

PUBLIC MANAGEMENT FORUM

DECADE FOR DEBATE*

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Garran, the 1890s and the 1990s

The first task for a Garran Orator is to choose a subject that will be seen to be appropriate because of its relevance to the prevailing climate of public administration. I say the prevailing climate because, as events of the past months have demonstrated, the climate can change rapidly: as a former editor of the Institute's Journal reminded us not so long ago, there are "fads" in public administration that come and generally go on a regular basis (Painter 1988).

It is popular today to speak in terms of "towards 2000" or "towards the third millenium", and of the challenges of the last decade of the twentieth century. These challenges will be many but probably they will be no more demanding than the challenges of the decade 1890-1900. That decade was a tumultuous decade in the history of Australia as the colonies debated the issue of federation — the whys, hows and whens of bringing about the constitution of a single Australia.

As we move towards the celebration of the centenary of the federation of Australia, I believe that it is appropriate that we focus attention on the issues that need discussion and debate during the decade ahead so that we may emerge as a stronger and better nation for the celebrations of 2001. I have thus chosen "Decade for Debate" as the title of this oration. The subject also seems to me to be an appropriate one for a Garran Oration delivered in Tasmania. One of the major issues a century ago was how the smaller states were to be protected in the new federation, and representatives from this state were skilful in their arguments to ensure such protection. In

regard to Senate representation, some would argue indeed that they were too skilful and too successful. In this decade where commonwealth-state relations are to be subjected to extensive review, you will need equally skilful representatives.

I chose this subject in April, after the federal elections when there appeared to be a serious lull in public debate. Then I had five weeks in Europe where the intensity of public discussion on major European matters was striking and I returned feeling that the lack of such debate in Australia was a debilitating factor in our national development. Many issues that are raised in the public arena in Australia appear to be quickly despatched without much analysis and almost killed before any decent discussion gets under way. That was how I saw the position in June, but since then there has been a ferment of activity that has given the lie to those earlier impressions. A close analysis of both print and electronic media shows that many issues have been the subject of both keen and sustained debate and this reflects credit on those responsible.

The Prime Minister and the Treasurer have promoted debate on key major issues. Federal ministers, many in new portfolios, have initiated reviews of established policies. The Premier of New South Wales has challenged the Liberal Party to rethink its traditional attitudes to commonwealth-state relations. New Premiers in Victoria, Western Australia and Queensland are promoting discussion on new policy directions. All of this is healthy for the country.

You may be thinking that I have lacked courtesy by omitting to refer to the man whom we honour, Sir Robert Garran. However, these

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introductory remarks provide a fitting tribute in themselves.

Garran was in his 20s during the decade 1890-1900. He took part in the great conventions leading to federation. He was a great debater and he continually advocated the need to unite the colonies and the need to protect the smaller colonies. He participated in the drafting of the federal constitution. He was present in Centennial Park, Sydney on 1 January 1901 to witness the federation come into being, and he became on that day the first public servant of the Commonwealth of Australia — as the Prime Minister reminded us in his 1988 Oration, he was for a brief time our only public servant (Hawke 1988, p.7).

He was the first head of the Department of the Attorney-General and was influential in the establishment and development of the Commonwealth Public Service. Sir Robert served 16 governments and gave prime example of how a truly professional public servant should operate. He had an extraordinarily stimulating, challenging and satisfying life, but I suspect the most exciting period was that great decade of debate from 1890-1900. I am honoured and privileged to give this Oration that is dedicated to his memory.

Naturally it was the establishment of federation and the development of the constitution that dominated the debate 100 years ago. In 1890 representatives of the colonies and New Zealand met in Melbourne to discuss the federation proposals of Sir Henry Parkes. In 1891 the First National Convention was held in Sydney. In 1895 there was a Premiers' Conference held here in Hobart, and in 1898 the Federal Convention met in Melbourne for the third and final session to approve a draft constitution. While the emphasis was on federation and constitutional matters, the decade saw other significant events. In 1892 there was a financial crisis in Victoria when 23 banks failed, and in 1894 South Australia became the first colony to grant women the right to vote and to stand for parliament. In 1896 a Premiers' Conference

which the world's preoccupation with defence and cold war will be replaced by concern about the potential destruction of the natural environment. The megatrends and forces operating will act to shape a new globalised world. Even President Gorbachev of the Soviet Union has stated that the world economy is becoming a single organism and that no state, whatever its social system or economic status, can develop normally outside it.

The decade should see significant movement to worldwide freer trade as countries move to market economies, the further impact of technology on telecommunication systems, the spread of free enterprise, the rapid economic expansion of Pacific Rim countries and a new attentiveness to the environment. But the mega-mega trend of the 1990s will be the triumph of the individual over the state. There is a new respect for the individual as the foundation of society — individuals today are able to bring about change more effectively than most institutions. Communists are recognising that only the individual is able to create wealth. Trade unions are accepting that members must be better rewarded for their individual efforts.

We should therefore approach the 1990s in a spirit of great optimism. The 1980s saw great achievements in Australia, many of which are now forgotten or taken for granted. Great progress was made in eliminating discrimination and in attacking corruption in public life; the Accord between the national government and the unions reduced significantly the incidence of industrial disputes; environmental protection was enhanced; financial deregulation was put in place and cultural facilities were expanded, plus a host of other achievements.

Regrettably, however, when historians describe the 1980s, these and the other achievements will be forgotten and it will be described as the decade of greed. The *Sunday Herald* in August 1990 described the 1980s as the reckless decade when entrepreneurs amassed spectacular fortunes, built corporate castles by shuffling paper and borrowing money while the

way: "We have been through the greatest era of corporate piracy and thuggery since the gold rush days". Professor Manning Clark said: "It seems that the new rich in Australia are not restrained by any moral or religious teaching. They act as though we are all in a jungle preying on each other". Two former Prime Ministers blamed the lack of regulation and weak laws for allowing the corporate misbehaviour.

There are already clear signs at both government and corporate levels that lessons have been learnt and I repeat that we should move into the 1990s with a spirit of great optimism despite the current economic gloom.

I now move to the substance of this address under three headings:

- Why the need for debate?
- What issues need to be debated?
- How can the debate be progressed?

Why should there be debate?

I am in good company in calling for a more sustained in-depth debate of the issues confronting Australia. In an address to the National Press Club on 19 July 1990, the Prime Minister said:

Together we face challenges impossible to envisage a century ago. But the same qualities — the work, the will, the leadership — which were needed to create Federation in the last decade of the nineteenth century are needed again in the decade of the twentieth century to make the Federation work better.

The Prime Minister identified particularly: first, the need to move by sensible practical steps to get better cooperation within the framework of the federal constitution as it stands; and secondly, the need to apply the spirit of national cooperation in a new approach to reform of the constitution itself. He saw the goals as being to improve our national efficiency and international competitiveness and to improve the delivery and quality of the services government provides.

During the second half of this year we have seen intensive debate on the future of telecommunications. The outcome was all the better for the way in which the subject was debated within the government and the Labor Party, but regrettably there was a lack of informed input from other groups. You may recall that the Chairman of the Industries

Assistance Commission was critical of the Business Council of Australia for its lack of input, ostensibly because Telecom was a member of the Business Council of Australia and it did not wish to offend a member.

There have been other public issues where ministers have taken issue with each other in the public arena and the Prime Minister or Premier has intervened to cool the debate, being anxious to minimise public concern about differences within the cabinet room. While these actions are understandable, and cabinet solidarity must be maintained, it is essential that governments ensure that processes are in place so that issues are adequately canvassed and the public properly informed. There can be no better example of failure to inform the public than in the case of the Multi-Function Polis — though in recent months under Premier Bannon good work is being done. Because of the vagueness of the MFP Proposal, full marks went to the Federal Leader of the Opposition who called it a "thing", thereby ensuring the public perception that the MFP was incapable of being defined. The *Sydney Morning Herald* editorialised: "it is so undefined that if you miss out on the official version, you can make your own". The headline read "The silly game of pass the polis". On 20 June 1990 the *Financial Review* remarked: "The committee in charge of managing MFP has completely messed it up. If it ever was a good idea those responsible have presided over an utter disaster".

On an occasion such as this, attended in the main by public administrators, I cannot help but remind you that that committee comprised Australia's top businessmen. The MFP should have been discussed and debated in a sensible way. The Australian people should have been made to see the potential for a new wave of Japanese and other foreign investment, while the media should have been educated to the idea so that it had some understanding of the concept — in which case it may not have adopted the cynical attitude that quickly followed.

There is another reason why we need debate: the public need to be better informed not just for the three- or four-yearly election day, but also for the opinion polls that are being taken constantly between the elections. The results of these polls are having very significant effects on the policies and actions of the political parties.

Despite what party officials may say, I can assure you from my experience that heavy reliance is placed on such polls. Let me give you one example. During 1987 the Opposition in New South Wales constantly attacked government spending on the bicentenary programs and in particular the spending on the Darling Harbour development. The polls showed the success of these attacks — both activities were seen as bad news for the government and the pressure mounted on the new Premier, Unsworth, to be seen to be acting decisively in controlling such spending. In the result an outstanding minister was transferred from his portfolio, as a consequence of which he resigned, and the public perception was thus reinforced. Governments and opposition parties will continue to place heavy reliance on polls — hence the better the quality of public debate, the better informed the public, then the more reliable will be the story told by the polls.

The late 1990 Special Premiers' Conference has contributed greatly to elevating issues for debate and the Prime Minister and Premiers deserve congratulations for the progress they made. The Prime Minister summed up thus:

Out of this conference there has been introduced a new, commonsense constructive dimension into Commonwealth State relations of a kind that I certainly haven't witnessed before in my period of prime ministership!

Naturally there is some scepticism being expressed about the real achievements. The *Financial Review* headlined its editorial "Rhetoric needs to be backed by action", and went on: "Until our government leaders toughen up their rhetoric with real action, they cannot lay claim to an 'historic' achievement on the basis of the past two days' work . . . the struggle to herald a new federalism will not have started until we can hear squeals of pain" (*Financial Review*, 1 November 1990).

The answer to this first question, "Why do we need debate", can be put very simply. There will be many diverse and difficult decisions made in this decade about the future of Australia; about commonwealth-state financial relations; about the respective roles of commonwealth, state and local governments; about the environment; about the health, education and welfare of our citizens. Those decisions will be

made by our politicians. The public must be better informed about these issues so that they can be discussed and debated — all for the purpose of ensuring that our politicians are sensitive to public opinion and that the changes made are in the best interests of the community and the future of the Australian society.

What issues need to be debated?

I turn now to identify a number of key issues that need public airing and constructive debate in the immediate years ahead and through the decade. They will not be discussed in priority order — different audiences and different electorates would have different priorities.

However, the first issue does demonstrate my own personal priority and concern. I refer to the question of how governments are to ensure the establishment and maintenance of a more just and fairer society that has proper regard and concern for the poor and disadvantaged of our citizens. Political parties and commonwealth and state governments would all claim to have this objective at the top of their lists, but to judge by results we still have a long way to go. It is not a satisfactory response to say that we will always have the poor and disadvantaged in our communities.

I accept that some of the poor and disadvantaged will always behave irresponsibly and that government assistance will not always achieve its purposes. That fact must not be used to diminish the responsibility of society to assist them and to try to ensure the food, housing, health and education opportunities to which they are entitled.

In particular we must encourage better informed discussion on how to improve the living standards of Aboriginal communities. Over the past decade both commonwealth and state governments have allocated millions of dollars to improve living standards but report after report show that little has been achieved. The place and role of Aboriginal communities was an important issue for the 1988 Bicentenary celebrations. We tried to obtain their cooperation and involvement but only partly succeeded. By the centenary of federation in January 2001, we must have succeeded in showing the world that Aboriginal communities in Australia have appropriate living standards and that educational

and work opportunities are available on the proper scale to allow their full potential to flower.

I need not say a great deal about the national economy because it is the one issue that is constantly under public scrutiny and debated often in the print and electronic media. As Prime Minister, Malcolm Fraser was reputed to have the view that it was good for the government if newspaper readers read the back page sporting news first and serious issues only later. As current Federal Treasurer, Paul Keating has turned that around. More and more of the public today are interested in and vitally concerned about the economy of the nation. Australia's balance of trade figures and foreign debt are constantly reported and there are plenty of experts ready to comment on the monthly results.

The sad part is that such comment is generally limited to facile and quick-fix solutions. I regularly hear opposition leaders say that the government policies must be turned around, interest rates must be lowered and microeconomic reform must be pursued particularly in shipping and transport. These are valid comments but to win an election there will need to be a lot more depth, constructive comment and practical policies and programs developed.

With the increasing number of business failures and rising unemployment, the unprecedented consensus over the past five years about the general direction of economic policy is coming apart. Trade union leaders have accepted wage cuts but have seen large increases in executive salaries and business profits squandered in speculative deals. Despite wage restraint, monetary policies and reduced government spending, the economy is not getting any better.

One healthy development has been the attitude of State Premiers in accepting that the national economy is the function and responsibility of the national government and also that it is essential that they and their respective state governments work cooperatively with the commonwealth in developing that economy. Gone are the days of Sir Joh Bjelke-Petersen and Sir Charles Court.

The recent Special Premiers' Conference paid special attention to commonwealth-state financial relations and Premiers asserted that the re-arrangement of such relations was the fundamental issue and a prerequisite to reducing overlap and duplication. They wish to increase the financial independence of state governments and to reduce tied grants so that they can have more discretion in state spending, together with a return of taxing powers to the states commensurate with their spending responsibilities.

Although there was agreement to set the goal to reduce substantially tied grants, officials have been given a year to report back generally on financial relationships. There was reasonable progress at the conference concerning overlapping and duplication of functions between commonwealth and state governments. Agreement was reached providing a framework and principles to lessen duplication in service delivery, particularly in home and community care, child-care, and training and labour market programs.

Other agreements were reached on matters that will be examined and reported on by officials over the next year. The politicians have now given the lead to the bureaucrats in demonstrating goodwill and attitudinal changes to the question of commonwealth-state rights and the onus is on the officials to ensure that they do not create hurdles and obstacles. The challenge will be to keep the process going at a fast rate and, frankly, it will be necessary to knock obstinate heads at appropriate times.

However, debates on these issues must not become the sole preserve of current government ministers and their supporting officials and selected media representatives to whom regrettably draft reports will be leaked. It may be uncharitable to say so, but it would appear that the officials have captured the main ground to date and on their track record they may be expected to fight for their patches of turf. The Prime Minister and Premiers will need to exercise a strong hand and maybe deliver a good kick at times.

Ken Wiltshire, who has made an invaluable contribution to the study of public administration in Australia, has proposed that the work be overseen by a Senate committee. I have doubts about this proposal and would prefer to see

parliamentarians acting as the law-makers rather than participating directly in the working processes. Certainly there will need to be external bodies involved, in addition to commonwealth and state bureaucrats, to act as catalysts for progress, to monitor that progress and to persuade an unwilling government or two to accept change when there is a clear majority in support of change.

Consideration should be given to the future role of the Commonwealth Grants Commission. As chairman of that Commission, Mr Justice Rae Else-Mitchell made a great contribution and his work was invaluable and necessary, but a whole industry seems to have developed with sophisticated methodology whereby, by altering slightly one of many assumptions, then markedly different results can be achieved. The Grants Commission did a good job. It served its purpose well but the time has come for a completely fresh start to its future activities.

When you read the Constitutional Convention Debates of the decade 100 years ago, you see the great difficulties that faced those political leaders in drafting a constitution acceptable to communities in the six colonies. Yet in retrospect their efforts were more successful than those of many who sought to modernise the constitution over the next 90 years. The efforts of the last three decades have achieved little despite the highly talented persons involved and the heavy expenses incurred.

I agree with the Prime Minister and the Premier of New South Wales who say: let us get on working within the constitution to achieve desirable ends. But I also agree with the Prime Minister that it is worth having one further attempt at constitutional reform; with our former Governor-General, Sir Ninian Stephen, at the helm, we may be successful.

I note that the Prime Minister supports the holding of referenda over the decade to bring about constitutional change and that this incremental approach has already attracted criticism. If we await a package of major changes, then I suspect that there will be no change. The Wran Government showed that it was able to obtain significant single-issue changes by locking in opposition support. If the public is asked to support a four-year parliamentary term, for example, with no

additional strings attached, then overwhelming support could be expected. The environment for change is better now than ever before. There are many of us who have defended states' rights over recent decades, but who now see the need for national solutions to problems that are truly national and for which state solutions are no longer appropriate. There are, of course, some functions that the commonwealth should vacate, and the commonwealth must ensure fair financial treatment for the states when functions are redistributed.

Perhaps the issue that changed public perceptions on states' rights most was the failure of the states to agree on national companies' regulation, and the growing appreciation that the delays in coming to grips with the problem seriously damaged Australia's international reputation. The disgraceful, unethical and often criminal behaviour of many businessmen and their disregard of the interests of their shareholders brought home to all Australians that a national solution was required, even if this meant the states giving up powers to the commonwealth.

A study of the process needed to bring about a solution here shows how difficult is the problem of rationalising commonwealth and state functions. The main agent in the process was the Ministerial Council of Attorneys-General — a body remarkable in my experience for its failure to achieve speedy solutions to even minor problems. Perhaps I should admit here to having a low regard for ministerial councils and to a belief that their meetings, spread from Wellington to Port Moresby, plus associated meetings of their senior officials, would seldom stand the scrutiny of a cost-benefit analysis. Back to the Attorneys-General: their inability to come to a sensible agreement on how to establish a national securities body because of protecting petty state and personal interests was a disgrace and put back the regulatory clock by at least a couple of years.

From this comment, you will readily appreciate my concern about the agreement at the Special Premiers' Conference to set up a working group to report in March 1991 on a state-based system for prudential supervision of non-bank financial institutions. It has been reported that the proposal that emanated from Queensland

is similar to the system that was in place until recently for corporate regulation in which the NCSC was jointly run by the states. With the poor track record of that body, how naive can we be — or must we await a credit union collapse?

Company regulation is not the only field in which there needs to be a national approach. The criminal code and the laws of defamation are ready for change. Environmental laws and industrial relation laws need a more uniform approach.

I can only say that from my experience ministerial council meetings will not provide speedy effective answers. The membership of ministerial councils is constantly changing. As portfolio changes occur in the commonwealth and states, the chairmanship changes every year. There is generally an inadequate secretariat. They really provide a field day for the officials who generate papers in quantities that ensure their control of the process.

I recall a 1981 Premiers' Conference at which Prime Minister Fraser proposed that the states hand over their industrial powers to the commonwealth. The only Premier to support the proposal was Neville Wran, who was the most experienced person in industrial relations around the table. Liberal Premiers were insistent on retaining states' rights. Wran was stating a personal view, and I suspect that there would have been much opposition in his own cabinet to the proposal. Such was his intellectual ability to dominate a cabinet debate, however, that he would probably have got his way if it had come to a vote.

Many unions see advantages in retaining both state and federal awards. Some employers are fearful of federal awards, which may produce unwanted uniformities, and there is also opposition from vested interests in state industrial commissions wishing to retain their authority. The Ministerial Council of Ministers for Industrial Relations in the early 1980s deliberated with the usual slow pace of such councils and eventually arrangements were made that in some circumstances there could be joint appointments to state and federal commissions and some joint sittings. I am fully aware of the sensitivities and difficulties in the area of industrial relations, but the well-being of Australia demands more speedy and effective

solutions to industrial problems. The Brisbane Conference deferred action on this matter but I am confident that it will resurface as cooperation between commonwealth and states develops.

One year ago the issue of privatisation would have been put forward as a priority issue for debate. The federal opposition was advocating the selling off of many government agencies while the Labor Party's official position was one of opposition. Well, that was a year ago. What a rapidly changing environment exists for public administrators today! In recent months we have witnessed an intensive debate within the Labor Party culminating in a Special National Conference, where the party endorsed the part-privatisation of the Commonwealth Bank, the whole and partial sale of Australian Airlines and Qantas respectively, and the opening up of competition in telecommunication with a second carrier plus the sale of Aussat. Despite the forecast of dire consequences within the party, the government's proposals were endorsed without difficulty. These decisions, along with the earlier financial deregulation decisions, must leave Liberals like John Howard wondering just how the Labor Party does it. How does it, in government, change its policies so dramatically?

The privatisation debate of 1990 within the Labor Party was a good example of what I am arguing for tonight. That is: the public exposure and airing of issues, prominently reported in both print and electronic media, so that the public can be better informed and hence create debate among smaller community groups on the issue.

I am not comfortable that the media should be the agent for the publication of leaked material to promote such debate, and reading cabinet submissions from competing ministers in the *Financial Review* is not the right process. To date the parliament has been almost irrelevant on this issue and it will be interesting to hear the quality of the debate when legislation is introduced. Also missing were informed contributions from many groups external to the Labor Party that should have been concerned, such as the Business Council of Australia. In this debate, Telecom showed how effective was its lobbying when key media commentators were clearly taking its side. The taxpayer, of course, was paying the lobbying expenses of both

Telecom and OTC.

The next stage of the privatisation debate concerning the processes by which the sell-offs will occur needs to be thoroughly debated. The chairmen and boards of the State Bank of New South Wales and Australian Airlines have been quick to assert that the floats should be in at least two stages in order to maximise the return to the government. On the other hand, in the case of the State Bank, the Greiner Government has been advised by Bankers Trust that a full sell-off would bring the maximum return. Since it is often asserted that the Thatcher Government did not maximise the returns from the early privatisation arrangements, it is important that the process should be fully debated publicly so that the electorate can be satisfied that the private sector does not buy public assets at bargain prices.

Probably the most significant issue that has dominated public debate and discussion in recent years has been the environment. The subject crosses age, religious and social boundaries, producing a new force on the political landscape. A recent editorial in *The Australian* began as follows:

Perhaps the only lobby group to have a more insidious influence on this Government than the trade unions or the faction system is the environmental movement. Balanced or sustainable development is essential if Australia is to enjoy high living standards.

The green movement has had a dramatic impact in persuading and in many instances forcing governments, government authorities and the business sector to act to protect the environment. In this process, however, the movement often seems to prefer confrontation to consultation and cooperation.

The currently used phrase "sustainable development", that is development that meets the needs of the present without compromising the ability of future generations to meet their needs, should provide the basis for sensible discussion between governments and conservation groups. It is essential that conservation groups take part in the consultative processes set up by the government and stop threatening not to participate unless they get their own way. A way must be found to reconcile what are often seen as incompatible goals of economic development

and environmental protection. At the same time there is a need for uniformity of guidelines on developments such as pulp mills across the states.

It is also important that the debate be not simply two-way between governments and conservation groups. We should welcome the recent establishment of an organisation called "Sustainable Development Australia" which draws on prominent persons from academia, business, industry and politics, and is designed to mediate over competing interpretations of sustainable development while keeping above political debate. We should also welcome the offer by the CSIRO to help the debate.

Microeconomic reform is at the top of the agenda of Australia's economic policy-makers, yet it is a term not well understood by the public. It is also much easier to say why we need microeconomic reform than to describe what is required to bring it about. Unless politicians and economists can be more succinct and clear then it will be difficult to obtain community understanding and support. Such support will be essential because, as stated in a recent Commonwealth Bank report, "all such reforms produce winners and losers. The winners by far outnumber the losers but the costs to the losers generally will be visible while the gains will be less discernible and spread more widely". The examples most frequently used by commentators are shipping costs and transport costs, but we cannot expect the electorate to understand fully the implications unless the matter is explained in simple terms and with less jargon.

As to jargon, the recent Brisbane conference produced phrases such as clean-sheet enterprise agreements, yardstick competitions, competitively neutral trading environment, horizontal and vertical relationships, mutual recognition, fiscal equalisation and world standard cost levels. However, one phrase seems to have dropped out of circulation — the J curve.

If ever there is a subject that needs public debate in the 1990s, it is our immigration policy. The bipartisan approach to this subject, together with the unrelenting pressure from some leaders of ethnic communities generally protecting their own personal power bases, has resulted in a vacuum of discussion on a matter that impacts on our coherence as a community. Surely it should

not be taboo to raise questions about the directions of our immigration policy: in Senator Peter Walsh's words, "It's not racist to debate immigration". Walsh argued that, "from a purely economic viewpoint, immigration policies both in the short and medium term aggravate our current account and foreign debt problems". He was not expressing an opinion about other aspects of the policy. The Walsh thesis is that an intake of 140,000 migrants a year requires GDP growth to be one per cent higher than it would otherwise need to be (Walsh 1990).

On the other hand, the Fitzgerald report found that high levels of 150,000 per year were good for the country, with a particular emphasis being placed on migrants from Asian countries and with skills. It was argued here that immigrants provided a cheap source of skilled labour and added entrepreneurial drive and energy to the nation's industries — equivalent to an economic booster shot (Fitzgerald 1988). There are many serious aspects of policy to be debated; not just the level of intake but also, for example, whether the present mix of roughly a third each of family reunion, refugee and economic migrants is appropriate. The transformation of Australian society through the post-war immigration program has been immense and has been achieved without great friction and with general consensus. However, strains are beginning to develop and over the next decade immigration policies will have to be explained to the electorate and justified.

Multiculturalism is widely misunderstood and often divisive. A recent survey conducted across the country by the Liberal Party listed multiculturalism as the matter of greatest concern to the respondents. The Fitzgerald report was an excellent document whose thrust was to develop a policy that emphasised the value of Australianship, or Australian identity. This is not to suggest that multiculturalism is dead but rather to recognise that we are entering a new era where we must build on what has been achieved, particularly in respect of equal rights, opportunities and tolerance, and yet ensure that the community maintains a consensus. It is a sad reflection on our lack of tolerance to see the treatment given to some public figures who have entered this debate and challenged prevailing views on issues such as assimilation.

In recent years we have had strong ministers for education both federal and state, persons of differing political persuasions often seeking to impose their own educational philosophies on the education system at primary, secondary and tertiary levels. This has been of great value in shaking the complacent school education bureaucracies and forcing those in higher education to rethink their traditional policies and practices. The federal minister has had quite an impact at the school level and has made it clear that the federal government will not continue simply to act as a banker to the states; rather he would continue to act as a catalyst where the states are, in his view, moving too slowly on issues that affect the quality of education.

At the state level the Victorian and New South Wales ministers have markedly differing policies and attitudes to curriculum and educational standards. In New South Wales the minister offended large sections of the community, not so much by the new policies, but rather by the processes that he adopted and in particular the alleged failure to consult with affected parties. In this field it is imperative that consultative processes be well developed and adhered to, although I have some sympathy with any new minister dealing with educationalists and the education lobby groups to some of whom it would seem the argument is more important than the result.

The states for their part have listed school education as an activity from which the commonwealth should withdraw and, at the Brisbane conference, rejected the Dawkins proposal that the commonwealth give the states freedom in spending one billion dollars in tied grants in exchange for a national approach to school curriculum, student assessment and teacher recognition. Commonwealth Minister Dawkins summed up his feelings this way: "The States could agree on national standards for Australian sausages but not national standards for our kids". This issue will not go away. It needs debate. I suspect that the community sees great merit in the Dawkins view, while still being apprehensive of giving more power to Canberra. There is merit on both sides of this argument and Dawkins will not and should not give up on the issue.

I am personally concerned about the

developments taking place at the technical and further education (TAFE) level. In New South Wales the government has accepted the notion that TAFE must be run just like any other business and that it should aim at being at least 50% self-funding within 10 years. Already there has been a sharp decline in student numbers at a time when we need better qualified and more highly skilled workers to cope with technological change. At the federal level there has been legislation to introduce the Training Guarantee Scheme which at first sight seemed to be heavy-handed, requiring considerable record-keeping at the workplace. With sensible administration, however, considerable benefits are now beginning to flow.

TAFE Ministers have agreed to key proposals in the Deveson report to allow industry and the TAFE to compete on the provision of training (Deveson 1990). However, there will need to be far more discussion with industry groups than has been the case up to the present. Already we are seeing private sector consulting groups taking advantage of the lack of discussion and lack of information to employers and businesses, and much scrutiny will be needed on the quality of training provided by the private sector.

I feel that the education sector at all levels is in a more vibrant state today than it has been for decades and various ministers here contributed well to the debate. They must be prepared to accept criticism, not to be too sensitive, and not to react to stifle discussions as Dawkins quickly did when a Senate Committee produced its report on higher education earlier this year (SSCEET 1990). He quickly shot both the messages and the messengers.

When I vacated the position of Secretary of the New South Wales Premier's Department after 12 years in June 1988, I made a deliberate decision not to participate in public comment on public administration. I have maintained a deep interest and there is much that I could say, particularly about public administration in New South Wales, where there have been significant changes since my departure. Some of those changes have contributed to improving the effectiveness of public administration and I compliment those responsible. There are others about which I have doubts, but I shall be discreet

in my comments.

I have read with much interest the articles on managerialism in the *Journal of the Institute* and I have to confess that they have caused me to wonder how I was ever able to do my job well when lacking the personal erudition of the authors. We must be careful that we do not get bogged down in too much theorising and concern about the processes of being a good administrator, rather than concentrating on leadership, on setting and demanding high standards, on being constantly achievement- and results-orientated, on commitment and loyalty to the government, and on showing a genuine concern for the staff around us. I am concerned that the pendulum has swung too far towards economic rationalism and efficient management to the detriment of the political needs of the government and the social needs of the community. Secretaries of departments should study the paper written by Mike Codd, Secretary of the Department of Prime Minister and Cabinet. It is an excellent paper that emphasises the leadership role of the Secretary and the balance that he or she must maintain between being the principal policy adviser and being the manager of the department and its programs and services (Codd 1990).

I spent decades trying to improve management in the New South Wales Public Service (and I have already acknowledged that my successors have been very effective), but I repeat: the pendulum may be swinging too far on management efficiency to the detriment of good policy advice. Governments must get their policies right, they must get their strategies right, they must get their action plans right, and a department secretary must win respect of his minister and Prime Minister/Premier for his grasp of policy and the strategic directions of the portfolio.

Brian Toohey wrote recently: "Over the past decade the upper echelons of the Public Service have become dominated by economists who take a narrow and rigid approach to what is at best a myopic profession." It is obvious that the public sector needs the best managers available both in chief executive positions and on various statutory boards. New governments seem to think that outsiders are needed to achieve better management and leadership. But the records

show — and recent history in New South Wales is a good example — that external appointments at the chief executive officer level frequently do not work.

Australia needs better leaders and managers in both public and private sectors. In his latest book Tom Peters argues that we have entered an era of unprecedented uncertainty where predictability is a thing of the past. These uncertainties result from financial, international and technological changes and the interaction among them (Peters 1987). In the public sector the political ingredient has to be added to this mix.

This leads me to a position of grave doubt about the theory now being practised that a good manager can manage any kind of enterprise. Professional and technical knowledge of the enterprise, track record and track experience are vital factors for a chief executive. Hence I was not impressed to read last week an advertisement for the head of a state TAFE department that listed essential qualities and then said knowledge of TAFE would be an advantage.

I will mention two other trends that irritate me. The first is the rapidly growing use of external consultants to advise on matters to many of which, in my view, they do not bring any special expertise or experience. Hardly a week passes that I do not read a public advertisement seeking expressions of interest to examine and report on fundamental departmental matters. As secretary of a department I would be ashamed (or perhaps too proud is more accurate) before my minister to have to seek external help on anything but exceptional matters. I should be ensuring that I have high quality staff around me willing, able and competent to provide such advice. Today the public sector is frequently using personnel consultants and hence seems incapable of selecting its own senior staff — yet we used to have a proud record in respect of personnel practices and procedures. The public sector is now calling on external help to recommend on salary levels, appearing to believe that this task is capable of scientific assessment by means of sophisticated point-measuring schemes.

While I am referring to irritants I will mention the Senior Executive Service. Those in the audience from New South Wales will know that I did not give a high priority to the

introduction of the SES in that state because I did not think that it would make a significant contribution to ensuring better performance by the public service for the benefit of the government. I had the sneaking suspicion that its advocates were more concerned about better salaries and conditions. Salary increases to meet the market were needed in some cases but wholesale increases for more than 1200 positions — not to mention the provision of cars and various tax-effectiveness schemes, including setting aside money (before tax) for private holidays — makes the mind boggle. But, in a more serious vein, you should appreciate my surprise to read a recent advertisement inviting consultants to examine and report on the implementation of the Senior Executive Scheme. Actually the advertisement read: “to assist in the design and implementation of a longitudinal study to evaluate the effectiveness in achieving its stated objectives and to assess whether the processes for its establishment and maintenance are efficient and effective in terms of their objectives”. I just shake my head in surprise and wonderment — but, so that SES members will not be worried, I wish to make it known that I will not be registering an expression of interest for this consultancy.

How can the debate be progressed?

I move now to speak on how the debate can be progressed. All that I have said up until now is of course of little value unless processes can be improved or developed that ensure genuine debate. In the main I believe that the processes are in place but are not being utilised as they should or could be.

I must begin with the parliament itself. If this audience tonight has one special talent or experience, it is that we have been close to the operations of either commonwealth or state parliaments and some of us have probably assisted ministers in practices that had the effect of reducing the power of the parliament to debate and scrutinise particular legislation. Opposition parties protest loudly about the inadequacies of the working of parliament — the low number of sitting days per year, the abuse of question time, the gagging of debates, the little time made available for debate on bills and so on. However, when those parties achieve government, they

very quickly adopt all the same practices. It is really disgraceful — it diminishes the role of parliament and shows a poor understanding of and attitude to the democratic process and to the role that the parliament should play in our society.

The responsibility for change rests squarely on the shoulders of our political leaders and they should come to an agreement to revitalise the parliamentary system and ensure that the parliament as the supreme law-making body gives the lead in the encouragement of public debate. Radio, television and Press Club luncheons should not be the forum for announcing public policy decisions; but rather they should be announced in the parliament where questions can be asked and ministers put under the scrutiny of our elected representatives. Parliamentary committees are now becoming a force and should be expanded. They are good for the backbenchers and good for promoting discussion, and help to keep ministers and officials on their toes.

The Queensland Labor Party has recently advertised, seeking new members to join the party. Reference was made that the membership of political parties was at an all-time low, and sociologists and political commentators were quick to ascribe reasons for this. I do not wish to canvass the reasons but I do say that it is regrettable that more persons do not join and actually participate in discussion within these parties at their branch level.

In September 1990 the Australian Labor Party held a Special National Conference to determine its policies on privatisation. Although the number of delegates taking part in that conference was less than 100, the issues had generated much debate and heated argument at lower levels in the party, all of which contributed to a better informed public through media reports. It is a poor reflection on the media that these reports tended to concentrate on alleged potential splits in the party and alleged personality conflicts of the major players, rather than on the economic issue.

It is popular to bash and criticise the media, both print and electronic, for the manner in which news is reported and often created in order to sell the papers or the program. I wish to be constructive, if for no other reason than to

recognise that the media is a permanent fixture of our society, and because it has such tremendous influence in shaping community opinion. Recent discussions with media leaders left me feeling that at times they underestimate the extent of their influence — but we are, of course, dealing with persons generally with massive egos.

The news program is now commercial TV's most important program and winning the ratings is the primary objective. What matters rather more than the content is the community's perception of the presenter's credibility. A small study in Sydney recently showed that the content of Channels 9 and 10 on several nights had great similarity, but the Channel 9 ratings were some 20 points ahead. The presenter on 9 had been doing the job for 30 years and moreover the 30-minute session was followed by one presented by the popular and attractive Jana Wendt!

Having presented that one hour in a form that recognises the limited attention span of most viewers, the remaining 23 hours do not, with a few exceptions, attempt to present programs directed at informing or promoting discussion on public issues. Such programs are considered incapable of attracting ratings and hence the advertising income necessary to finance the station. Two questions thus arise: Should commercial stations be required to present such programs and secondly what is to be the role of the ABC channels? I do not favour further regulation of commercial channels, but I do favour the ABC spending more of its budget on such programs. The *7.30 Report* is an informative and often challenging program, but the presenters too often use it for promoting their own image (or ego) rather than genuine debate with well-informed persons. To keep within budgets will mean that the ABC may have to withdraw from costly sports programs and leave these to commercial channels. I can no longer see the justification for the ABC broadcasting big events such as Olympic Games, World Cups, etc., when commercial channels can feature them. In short, I feel that the ABC could and should make a greater contribution to promoting public debate.

In respect of radio, the ABC deserves considerable praise for the many and varied programs and diversity of opinions put to air. Under David Hill's leadership much has been

achieved. Commercial radio certainly makes a better contribution than commercial TV. Talk programs are freely available and attract large numbers of listeners. My complaint is that too often information is presented or opinions stated that cannot stand up to rigorous scrutiny and hence public opinion can be significantly influenced by false or inaccurate information.

Turning to the print media, there are good and bad features. The serious articles are generally first-class, written by accomplished columnists of quite divergent views. There is a lot of quality reading available. On the negative side, the headlines are mostly written to attract attention rather than accurately portray the thrust of the story that follows.

The real source of media power is the print media. While television is an entertainment medium, the newspapers set the agenda for discussion on politics, the economy, social issues, etc. In addition they provide editorial opinion and they can extend that editorial opinion into the news coverage. I followed over recent months the stories on the Megacom issue that confronted the national government and the Labor Party. Looking back now, so many of our leading commentators concentrated on the personalities involved, the potential party splits or the factional attitudes rather than the policy issue. Many have portrayed the result as a defeat for the Treasurer, without giving recognition to the fact that it was his vision and intervention and concern for competition that forced the parties to debate the issue in depth and elevate community understanding of the importance of change as part of microeconomic reform.

A decade ago it would have been generally accepted that public comment by senior public servants was contrary to the Westminster system and neither encouraged nor permitted. This year we have seen differing approaches and the call from several quarters that public servants take part in public discussion. Witness this press comment:

The traditional Westminster system which assumes public servants are faceless individuals who do not comment publicly on policy issues is becoming more and more unsuited to the Australian political landscape (*Financial Review*, 6 July 1990).

This statement followed an incident in which

the Prime Minister reprimanded a departmental secretary, Dr David Charles, for stating his reservation about tight monetary policy. The paper argued that a more open debate on economic policy would lead to a more balanced and effective policy approach. It also referred to a public comment by Dr John Hewson, Shadow Treasurer and Opposition Leader, that he would allow:

Treasury officials to publicly state their opinions if he were Treasurer. He argued that competition is important in giving advice to government and that allowing officials to state their opinion in public would ensure a higher standard of advice and make public servants more responsible.

Recently Bob Hogg, Secretary of the ALP National Executive, also called for more freedom for public servants. It is agreed that, because of their knowledge and special experience, public servants could make a healthy contribution to public debate. As one who argues that better public debate is essential, I could find myself in a difficult position. However, my position on this issue is clear and unequivocal, though some may wish to label it "old fashioned". It is consistent with the views expressed by Codd in his paper on the role of secretaries (Codd 1990). Put simply, those who work in ministerial departments should be required to follow the traditional Westminster system. I do not agree with the *Financial Review* that the nation will be better served by permitting public comment and I simply cannot accept the logic of an editorial that concludes this way:

To keep public servants from doing it (i.e. giving policy advice) in secret and to prevent them from proceeding in Sir Humphrey style to deceive their own political masters as well as the public, it is far healthier to allow them to play a role in the public debate (*Financial Review*, 6 July 1990).

Of course, it would suit the media to be able to foster and report on differences between ministers and their public servants, since the selling of papers is the primary objective rather than healthy debate. Frankly, I do not think that the media could exercise sufficient responsibility in its reporting to justify the change argued for by the *Financial Review*.

The past 20 years have seen a tremendous growth in community special-interest groups. Many were encouraged and fostered by the

policies and programs of the Whitlam Government that engendered in some cases strong support and in others equally strong opposition. These groups have continued to be active, and new ones continually form, and governments today are kept on their toes by the lobbying and activities of such groups. They provide a healthy outlet for special interests and causes to be promoted and policies and programs are very much influenced by their activities. In this process we have seen the interests of the silent majorities often affected by the forces of the noisy minorities. There will always be a legitimate place for the single-issue groups and without them the nation would be a poorer place. We also need community groups that focus attention on wider community interests, and governments should ensure that they are encouraged.

The Prime Minister in his policy speech in March 1990 called for Australia to cast aside the idea of being a "lucky country" and to develop instead the idea of being a "clever country". The challenge to Australians is how to become a clever country. A good start was the National Ideas Summit organised by the Australia Council in February. The Conference resolved:

That Australia has an enormously valuable creative resource in its scientists, technologists, writers, scholars, artists, designers and other intellectuals. And that the time has come to make a demonstration of the importance to Australia of ideas and creative thinking generally if Australia is to remain a prosperous, liberal-democratic and lively society (Australia Council 1990, p.25).

Some would see the Australia Council as being presumptuous in bringing together over 100 intellectuals of various kinds and particularly with the general theme of how to strengthen Australia's intellectual superstructure. However, recent events in Eastern Europe should convince any doubters of the significant role that intellectuals can play in the growth of a nation. Many ideas emerged from the Conference and I am pleased that the Federal Minister for Education has decided to provide financial assistance to support a further conference in 1991.

I was also pleased to note the ideas that came forward concerning the role of universities and the contribution that academics can and should

make to public debate on major issues. Thus Don Aitken remarked at the National Ideas Summit: "Our universities act as the nation's most important conduit for imparting new ideas, especially those at the very edge of discovery . . . The main problem . . . is the monastery model of the Australian university, in which the university protects the cause of intellect in a society which needs intellect but is basically hostile to it" (Australia Council 1990, p.15).

Debate in Australia can only profit from a wider and more sustained contribution by our academics — but they will need to speak and write in a language that is more easily understood by those of us who are not experts in their chosen fields. At the same conference Hugh Stretton called for plain language to be the common language of government and the intelligentsia as we debate our most important social purposes. And Henry Reynolds said that "many disciplines are overgrown with jargon as impenetrable as prickly pear". Many of us could only agree with that comment. Such jargon makes genuine public understanding and discussion impossible (see Australia Council 1990, pp.19, 21).

Professional bodies such as this Institute have so much to contribute in fostering debate. The journals of the Institute are a good example of the diversity of subjects written about and these annual conferences are seen in the profession as the highlight of the year. A host of other professional bodies make a similar contribution. What is missing is a process by which such bodies can reach a wider audience and so extend their influence and promote wider debate. It is a challenge that I hope the Australian Institute of Public Administration will take up.

Conclusion

I should like to conclude on a note that is more personal but is relevant to the subject of this Oration. Since vacating the position of Secretary of the New South Wales Premier's Department in June 1988, I have been asked on many occasions which activities gave me the greatest satisfaction during the dozen years in that position.

First, I was very fortunate because of the personality of the Premier from 1976 to 1986,

Neville Wran — a man with personal charm, of great intellect, of extraordinary ability, a superb politician, one who constantly demanded excellence. He trusted me, he had confidence in me and he defended me frequently. That relationship in itself provided great personal satisfaction.

Then what stood out was the satisfaction about the quality of the policy advice and management service given to the Premier and cabinet by my department. Other activities and functions, many exciting, interesting and challenging, came and went as the Premier's Department served the changing needs of a government whose leader dominated the political process and the state parliament. It is not important in terms of community recognition or public perception, but I have the satisfaction of knowing that the department gave good, sound sensible advice, fighting for our point of view when necessary, but not nagging the Premier and always with the total interest of the government in mind and not an individual portfolio view. Governments invariably get into difficulties in one way or another and the Wran/Unsworth Governments were no exception, but I have the satisfaction of knowing that I was able to minimise their difficulties.

Having said this, I have to admit a great personal satisfaction about the success of the Bicentenary celebrations in New South Wales, where I was privileged to be the Chairman of the State Bicentennial Council. All who witnessed 26 January 1988 in Sydney will testify that this was a day to remember, not just because of the nature of the celebrations and events and the beauty of Sydney Harbour, but because it was a day that brought *all* Australians together with a sense of well-being and pride in our country. The attitude of all on that day and the goodwill that prevailed made many say: "if only we could continue this united effort throughout the years ahead then Australia would be a far better country".

The next national occasion to unite Australians of differing ethnic origins, differing religions, differing political views, differing occupations and so on will be at the end of this decade when we will celebrate the centenary of federation on 1 January 2001. Not only governments but all Australians and particularly

policy advisers to governments have a deep responsibility to ensure that this coming decade is used to ensure that Australia is a better country for all its citizens — and that particularly includes our original Australians — when we celebrate the centenary.

For the 1988 celebrations, particularly in 1985, 1986 and early 1987, it was not easy to obtain the whole-hearted support of state governments and State Premiers — other than New South Wales for an obvious reason. They saw 1988 as essentially the celebration of the founding of the Colony of New South Wales — and indeed, on 26 January 1988 we had a state celebration at 7 am, well before the national celebration began at 11 am.

It is to the great credit of the State Premiers and the respective Governors that they finally agreed to leave their states and attend the national celebration in Sydney on that day. This was the last occasion that Prime Minister, Governor-General, Premiers, State Governors, Chief Ministers and Administrators of all Australian States and Territories come together as a united group of leaders of this country. The next occasion will probably be on 1 January 2001.

Since 1986 the Prime Minister has been trying to encourage State Premiers to agree to celebrate Australia Day on January 26 with a public holiday throughout Australia on the 26th, irrespective of the day of the week on which it falls. To date, he has not been successful. While I personally regret this, I think that we in New South Wales must come to accept that many other Australians see the 26th January as a New South Wales day and not the appropriate day for our National Day. Therefore, I believe that governments should come to agree that our National Day should be on the day when the federation was proclaimed: 1 January.

The forthcoming centenary of federation should provide the catalyst for making this change possible. I make this proposal on the occasion of this Garran Oration because the man whom we honour tonight played such an important role in the processes that led to that proclamation on 1 January 1901. There are persons in this audience who over the next decade will have the opportunity to participate in the planning of the centenary of federation. I

hope that you will use your influence, as I did for 1988, to ensure that the centenary celebrations unite all Australians for the betterment of this great country.

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