

## Overview

Under s.10(1)(a) of the *Public Service Act* 1999 (hereafter referred to as the *Public Service Act*) the Australian public service (the APS) is required to be ‘apolitical, performing its functions in an impartial and professional manner’. Under s.10(1)(f) it is required to be ‘responsive’ in advising government and in implementing its policies and programs.

In recent times—but not, certainly, for the first time in recent Australian history—doubts have arisen about the ability of public servants to maintain the balance between these functions. Much has been written about a perceived politicisation of the public service. Two separate, but interrelated, sets of circumstance have fed these debates. The first of these is a cluster of events at the political level, in which the role of Australian public servants has been criticised or questioned. The second is the introduction into the public service of new models of organisation, administration and behaviour, known collectively here as New Public Management or NPM.

Though the implementation of NPM has been tailored by different governments to their differing requirements, its underpinning principles have been broadly supported by Australian political parties since its emergence in the 1980s. The overall aim of NPM is to make the public service more flexible and efficient, and more responsive to government. Key components of NPM at the Commonwealth level in Australia have included making the work of public servants contestable; the introduction of performance management, including individual performance assessment and pay; the devolution of centralised managerial controls to individual agencies; the restructuring of public sector industrial relations according to contract-based models; and the outsourcing of service delivery to third-party service providers (including profit-based and not-for-profit entities). Most people working within and writing about the public service during the implementation of NPM reforms have accepted that these disciplines have improved its flexibility and efficiency. However, the disciplines associated with NPM have also provided the means to reshape relations between government and the public service in less benign ways.

The aim of this monograph is to analyse a number of key NPM systems with regard to their involvement—individually and in aggregate—in such changes to the relations between government and the public service. It is thus about the expression of public service governance and frameworks in the Australian body politic rather than about how the public service has operated in specific recent events. It is focused on the public service at the Commonwealth level, although this does not mean that a similar analysis of state public sectors could not be undertaken.

The overall conclusion is that the NPM reforms have been internalised by the public service in ways that leave it much less protected against pressures towards politicisation than in the past. This is not to deny its increased efficiency<sup>1</sup> nor does it mean that it is necessary to turn back the clock and undo what has been done in the interests of public sector reform. There are, however, ways of recalibrating the drivers of the system so that public servants are better able to distinguish their role from that of ministerial advisers. Some of these issues and options are considered in chapter seven.

## ENDNOTES

<sup>1</sup> See, for example, Public Service and Merit Protection Commission, *Re-engineering People Management: From Good Intentions to Good Practice* (Canberra, 1997), Ch. 1; <http://www.apsc.gov.au/publications96/reengineering.htm>, viewed 14 Feb. 2008; Australian National Audit Office Audit Report, *Managing People for Business Outcomes: Year Two, Across Agency*, ANAO Audit Report No.50 2002-2003 (Canberra, 2003), part of a longitudinal study of the effectiveness and efficiency of all aspects of people management in 13 agencies, covering some 36% of APS employees. The study assessed each people-management practice area against four criteria: quality, HR integration, effectiveness and efficiency, and business contribution.