colleagues in the non-government sector, are likely to be more diverse in the breadth of their individual experiences, more determinedly mobile in their employment preferences, and skilled in a more adaptable way.

The skills needed to be an effective DFAT Secretary (or indeed an effective secretary in any other department) are not exclusively cultivated in DFAT, or in the APS more generally. The skills necessary include a genuine belief in, and practical commitment to upholding, the values of the APS. They require subject matter knowledge, judgment, policy vision, attention to administrative detail, decisiveness and integrity. Those skills also need to combine an institutional empathy with an embrace of change that will make the institution a more productive one. In particular, a DFAT Secretary needs to understand the department's distinctive evolution and to identify with the day-to-day challenges that its officers (and their families) face, particularly those relating to the diverse and demanding operating environments in which those officers are required to carry out their responsibilities. A DFAT Secretary needs to know the difference between traditions that give enduring institutional strength and those that entrench outdated thinking and inefficient practices. And he or she also needs to stand up for the department's interests and its record without rationalising its inadequacies and shortcomings in particular instances.

These skills and attributes of leading a department such as DFAT can certainly be developed within DFAT's own career structure. But that is neither necessarily nor always the case. Those skills and attributes *can* be developed and honed outside DFAT, and applied effectively within it. Although others will make their own judgments, my own experience at DFAT was that I never felt my background inhibited my capacity to carry out the responsibilities of the position. I felt welcomed in DFAT from my first day as Secretary, not least because of my involvement on foreign policy issues over a lengthy period, because of the working relationships I had developed with many DFAT senior officers, and because of the particular departmental connections I developed in my four-and-a-half years as High Commissioner in London. I also enjoyed a strong sense of support from, and professional camaraderie with, fellow secretaries in the APS and with senior officers of other agencies and departments. I certainly never felt

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any sense of being put – even implicitly – in a different category to others who had risen to positions of APS seniority in different ways and through different backgrounds.

A DFAT Secretary's role is one which brings him or her into constant contact and interaction with departmental officers (in Canberra and at overseas posts), with officers of the APS more generally, with ministers in the Australian government, officials from other countries as well as leaders in business and non-government organisations. Yet for all this interaction with others, there are responsibilities that a departmental secretary alone needs to assume. They include being ultimately accountable for overall organisational effectiveness and efficiency. At DFAT, that responsibility and accountability entailed final judgment calls on policy advice and implementation, on administrative arrangements and on decisions relating to career development of departmental officers. These responsibilities are some of the inevitable consequences of organisational leadership but they are no less demanding, consuming and sometimes lonely because of that.

For a Secretary of DFAT, these leadership responsibilities have some added complexities. In organisational terms, DFAT is relatively small in scale but it is complex in administrative and financial terms – operating, as it does, in many parts of the world, being subject to the laws of countries in which Australian diplomatic posts operate, employing a significant number of locally engaged staff in those countries, and being responsible for the Australia-based DFAT staff and their families who are deployed overseas.

In addition to its administrative and financial complexity, DFAT has policy responsibilities that engage diverse and critically important aspects of Australia's international interests and that include the provision of a range of services to the Australian community. Those services include the issuing of passports, the availability of consular assistance to Australians in difficulty overseas, and the responsibility for up-to-date advice to Australians travelling to particular countries.

Meeting these policy and management responsibilities provides ample scope for sleepless nights. But they also offer an extraordinary opportunity for service in the national interest as well as for personal and professional challenges of a uniquely demanding kind.

It is critically important that secretaries bring to the fulfilment of their responsibilities an understanding of departmental work cultures, policy challenges and management issues as well as an awareness of important APS-wide issues generally. But that understanding and awareness can be acquired in more ways than one. The true bedrock quality that a secretary needs to bring to his or her responsibilities is not an exclusively departmental or APS-focused

career background but far more a deep, abiding and practical commitment to the values and purposes of the APS itself, and to the principles of public service more generally. Those principles include an apolitical responsiveness to the priorities and decisions of the elected government of the day.

In this context, as in most things, it is a balanced approach which is needed – and such an approach has clearly been adopted over time. To have a majority of ‘external’ appointments to senior APS positions of leadership would be as unrealistic and inappropriate as an internal APS ‘closed shop’. The challenges that face public administration and public policy generally in Australia demand as broad a talent pool to draw on as possible, and that reality will only become reinforced over the period ahead.

In addressing the policy and administrative challenges I faced as Secretary of DFAT, there were three professional pillars of support that made a critical and positive difference.

The first lay in the Foreign and Trade ministers for whom I worked – Alexander Downer, Mark Vaile and Warren Truss (2005-2007) and Stephen Smith and Simon Crean (2007-2009). I valued the different but very productive professional interactions I had with each minister. I found them all, each in their different ways, constructively demanding of the department in terms of standards, policy rigour and administrative effectiveness. Though each operated in his own particular framework of policy priorities, I found all of them encouraging of new departmental thinking on foreign or trade policy issues that reached out well beyond those priorities. Obviously, not all of that new thinking progressed to the next stage of the policy development process but all of it received due ministerial consideration. The fact is that, like other policy advice, foreign and trade policy advice is highly contestable within government and beyond it. A secretary is wise to recognise that fact, to encourage departmental openness to and development of new thinking (lest such thinking become the preserve of others), and to have considered views on those elements of new thinking judged to be unwise or impractical as policy alternatives.

Where there were uncertainties or areas of imprecision, I felt I could raise such matters openly and frankly with portfolio ministers with a well-founded confidence of having them addressed directly, and clarified for the purposes of policy implementation by the department. From my perspective as Secretary of DFAT, the professional relationships that I enjoyed with each of the ministers for whom I worked were indispensable assets in the carrying out of my responsibilities. I valued that support greatly, knowing that such productive professional relationships are critical for the effective management of complex organisations.

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In my role as DFAT Secretary, I found a second critical pillar of professional support in the quality and commitment of DFAT officers themselves. As a young officer in the Department of the Prime Minister and Cabinet in the early 1980s, I recall being very impressed (perhaps overly so) by a comment made by the department's then Secretary and one of Australia's truly great public servants, Sir Geoffrey Yeend, about prevailing stereotypes of his department, particularly 'its alleged struggle for supremacy in the economic or welfare or foreign policy field or somewhere else'. Sir Geoffrey wrote that officers in the department responded to such depictions with 'a tired smile'.

I often felt the same kind of response to stereotypes of DFAT over recent years. That is not to say that all criticisms of DFAT were based on misunderstandings. DFAT always had lessons to learn from particular experiences as well as from its own mistakes. It needed to remain committed to continuous improvement as an organisation, and not to defensive rationalisation of shortcomings where they existed.

One of the real challenges of leading an organisation like DFAT is to weigh carefully the criticisms made by others but also to distinguish those that identify genuine inadequacies from those that rely more on assumption and caricature than substance. In my view, for example, those who argued that DFAT had been forced to become consumed with process at the expense of substance, or that it was disproportionately focused on functional tasks to the neglect of immediate and longer term policy creativity, significantly misrepresented the department's activities. Such criticisms simply do not reflect the reality of the output that DFAT produces on a day-to-day basis: whether it be in terms of policy advice and policy-relevant reporting from posts to portfolio ministers, or responses to topical issues, or potential policy initiatives, or input to ministerial speeches, or briefings for important meetings, or draft cabinet submissions, or comments on other cabinet business brought forward by other ministers.

The functional workload for DFAT is significant and important. Meeting those responsibilities did not require the department to abandon or seriously degrade its other policy-related roles. The fact is that the stereotype of a DFAT narrowly focused on limited functional activities does not reflect in a realistic way the full range of what DFAT actually does. This is particularly the case in relation to DFAT's reporting to its ministers on the implications of the forces of change affecting Australia's international interests, particularly the changing power relativities among states, the challenges and opportunities of economic globalisation, the constraints of sovereign decision-making, the limits of multilateralism, the changing dynamics of bilateral, regional and global diplomacy, but also many other issues. To claim that DFAT's functional responsibilities had somehow become a substitute for these wider policy-related responsibilities would be both inaccurate and ill-informed.

Some of the stereotypes to which I refer had their roots less in the reality of what DFAT officers actually did and more in the perceived implications of DFAT's relative decline in budgetary resourcing – relative both to some other Commonwealth agencies and to benchmark countries internationally. The claim that, with additional resources, DFAT could do more in more parts of the world was plainly true. The real issue, however, lay more in how such additional resourcing could be accommodated within the Commonwealth's overall fiscal framework, and how it would add net value to achieving progress on the government's foreign and trade policy priorities. What was plainly not true, in my view, was the claim that, with prevailing levels of financial resourcing, DFAT could not effectively carry out its responsibilities. Prioritising certainly became more important. Pressures on particular departmental areas did need to be carefully managed. The limits of departmental capacities did need to be explained, including at times to ministers. But the claim that existing resource allocation prevented DFAT from carrying out its responsibilities effectively was not, in my view, a sustainable one on the evidence of what the department was actually producing for the government (not all of which was publicly accessible).

I have never subscribed to the view that Australia has experienced a lost 'golden age' of public service. Public administration faces many very different challenges to a generation ago. It is addressing them in often very different, and certainly less hierarchical, ways. But in my view it is doing so no less effectively.

Similarly, I do not subscribe to the view that DFAT has witnessed the demise of its own 'golden age'. Perspectives on the past can become very selective, idealising it beyond the facts and sometimes beyond recognition. Diplomacy in the past served Australia's national interests with high professionalism and great effectiveness. But it operated in a very different environment to current realities – different in terms of public accountability as well as contestability within and outside government. The Australian diplomacy of the past operated in a context in which foreign policy and domestic policy were more starkly demarcated than they are today, and in which foreign policy was far more compartmentalised within government advisory and decision-making structures. The interests of Australian foreign policy were generally more precisely identified and more narrowly pursued. Community expectations of Australian diplomacy were, in general, judged by less precise, demanding and informed standards than they are today. The involvement of non-government organisations was less apparent. Media coverage was less intense and questioning. The Australian Public Service generally, and Australian diplomacy in particular, operated in more labour-intensive ways. They also operated in a world in which international news coverage was narrower and in which access to international communications was far less easily accessible for most Australians.

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These and other factors make comparisons between the character and operations of Australian diplomacy in different eras complex, and sometimes misleading. In relation to skills, for example, modern Australian diplomats are, in my view, certainly no less impressive than they were in the past; their commitment is no less resolute; and their effectiveness is no less significant.

There have been claims made over recent years that DFAT officers, and the APS generally, are more compliant with ministerial perspectives than they were in the past, and less prepared to present contrary views. I've always thought such claims to be hollow. Certainly in my time as DFAT Secretary, I did not encounter a reluctance to convey views candidly to ministers. I cannot make personal comparisons with departmental practice from 20 or 30 years ago because I do not have personal experience of such practices. But on the basis of the accounts of others and my own knowledge of contemporary practices, I do not believe that a massive backsliding from fearless policy advice to a culture of compliance is, in any way, an accurate description of DFAT's evolution.

The calibre, attributes and high professionalism of DFAT officers – whether in Canberra, around Australia or at posts overseas – are vital assets in advancing Australia's national interests. They embodied a capacity that I constantly valued and relied on, and without which I could not have begun to fulfil my responsibilities as Secretary.

A third vital pillar of professional support in the carrying out of my responsibilities as DFAT Secretary was the practical sense of belonging to a wider APS network. This was a great source of advice, comparison and professional support. I derived real benefit not only from 'bilateral' interaction with senior officers in other departments but from the 'multilateral' discussions at leadership levels that also took place on the challenges that the APS faced – short and long term – and how the future of the APS needed to adapt in order to respond to those challenges.

This kind of interaction with senior APS officers covered a wide spectrum of issues. It provided a useful point of reference in benchmarking DFAT's performance and planning. It generated real insights into important aspects of public policy development and the quality of public administration. It facilitated much valued networks of wise counsel, sound advice and insights from long experience. This was the important broader context of co-operative and collaborative APS leadership in which the focus on some familiar particular issues needs to be set.

For almost two decades, contract employment for secretaries has been a focus of debate, not least among secretaries themselves and those aspiring to such leadership positions. During my period as DFAT Secretary, my sense was that the intensity of this debate was diminishing, that the prospects of a return to

‘permanence’ for secretaries were (quite accurately) seen as negligible, and that it was the terms of contract employment, and not the issue of its appropriateness, that focused attention.

Performance pay for secretaries, and for the wider APS, was also a point of contention for some. I respected and understood their views, but differed in important respects from them. Performance pay, in my view, has never fulfilled the best hopes of its champions or the worst fears of its detractors. It is not some brooding presence that shapes professional responses on a daily basis. I strongly believe that secretaries make calls on the basis of their knowledge, judgment and integrity, and not the prospects for their performance pay. Their departmental role is reviewed in a performance pay framework but that framework does not shape the decisions that secretaries make on a day-to-day basis, nor the ministerial advice they give. That was certainly my personal experience in my time as DFAT Secretary, and how I saw others approach their responsibilities. By the time in their careers when individuals become Secretaries, they are prepared to back their own professional instincts, experience and values as they are applied to contemporary challenges. And they are also prepared to accept the consequences of their actions taken in that context. I share Peter Shergold’s view that the provision of frank and sometimes unwelcome advice by secretaries to ministers is a question of character, not of contract.

The issue of performance pay in the Australian Public Service more broadly (which goes back over 20 years) is a complex one. There are many variations in its application across departments and agencies, and there is ongoing debate about its consequences for organisational coherence and effectiveness. There are many ways other than performance pay to provide APS officers with career advancement, or teams within departments and agencies working on particular issues with special recognition. In my view, these mechanisms and incentives other than performance pay are going to have increasing attraction in the period ahead.

The progression from ‘turf wars’ and sectional bureaucratic interests to greater collegiality focused on whole-of-government priorities has been the defining characteristic of change in the Australian Public Service over recent times. DFAT has been deeply involved in that process, as other agencies and departments have developed their own international priorities, linkages and presence, and as many of the old barriers between domestic and foreign policy have broken down. In this evolution, a next phase for DFAT (and for a range of other departments and agencies) is the development of a national security community, and the new linkages, interaction, coordination and collaborative leadership that it will encourage. This development will entail significant institutional change. Knowing the calibre of DFAT as an organisation as well as the attributes and adaptability of its officers, I have no doubt that it will meet those challenges and opportunities to the advantage of Australia’s national interests.