



**The Hon Kevin Andrews MP
Minister for Employment and Workplace Relations
Minister assisting the Prime Minister for the Public Service**

**Address to the Menzies Research Centre
Parliament House, Canberra
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E&EO.....

I am pleased to have had the opportunity to hear Mr Sturgess today. It is not often that we have the opportunity to hear from someone with such depth of experience and exposure to these issues in different settings.

Mr Sturgess's previous work experience in the NSW Cabinet Office and with Sturgess Australia, and his current work with the Serco Institute in the UK, make him excellently placed to talk about public service reform and service delivery in the UK to an Australian audience.

In responding to Mr Sturgess, let me start by acknowledging that both public service reform and service delivery are subjects dear to the hearts of governments and public servants all over the world. From an Australian perspective, they have been central to the agenda of the Howard Government for the last ten years.

Public service reform

Public service reform is ultimately concerned with finding the best possible way to deliver the best possible outcomes to the community.

In my own portfolio, I am concerned with employment, and workplace relations outcomes, but this is just the tip of the iceberg when it comes to the Australian Government's overall interest in service delivery.

As Mr Sturgess has indicated, Australia is not alone with its focus on improving service delivery. Governments everywhere are grappling with the best way to improve services in an environment of increasing complexity and resource constraints.

One of our biggest drivers for reform is the increasing expectations of the Australian community. Australians are much more sophisticated consumers of government services than they were in the past. They are better educated, better informed and wealthier. In addition to expecting Government's to provide the

fundamentals of health care, shelter and welfare services, they are increasingly concerned about the overall quality and standard of government services. As is the case across the Western world and many other places, Australians increasingly expect high quality, seamless, accessible and responsive service delivery that is tailored to individual needs, and where outcomes are transparent. They also expect a greater say in the development of policies and programmes.

Service delivery

At the same time that community expectations are rising, governments increasingly have a greater range of options about how the services they pay for are delivered.

There is no longer the mindset that government can, or should, do everything alone. Many governments have significantly reduced their involvement in the direct delivery of services.

That is not to say that governments will ever walk away from the delivery of services to the community – far from it. Rather, Governments need to determine the method of service delivery that is most appropriate to the particular issue.

Governments may choose to provide services directly. They may choose to contract with non-government providers. Alternatively, they may regulate the provision of services. The most likely scenario is one whereby governments employ all three different methods at different times, depending on the environment and the nature of the services to be delivered.

In the UK and Australia, and a range of other countries, increasingly partnerships with other sectors, or “co-productions”, are an important part of the mix in service delivery. These partnerships have improved the efficiency, responsiveness and flexibility of service delivery, and in some cases have helped find solutions to problems that were beyond the capacity of governments working alone. Our public service needs to have the capacity to work effectively in combination with the private and non-Government sectors to achieve these gains.

The Australian Experience

Australia has been at the forefront of public service reform in the delivery of Government services.

In my own portfolio, the Job Network – a national network of public, private and community organisations tasked with helping unemployed people find and retain work – is an example of a world class innovation in the areas of service delivery and public-private partnerships.

Job Network seeks to tailor services more to individual needs, and provides an element of choice for individuals over their service provider. Evaluations of Job Network have concluded that the new system is substantially more cost-effective than the former government-owned and operated employment service arrangements, and that the quality of service has improved.

Another example of the Government's focus on improving service delivery was the establishment of Centrelink in 1997. Centrelink was established as a specialist government service provider, delivering social security and other payments and benefits, and related services, on behalf of a range of departments.

One of Centrelink's main clients is the Department of Family and Community Services and Indigenous Affairs, with which it has a business partnership agreement that sets out the performance required of Centrelink in delivering social security payments. Similar agreements exist with a wide range of other departments at both Commonwealth and State levels.

This multiplicity of partnerships and the associated range of services provided by Centrelink have allowed it to become more customer-focused, and to deliver more integrated services tailored to individual circumstances.

More recently, the Government has continued the focus on improving service delivery with the creation of the Department of Human Services (DHS) in 2004. This department brings together six agencies that deliver social and health related services, including Centrelink, as a means to improve co-ordination between them, improve their responsiveness to Government direction, and to raise the quality of the services they deliver. The establishment of the department also helps to clarify lines of accountability between the relevant agencies and Ministers, and relationships between agencies and their portfolio departments.

The Prime Minister said at the time DHS was created: "*[O]ne of the things we lack in the public service both at a Commonwealth and a State level is a consolidated focus on the efficient and timely and sympathetic delivery of services.*" The Department of Human Services aims to ensure that 'how a service is delivered' is always considered when new policies are developed.

What we are seeing here is a determination to get the right governance arrangements in place, as a foundation for improved delivery and implementation of the Government's policy initiatives. This is not a shift away from devolution, but an enhancement, with a focus on achieving better results for the Australian community.

In addition, to the specific initiatives of Job Network, Centrelink, and the Department of Human Services, the Government has placed a strong emphasis on encouraging a greater focus on service delivery and the needs of the public across government agencies. A key mechanism that the Government has used to encourage an increased focus on service delivery improvements has been the introduction of agency service charters. A service charter is a public document that describes the service experience the public can expect from an agency. Service charters are now well-embedded across the Australian Public Service. The Australian Public Service has also done much in terms of engaging more directly with the Australian community. There has been increased consultation through a variety of means, including user surveys, feedback via the internet, 'customer' advisory panels, and so on. A greater emphasis on consultation and engagement adds value to policy and programme delivery and helps the Government achieve outcomes that improve the well-being of the community.

Government online and e-government

The Government has also embraced technology as a way of improving the effectiveness of service delivery.

The Government Online strategy was launched in 2000. Since then developments have been nothing short of remarkable. Australia's e-government strategies are simplifying the complexity of government for citizens and business and improving the efficiency of government administration at the same time.

My colleague, Special Minister of State the Hon Gary Nairn MP, released the Government's 2006–2010 e-government strategy, *Responsive Government, A New Service Agenda*, in March this year.

The strategy identifies key priorities which are essential to driving e-Government forward. The strategy will help to cut down red tape, with agencies and departments operating in a collaborative, connected manner, rather than in isolation from each other.

Australia continues to rank among the top-performing countries in various international e-government reports. In 2005, the Accenture Report *e-government Leadership* ranked Australia equal third behind Canada and the USA, in overall customer service maturity. The same report stated that Australia was beginning to lay the groundwork for true leadership in customer service, that is, citizen-centred, multi-channel and interconnected government. In my own portfolio, the JobSearch website enables people and organisations – whether job seekers, employers or recruitment agencies – to use electronic channels to find jobs, build resumes, advertise jobs or seek seasonal work. This website is also an example of how technology assists Government to build better partnerships for service delivery with the private and non-Government sector.

Challenges

Despite the significant progress that has been made in reforming the public service to improve service delivery in Australia, we cannot afford to be complacent, for there are many ongoing challenges.

First and foremost, we need the users of services and information to be confident about the information they are provided, and to trust us to provide quality services.

As we make greater use of 'co-productions' with the private and not-for-profit sectors, meeting our service delivery objectives depends less on what public servants deliver and more on how government employees engage and manage stakeholders and partners – in a work of "networked government". Our success in ensuring effective delivery of services will depend increasingly on how well we can manage a diverse and complex web of relationships.

We need to be open to new ways of thinking about problems and to innovative approaches to service delivery. We also need to look at building a different set of skills in the public service than those on which we may have traditionally relied, with a greater emphasis on relationship building and negotiation skills

and managing contracts and networks, rather than traditional public service skills of command and control.

“Co-productions” also require a clear understanding of the desired outcomes, where accountabilities lie and risks reside, and what governance arrangements should be in place.

Collaborations are not just about formal engagement with governments and representative groups. They are also increasingly about working directly with the Australian community and particularly with the recipients of government services to achieve enduring behavioural change.

Many of the issues we are trying to address in the 21st century are issues of social policy that transcend organisational and jurisdictional barriers. They are the issues that can appear intractable by dint of their complexity, history and scope. Indigenous health and wellbeing, drug abuse, obesity, and mental health are just a few examples.

To address these issues, we have seen, in Australia and around the world, a focus on connecting government; on whole of government solutions; on working across agencies and across jurisdictions; and on horizontal governance that involves stakeholders in the design, planning and implementation of government programmes.

For example, in order to increase workforce participation, the Government’s welfare to work policy uses measures across policy areas, such as education, training, child care, health, income support and mutual obligation which are tailored to the particular circumstances of individuals.

While improved co-ordination across Government is important, these are issues that the Government is not well placed to deal with alone. We cannot achieve our objectives without the support and involvement of the community, and without increased cooperation and collaboration between all sectors.

In Australia, this approach is already evident, in our remote Aboriginal and Torres Strait Islander communities. Through Regional Partnership Agreements and Shared Responsibility Agreements many of these communities have made commitments (to improve school attendance or reduce drug and alcohol use, for example) in return for governments undertaking to provide services or funding to assist the community to achieve their objectives. This approach of recognising our shared responsibility for effective outcomes is likely to be increasingly seen across a broader range of policy issues.

I am aware of similar work in the UK, where the Government is employing various interventions in an attempt to influence individual behaviour, for example as part of its Respect action plan, to deal with anti-social behaviours.

Conclusion

What we are seeing today is a determination by the Government to find the best possible way to deliver services to the Australian people. In some cases, this will be directly through Government. And increasingly, it is likely to be in collaboration with a range of partners across Governments and from different sectors. It is also likely to involve a range of different measures.

In tackling these difficult challenges, Australia is well-placed in terms of its ongoing record in relation to public service reform and service delivery. Whether it be by increased use of e-Government, whole of government approaches, private public partnership or networked and distributed government, Australia has often been at the forefront of public sector reform and service delivery.

One of the great benefits of globalisation is the ease with which we can transport ideas, capability and technology. There will always be problems which remain somewhat unique to Australia, which may require a uniquely Australian response.

However, given Australia's and the United Kingdom's shared history with respect to Government and public service, it is only natural and sensible that we look to each other for evidence of the effectiveness of reforms and new approaches to various issues.

There are some similarities in how both countries are tackling some of the same problems. For example, we are both embracing a whole of government approach, or joined-up approach, as it is referred to in the UK, to a number of what are seen as intractable problems.

However, there are also differences in approaches. For example, the Australian Job Network stands in direct contrast to the UK Government Job Centre Plus, which is the sole-provider of Government-funded employment-related services. It is fair to say that, despite our similarities and differences, both Australia and the United Kingdom have high performing public services. It should be acknowledged that both countries have a proud record of achievement in terms of overall public sector performance, and in terms of service delivery. One reason for this is that we are outward looking in our approach and keen to share our experiences and ideas, in our quest to perform better.

Being up to date and well versed on what is happening elsewhere is critical to the decisions we take

On that note, I would again like to thank both Mr Sturgess, for sharing with us his insights on public sector reform in the UK, and the Menzies Research Centre for hosting today's event.

It is through opportunities like today that we can all increase our knowledge of what is happening elsewhere and more ably assess our own public sector reforms and our approach to the delivery of services to the Australian community.

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