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‘Sobering’: Nation’s top public servant shocked by a year of scandals

“It’s been a year of shocks,” Professor Glyn Davis says a year after he took up the role as head of the public service and Prime Minister Anthony Albanese’s chief adviser.

Tom Burton [[/by/tom-burton-p4yvqd](#)] *Government editor*

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Professor Glyn Davis is shocked and surprised. A [searing royal commission](#) [<https://www.afr.com/politics/federal/bad-government-on-display-for-all-to-see-in-robo-debt-debacle-20230205-p5chy1>] into the robo-debt scandal, Scott Morrison’s [multi-ministries](#) [<https://www.afr.com/politics/federal/bell-report-reveals-morrison-s-cult-of-secrecy-and-sixth-portfolio-bid-20221125-p5c18r>], the [PwC tax leaks](#) [<https://www.afr.com/politics/federal/pwc-faces-its-enron-moment-20230517-p5d98x>], and a series of [audit reports exposing unlawful grants](#) [<https://www.afr.com/politics/federal/morrison-government-caught-yet-again-handing-out-dodgy-grants-20230608-p5dewj>] have built mounting evidence that not all is well in Canberra.

“It’s been a year of shocks,” Davis tells *The Australian Financial Review*, a year after he took up the role as head of the public service and Prime Minister Anthony Albanese’s chief adviser.



Professor Glyn Davis, secretary to the Department of the Prime Minister and Cabinet, at his office in Canberra on Friday. **Alex Ellinghausen**

“Robo-debt, the five ministries, the PwC breaches and a number of other surprises about the way public administration is run, I think, surprised everybody.

“We’ve had royal commission hearings on how public servants and ministers make decisions. I think for many Australians, that was a difficult process. We haven’t yet seen the final report [it will be released on Friday], but it’s probably going to be bracing reading is my guess, given how abrasive the hearings were.

“Those shocks have highlighted a number of the big concerns we’ve talked about for a long time: the reliance on consultants; the worry that independent decision-making without fear or favour has been compromised; and the concern whether there’s potential corruption in public service.

“These aren’t new issues, and they’re not linked to any one government,” professor Davis, a public policy expert, says.

Like many, the Prime Minister and Cabinet secretary has been surprised at how a series of events over the past year have conspired to expose many of the same questions about modern public administration he and a team of experts pointed to nearly four years ago in the landmark Thodey review of the federal public sector.

At the heart of the problem was the observation that the trend towards American style executive government had seen a loss of Westminster checks and balances, leaving the once proud 170,000 Australian Public Service to be mere enablers of ministerial edicts.

‘Washminster’ confusion

Davis says finding a solution will take some deep rethinking of the Westminster guard rails that seemed to have been lost over several governments.

“When prime minister Morrison released his response to the Thodey review, he was very clear that ministers decide, public servants implement. He couldn’t have been more unambiguous on that.

“I think he reflected a long-developing culture assumption that ministers can make choices without reflection on how the system is meant to run.

“Constitutionally he’s entirely correct and of course, in the end ministers are elected. But what we’re seeing is that’s become read as ministers can make unfettered decisions.

“We saw that in the recent ANAO report into the Community Health and Hospitals programs, where it said that ministers and officials made decisions for which they had no legal basis.

“So it’s the same pattern, and not just robo-debt.”

The robo-debt royal commission heard repeated evidence of the automated welfare recovery scheme operating despite mounting evidence that it had no legal basis.

“We’ll find out what the royal commission says, but what people have asserted about robo-debt is that either the public servants have failed to call it, or ministers have failed to listen. In either case, there is something wrong,” David says.

“I think that’s a really sobering set of messages.

“We are going to have to stand back. How did this happen? How do we reinstate the Westminster system ideals and what it means?”

For Davis, the answer lies in restoring the balance between ministers and the public service.

“How do we reinstate the idea that yes, ministers in the end are the decision makers, but public servants have this really important role about providing detailed advice, getting it right, making sure ministers have information and can tell them when they can’t do something?”

Restoring integrity and capability

Davis and his fellow secretaries will await the robo-debt findings, but he notes that the APS reform program that he and public service commissioner (and fellow Thodey panelist) Gordon de Brouwer have championed has integrity at its core.

“The signature important part of that is the national anti-corruption commission [which started on July 1] ... That’s game changing for Australia,” Davis says.

“We’ve seen in the states where state governments have introduced an anti-corruption body it makes a big difference. Not overnight, but it changes behaviour. There’s something about knowing that someone is watching, that changes all of us.”

Equally important is the educative role the new commissioner, Paul Brereton, has said he wants to pursue.

“It’s not just about tracking down wrongdoing,” Davis says.

“You want to build an integrity system where it’s just taken for granted, this is how we make decisions. This is how we work. That’s what it’s about.”

Amid new allegations surrounding the selection of multi-million dollar software systems and building leases

[<https://www.afr.com/politics/federal/alleged-secret-plan-to-funnel-kickbacks-to-liberal-minister-20230628-p5dk1n>] in Services Australia and the National Disability Insurance Authority, Davis advocates strengthening the role of the Australian Public Service Commission.

“A lot of integrity work will come to the APSC. The reform program started in PM&C, but it will actually have a permanent home in the APSC.

“I think its really good that we will have a strong integrity agency in the National Anti-Corruption Commission, and have a strong support programs coming out of the APSC.

“Taken together, you can start to address some of the issues we’ve all struggled with.”

Open to outside talent

Not all the breakdowns between ministers and the bureaucracy can be sheeted home to rogue ministers, and Davis is leading sustained efforts to

rebuild public service capability and confidence.

The infamous insularity that Thodey pointed to is being tackled head on with senior jobs now being appointed on merit. Davis says the APS gets a high-quality intake of diverse graduates every year, but the issue is what he calls the poor record on “lateral recruitment,” getting senior industry and non-Canberra executives to join the service.

“We started by introducing selection panels as opposed to just tapping people on the shoulder,” say Davis, himself a Canberra outsider.

“These selection panels have people from outside. When we recommended the new Secretary of Veterans Affairs, we asked a Vietnam vet to join the panel.

“He was a conscript in Vietnam. He gave us firsthand experience what it is like to deal with the DVA. What he said was powerful and had a significant influence on the outcome.”

Educational experts from outside the public sector were also on the panel for the appointment of former Melbourne Council chief executive Ben Rimmer [<https://www.afr.com/politics/federal/top-bureaucrat-makes-canberra-encore-to-help-solve-education-turmoil-20230424-p5d2rd>].

Like Rimmer, newly appointed Health secretary Blair Comley [<https://www.afr.com/politics/federal/labor-carbon-tax-architect-set-to-return-as-new-health-boss-20230606-p5deag>] is among a group returning to Canberra, bring their experience and expertise with them.

Comley, a former Treasury economist and head of the NSW premier’s department, also had to win merit-based selection, beating a well credentialed health expert to the job.

“But we need to do more,” says Davis, pointing to an advertisement for the soon-to-be vacated Agriculture secretary position in last Saturday’s AFR

Weekend.

“It’s the first time, to my knowledge that we’ve advertised a secretary role. If we are serious about lateral recruitment we need to start at the top.”

A secondment scheme for senior business and community leaders to work for the government, and vice-versa, is being developed, learning from previous schemes that fell short.

Within the public service a mishmash of pay rates and classifications are also being overhauled, helping staff from the long tail of smaller agencies compete for prized jobs in the central policy departments.

Many either left, frustrated about career development, or became “long-termers” fuelling immobility that until recently saw nearly three-quarters (72 per cent) of the APS having only ever worked in one agency.

To Davis the strategic intent is clear: access to lots of talent.

“It is a signal that the APS is open to talent, and we’d like to recruit not just a graduate level, but at every level, doubling down on the merit principle when choices are made. As part of the integrity agenda, that’s the logic.”

Reconfiguring the engine room

Meanwhile, there is real effort going into rethinking the design of the public service, known as machinery of government.

The Thodey report noted how costly and disruptive the constant remaking of departments and portfolios is.

“Every other country faces similar issues but Australia’s unusual in that we have many more machinery-of-government changes than most comparable countries, by significant margin.

“We are very willing to just create new agencies.

“We’ve tried to ameliorate that by turning bits of government departments into agencies. But we’ve got a lot of agencies. There are 11 agencies in the prime minister’s department alone.”

In a recent workshop on how to tackle the issue, Davis says it was pointed out agencies within the industry portfolio had changed more than 20 times in the past 10 years.

“In other words, it’s never had more than a year or so to try and forge links before things get moved.”

A senior group is now considering the issue, looking to develop options to ensure the public sector is designed for contemporary Australia.

Over the horizon

At the same time there is a real focus into building the knowledge base of the APS. This came after the Thodey review observed the APS had struggled to anticipate the changes ushered in by digital technologies.

The secretary’s board has borrowed an idea from New Zealand and begun commissioning “long-term impact briefings”, with the opportunities from artificial intelligence the first cab off the rank.

Davis is both excited and daunted by the power of AI, noting how apps that draw out the key recommendations from large-scale consultations – such as Treasury’s employment review – can remove the tedium of parsing thousands of pages of submissions and enable officials to better focus on what it means.

“We’ll rotate people and topics, so we build up expertise. It won’t take too long to build up a library of current insights in key areas. They will be available across the public sector.”

In similar vein the new in-house consulting group is a deliberate attempt to also build lost policy capability.

It is all part of a concept of stewardship, which is now being explicitly introduced as a core value as part of a raft of legislative reforms now before parliament.

At its heart stewardship requires public servants to see themselves as custodians for the capability and institutional knowledge of the public service, now and into the future, by understanding the long-term impacts of what it does

“The COVID experience showed up some stellar performance in areas, but in other areas where we didn’t have the skills, or just hadn’t done the training runs, we hadn’t done the work,” Davis says.

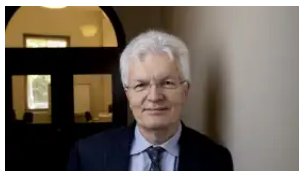
“So stewardship is the idea that the public service has to be able to anticipate where it might need to do future work to make sure that it has the skills necessary to deliver.”



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