



P O2 6154 9800
PO Box 4349 Kingston ACT 2604
info@act.ipaa.org.au
www.act.ipaa.org.au

ABN 24 656 727 375

TRANSCRIPT OF PROCEEDINGS IPAA ACT 2018 CONFERENCE SESSION C: THE STATE OF PLAY

**INCLUDING KEYNOTE ADDRESS BY
DAVID THODEY AO
CHAIR OF THE APS REVIEW PANEL**

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Nina Terrey:

We're now going to move into session three which is the State of Play. We've had a great dialogue so far about going out globally and then coming in looking at future perspectives and now we're here. What is the state of play right now? For the next 60 minutes we're going to have the great opportunity of getting a really great update on where are we at in terms of our independent APS review, what is emerging, what are some of the main insights from review consultations, and how is review learning from international practise and what does review see as key challenges that the APS will need to address in the future.

David Thodey AO is the chair of the independent review of the Australian Public Service. He is a global business leader focused on innovation, technology and telecommunications with more than 30 years of experience creating brand and shareholder value most notably during a successful career as CEO of Telstra. He's currently chairman of Australia's National Scientific Research Agency, the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and Chairman of Jobs New South Wales focused on job creation in New South Wales, as well as ambassador for business events in New South Wales. I'd love to welcome David to the stage.

David Thodey:

Thanks Nina for a very wonderful welcome and good afternoon. It's great to see so many people. I do want to start by just recognising the traditional owners of the land which we're meeting and paid my respect to their elders past and present and to all Torres Strait Islanders and indigenous people who may be here today.

A review of the Australian Public Service. You may well ask why will I do such a job. Well, it's because I actually am inspired by what you do. But before I start to talk about that I do want to just thank the institutions especially [George 00:02:04] for inviting me to come today because we do need a forum in which we can start to socialise, get your commentary around what we are thinking about. Also, I just do want to recognise the other secretaries that are here, Renée. Great to have Renée here and of course, Steven Kennedy and Chris Moraitis. Also, Kathy Leigh from ACT, Peter Woolcott, the new Australian Public Service Commissioner and Gordon de Brouwer who's on the panel with me and of course to you.

Let me start to talk about the APS because the Australian Public Service really does play such critical role in our society, you do, and it's a 117-year tradition of service to our people and our nation. I've got to say it has been a privilege to experience the incredible commitment and capability as I've been around talking to people and all the contributions that have been made. It really is remarkable and really encouraging. I feel very confident about the future of the people of the Australian Public Service. In the end, that's what defines great organisations.

However, from my experience, all large, complex organisations right around the world experience a period of change. Sometimes this is referred to as a period of no ordinary disruption, and of course, sometimes this get played as an enormous sort of change. But it is true. There are many externalities that are causing us all to have to review about how we approach work, what we do. Of course, you, we are not immune to these challenges. Even though we may have performed well in the past, we must continue to reinvent ourselves, and it's like in your own career or as an organisation if we are truly to deliver on the mission that we have.

We all need a confident, independent and impactful Australian Public Service. When I started this review and when I spoke to the Prime Minister at the time, the comment was made that the Australian Public Service is not broken. It's not that we're trying to fix something that is fundamentally not working. There is really great optimism as I've referred to. But what our work to date has validated is that it's not broken, but there is also a vein of frustration that is running through many of the comments we received, and there's clearly some things that are getting in the way, and I'm sure that all of you can identify some of those things.

We asked for submissions and we had roughly 700 that came in, and I tell you, the range is enormous. It covers purpose and culture, things I'm sure you've talked about this morning, about an outcomes-driven public service, about people, about how the service is valued or not valued as the case may be, about skills and capability, skills and capability today but also into the future leadership, and of course how do we remain responsive to the many challenges that you face every day in both delivering services, regulating and in defining policy.

As I mentioned, within those submissions, there were many challenges, frustrations and inefficiencies recognised. Let me just give you a few of them. It wasn't part of the public service, a sense of a lack of confidence. A lack of confidence in the recognition of what that group did and how it was recognised both within the political context but within the citizens of Australia. There were times the disparity or what I would call a misalignment in priorities between what was seen at the top level, maybe the political level and at the departmental level.

There was a sense that you didn't feel that you were realising your ultimate potential or fulfilling the expectations you had of yourselves as well as others who you deal with. There was a sense of fragility in the relationships with some of your key stakeholders not quite being sure about the foundation of that relationship. There was definitely a sense of a struggle to find and retain good people and could we actually create an environment where people could have rich careers for a long time. There were many barriers at an operational level about things that just got in the way.

But within that, what I found really encouraging was this willingness of the public service itself to stare into itself, a willingness to identify these challenges and to confront them and to move forward, and you have all heard about why learning organisations are important, about a receptivity, about a willingness to change and to face up to some of the challenges that you have.

So what I thought I'd do today is just talk about four areas, just four areas of where the review has got to. Firstly, I want to talk around the future, and I understand you spent a bit of time on that this morning. I want to talk about the vision, what we see is our vision for the Australian Public Service because remember, we have been asked to look at the future, the fit for purpose for the next two decades, not fit for purpose for tomorrow, fit for purpose for the future, and then some thoughts on how to realise that vision and some of that actions going forward.

Let me just start with the navigating the future. I mean as I said, we do need to look at the long-term. Two decades is a long way away, all of the struggle with what's going to happen next year, next month, next week, but we do need to try and look to the future so we are fit for purpose there. You did some work on that this morning. We also commissioned some work looking at what the possible scenarios will look like out in 2030.

Now, as you know, scenario planning is useful but not complete. It's a way of trying to look at what might happen in the future because it is so difficult to predict. But you know, there are these major trends taking place in the world that we can predict with a degree of certainty. Populations are shifting in location within Australia urbanisation but around the world. The number of people, the population growth, the age demographics, and we see that both domestically and globally.

Also, we're seeing that some of the critical resources we need are becoming harder to get while demand is rising. Of course, there is this convergence taking place around different parts of the world to become less centralised in some sense and in other ways more centralised. Then when you look at society and geopolitics, we have a world where the expectation is on you. The public service have grown. We want it now not in six months' time. These advances in technology, data, computing power, et cetera, are allowing us to do things differently, and of course new jobs and different ways of working are impacting us all.

So we did do these scenarios mainly to help us keep thinking about the future rather than just getting cordoned today. Just briefly, I won't spend a lot of time on them. They will be on our website. We look firstly at a world where disruptive technologies actually accelerate more than just go at the normal pace. You know the technology world is very good at saying how brilliant the future is going to be but usually it takes longer to get there.

Also, we looked at secondly at a world where there was a greater loss of trust in institutions and organisations where the world is uncertain about how they can interact with big institutions, and they would prefer to connect with their local communities or thirdly, where global instability increases not decreases political, economic, environmental and social causing nations to turn inwards rather outwards. We've seen some of the signs of that already.

Now, each of these features poses challenges and opportunities to the Australian Public Service. Each would demand an APS that looked and functions quite differently to what it does today. That's where this concept of fit for purpose is so important. Such an area has reinforced some what we call no regrets decisions that I'm sure many of you have looked at before. So we looked at these scenarios and said, "How does this play out? What are some things that we can draw from this that really will happen irrespective of which scenario plays out.

Let me take you through some of those. You will have more finite resources in the future. You will not have an abundance of resources. It is just the way of the world. That is one of the first no regret decisions. The sense of greater personalization, the tailoring of solutions for people and places, to be specific, is really a very strong trend that we're seeing through many different organisations. The need to embrace data and analytics at scale not at short, not in terms of just a small little project, the whole area of specialisation of talents because the world has become so complicated.

How do we build organisations that are more agile where organisation boundaries are not the defining constraint? The need for openness, transparency, strong ethics and a pursuit of the public interest while demonstrating that people always come first. These are some of the big themes or no regret areas we're seeing. We know firstly that many people in the service is already working on these areas, so we don't want to actually duplicate any of that but we want to see how we can help further these ends.

Let me just talk a little bit about a vision for the public service. A number of people have already set out their compelling vision for the Australian Public Service just recently. The minister gave a very good speech where he talked about a public service that has enabled to do a good job and advances the interest of Australia and Australians. Effectiveness, efficiency and productivity are good measures for all of us.

I also like to share our minister's recent description of clear eyes, cool heads, corporate memory and policy courage. I'm sure that you can relate to that because it is evocative of what a great public service does. I also recognise Peter who vowed to maintain the service as the beating heart of good government, and that is so true. And then just last week, one of your secretaries provided us with a very timely and I think very insightful reminder of the historical context in which the APS operates, and that is the

foundations of your work. Each of these perspectives are relevant, and they do play a role. So I see a strong profession of the Australian Public Service going forward, a profession that is forward-looking, respected and impactful, delivering the highest quality work, engaged and motivated to deliver great outcomes.

Today, what I'd like to do is to lay out our initial thinking of the vision this review has to the public service. There are five characteristics or themes or aspirations that we are focused on by 2030. Let me just mention and then I'm going to unpack each one of them a little. First one is around a strong public service that is united in a collective endeavour. A strong public service united in a collective endeavour. Secondly, a world class public service-driven by great outcomes through excellence and policy regulation and delivery. Thirdly, an APS that is truly an employer of choice. Fourthly, a public service that is trusted and respected by its partners, and lastly, an APS that is renowned for using dynamic, digital and adaptive systems and structures.

The big question is, How are we going to help fulfil those wonderful aspirations and make them a reality by 2030? Let's talk about realising this vision. These themes are designed to take us away from what so often happens in these reviews which are around inputs and outputs and usually you end with a review with 50 recommendations, you should do X and you should do Y. We're going to try and not do that if at all possible. You see, in these five aspirations, we're trying to define a future state. We can't be prescriptive on that, but we can define a future state that if it is consistent and pervasive will allow you to make a difference, will allow you to actually step in and perform to your potential.

Now, we will use this framework to consider our recommendations and these recommendations will fall into two different areas. Firstly, they will be around things that you can do as the Australian Public Service yourselves. That's the first one. The second one, there may be literal changes that are required or there may be changes in structure but they will be in two very different boxes. Of course, these are not set in stone. We're only six months into this review, and we do not report out until about the middle of next year. But they do provide this overall theme that we are adopting to help us explore big ideas, big ideas that can drive real and sustainable change.

Let's take a moment to look at each one. The first, united in a collective endeavour is about clear purpose with clarity of roles which unites the whole service together. This attempts to answer the question, Why are we doing this? What is it that we do? How are we delivering on our legislative objectives? Are we serving the government, the parliament, and the Australian public? It goes to the very fundamentals of culture, behaviours, values and how we are aligned together.

Of course, leadership, leaders play a major role in setting the standards within the public service in getting people on the same page. Secretaries or

in the case of some boards and agency heads bring to life whether there is one APS or not in how you talk, in how you behave because it is enshrined in legislation. Other parts of the public service have crucial roles to play in this whether central agencies, line departments, the APS Commission or the many portfolio bodies because this is an ecosystem. Many of you come from different groups, but you need to be driven by a common purpose, a common sense of what you are doing and why, and perhaps a new clear purpose could be beneficial, which was owned and lived across the whole APS with decisions making principles that deliver truly one common purpose.

You see, a clear purpose must have a reference point around transparency, accountability, performance frameworks that entrenches stewardship, stewardship that drives the behaviours and outcomes that we all see. It must include a focus on people, must be absolutely central to the APS. It's interesting as we look back over time, Australia's first public servant Sir Robert Garran knew they were the main game from the start, that is people. 120 years ago, he wrote, "The nation will be a nation not of clauses and subclauses but of men and women, and the destiny of Australia will rest with the Australian people rather than with the Australian constitution." Very brave words.

So in drafting the constitution Garran's fingerprints were on the birth of this great nation and his work has served us well for over a century. Which brings me to the second part of our vision for the Australian Public Service in 2030. This is around world class performance and policy regulation and delivery. This goes to the heart of what you actually do every day, the quality of what you produce and implement. In part, this stems from the rest of our vision. You don't get great performance without empowered and courageous leaders, a high calibre workforce and modern work practises that allow you to get the job done or what you need to do.

What causes more than just a metric? It is an attitude, it's a disposition, and outward focus on the people we serve, a curiosity to learn and a commitment to continuous improvement every day. Now, in pursuing excellence, we do need to measure ourselves by others, and that's why we are looking to other Westminster systems like Canada, Singapore, the UK. But in the end of the day, the only measure of success can be results. The only measure of success can be results.

As one workshop participant told us, the aim is to deliver services as if your customer had no choice. So we need to agreed ways of evaluating performance and results. We also need to build skills, capability and expertise for the future, not just for the next month, and we need to assess the extent to which the Australian Public Service truly is fulfilling its aspirations as a profession with common and consistent standards. It's interesting when you look at it and you look at the UK system where they've embarked on this enormous professionalisation of the public service and have put in place the academy models to build out real capability. Is that

something we should be doing more often? Would that develop the capabilities we need for the future?

This brings me to the third point which is around being an employer of choice, a term I'm sure you've heard of many times. Public service is valuable and is valued work and it must be seen as such both from within the service but very importantly from outsiders as well. The APS must continue to be home for our best and brightest in Australia. The question is, How do we attract, retain and nurture the people that we need to get the job done? Is there an exciting employee value proposition that will be compelling to graduates and mid-tier professionals who will become our leaders in 2030.

So what does a leader look like in 2030? This means investing. Investing in our most precious resource, our people, to develop them because it's a very simple saying, if you don't invest, you'll never get a return. So, warrants some terms and conditions, recruitment processes, development, training and how we manage people. How should the public service reflect the diversity of the people we serve today but you will be serving in 2030 and how will that change? How will you draw on your people and draw on outside help and partner to make a difference? What would it take for the APS to become more porous with people moving in and out at various times in their careers? You know, that does not always happen where we can bring in expertise when we need it and insight from other sectors.

One workshop attendee who was attending one of the many sessions we've had around the country, it was interesting, I think it was a he. He said, "I started by chance, but I stayed by choice." I think that is very reflective of many people's views. It's an insight into how fulfilling they find their work and a real vote of confidence in terms of the culture that you create. But even as an employer of choice, the APS does not stand alone. You stand within the bigger context, the private sector of academics and of the not for profit. You stand within society. So you need to be able to engage actively and well with all your stakeholders, which brings me to the fourth quality which is a public service that is trusted and respected by its partners.

Let me just unpack this a little bit. We've chosen that word partner very deliberately because it applies to the relationships between the public service, and the people organisations that you need to inform, support, implement or who benefit from your work. I want to be clear about who's in this group. Firstly, you must be a partner with the parliament, the elected representatives, ministers and their staff and the government of today and government of the future, and therein lies the balance that you have to maintain. Your peers in other levels of government, state and local, and across the whole APS. Also, non-governmental organisations such as business, academia and charities. Are you easy to do business with? And the broader community.

We want to set out what genuine 2030 partnerships would look like with each of these groups, developing and delivering workable and successful outcomes for whatever stakeholder group you're working for or the Australian people. What would encourage collaboration? Clever compromise and clear understanding of each other's capabilities and constraints. How does partnership look different in all of these contexts? For example, policy department, this is a regulatory department, very different type of partnership or in the delivery of large complex services like welfare.

So there is a real equality in the open and free sharing of ideas. It's a process that shuns status, embraces curiosity, and encourages debate. Someone suggested that the APS should be more a facilitator than necessarily always leading discussions. I think it's an interesting thought. May that always be possible. It's also interesting to reflect on how this trust has manifested itself over past decades or past eras and what has been the core that has allowed these trusting relationships to actually be established.

If you go back to the Menzies era where there was a very strong relationship between the elected government and the public service. An economic adviser who served a number of prime ministers said he spent more time, i.e., this is Menzies, with the public service than he did with his own ministers. A secretary of his department referred to relationship between the public service, Menzies and his ministers as an integrated enterprise which led to much of the achievement that resulted from that Menzies era. Or you could go forward 20 years to the Holt era when he was leader and there were some wonderful reforms of Medicare and flooding of the Australia dollar during that period.

But maybe it wasn't a coincidence that as several people pointed out to us that most of the ministers in that government had public servants as their chief staff or senior adviser. Interesting, isn't it? In serving others, trust is a foundation stone for good work. It's a vital part to the relationship with government and it also allows you to do things differently because without trust, it is very hard to get change established. And I think that Rachel Botsman said something very insightful around trust. The conduit that enables new ideas to travel. It is the social glue between the known and the unknown. So if you don't have trusting relationships, you're not clear about the role that you play, it is very hard to get change implemented.

It's in the spirit of doing things differently that we come to the fifth and final characteristic of what we see as this future public service. This is a mouthful but I will persevere. This is about a public service that is dynamic, digital. It's an adaptive organisation, and I will use with agile systems and structures. But don't get caught in agility. It's about being able to respond quickly to the changes that will inevitably come towards us.

This is about how we work, how you work, and how we must make it easier, make it easier to be nimble and flexible while having clear processes, rules

and approaches that we need to have around risk management, but that enables, it enables you to get the job done rather than constraining you. That is a difficult balance that you need to get to every day. You see, it demands serious thinking about the current operating model that we have today, the rules around resources, your people and their incentives, how funding is allocated, the enablers of digital systems and how you engender a healthy risk culture because your job is to manage risk. It's not to avoid risk, it is to manage risk.

You see, I think the PGPA Act that I've been involved in doing a review does provide an excellent foundation but it does not and is not a substitute for leadership or good judgement . It also means acknowledging that outside the APS, no one really cares which department you're in unless you relay to the industry that you want some change to take place in. And really outside of this room or this city, no one really knows what a mug stands for. However, they do get in the way of delivering outcomes, and that's what we're going to look at.

You see, I think all Australians care about the services they receive but they're more interested in outcomes. They're more interested in what we actually deliver. It's interesting. I mean some of you and I think there was some discussion this morning that talked around an outcomes-driven culture. I mean we're seeing New Zealand and New South Wales, at least, their political level and within the public service, focus on big social outcomes and economic outcomes that is really been to deliver things that often work across multiple departments. I think it's a concept that is really worth looking at.

Now, we're not the first to say that we need collaboration across the Australian Public Service. You know, I know that no longer can any individual get something done. You need to be collaborative. It's vital to success. But how many times have we all seen while there's this laudable idea to collaborate, process, structures, sometimes systems, sometimes culture just get in the way sometimes unintentionally and therefore, we don't really deliver on what we want to.

Also, when it comes to systems, and you could never talk around the future of the public service without looking at IT. How do we enable an environment where technology is just part of what you do? Not the end but the enabler of what you need to do. We all know that that world is changing quickly. An example, we're still struggling with some of the policy settings about even using secure cloud services because rightly there are some concerns there, but sometimes we're too slow in actually looking at what is possible and how we can reduce barriers to taking advantage of these new offerings.

Now, it's interesting. One public servant asked the question as we're talking about IT. He said, "Look, only, if only we could move from this mentality that

sees the APS continuing to use antiquated software, antiquated systems because newer versions were seen as extravagant." Because sometimes we have to invest to be at the lead and then to actually reap the benefits. By the way, I'm not saying that you should take the latest version of software every time. Just I think we need to have an attitude of trying to look at the best and bring it forward to the public service. It is that word extravagant I know that you come under enormous scrutiny for when you take a taxi ride or how you do it. I know that that is difficult, but we do need to put in a world of trust because rules cannot define how you behave every day because it goes back to values.

So, in conclusion, we spent the last six months listening, talking, thinking, sometimes being confused. But starting today, we're beginning this next phase, and it's a phase where we want to start to engage with you because we want to lay out these five themes and start to get your input into what we could do differently. We're going to start with the first one which is around trusted and respected partner. What does that mean? How do we create this trusted, respected relationships with all the key stakeholders that you need?

By the way, trusted and respected does not mean you always agree with somebody. In fact, it's how you have trust and respect when you disagree or you have a role that requires you to go against what their self-interest may be. But it's how you do it. So what we're looking for is your ideas on how we can realise this wonderful future that you have and the next generation has for this great institution, the Australian Public Service. So we're seeking suggestions that are truly transformative.

Now, I will say it publicly. If we end up with a list of 50 recommendations that you have to implement, we will fail because 50 recommendations will mean another committee to be set up to monitor the implementation. What we need is big, bold ideas. But let me be clear. Sometimes the big, bold ideas are really simple, and they may not be revolutionary because I'm sure sometimes a degree of incrementalism can be okay, but that got to be substantive enough that we see a difference that we allow us to be truly fit for purpose.

We know that there are many great initiatives on the way and this is part of the challenges of this review. There's the reform committee that Renée, Peter and I are already on, and we're looking at many different things across the public service, but this is looking out for two decades. So we have this unique opportunity. I say we because it's not a panel review. If this is just another panel report, I think we collectively will fail because it is the legacy, it's the environment that we're living for another generation to be impactful in what we do. We need to be well considered as we bring these ideas forward.

I do think that we need to really look at some of the top questions. Is there a problem in the authorising environment that we have? Are our incentives and disincentives misaligned? Gordon may talk to that later on. Because at times we get ourselves all tied up and we're not delivering as well as we could. So in the coming months, we committed to unpacking this a bit more. We've already started reframing this context of the APS so that it is really fit for purpose. I hope it's more than fit for purpose. I hope that it is a true leader, a leader both in Australia but a leader where you say even more than you do today, "I'm really proud to work with the Australian Public Service because of what you do."

So I would encourage you all be an advocate for your work. Be an advocate for your craft. Now, you can and should be proud of what you do. Have those conversations. Talk about what you can do differently because while reviews are important, it's actually the leaders in this room that make more difference than well-written reports. I just want to say I have enormous confidence in the Australian Public Service, in your future and also what you can do, because as a nation, we need you to be strong, we need you to be independent, fearless, and impactful while managing the many stakeholders that you need to manage at any one time.

So I'm, delighted to be leading this panel, and I'm delighted to have some wonderful people working with me as well so like Gordon and Peter. I think and Peter and Renée are going to come and join us. Thank you for your time and looking forward to questions.

Nina Terrey:

Now, I'm going to welcome our next two panellists to the stage. I'd like to welcome Peter Woolcott AO. Became the Australian Public Service commissioner in August of this year. Peter has a distinguished career in the Australian Public Service serving in senior diplomatic positions around the world. Most recently, he has served as the prime minister's chief of staff. Peter was appointed an officer in the Order of Australia in 2017 for his distinguished service to public administration in the field of international relations and as a lead negotiator in the non-proliferation and arms control field. Welcome Peter.

I'd also like to welcome Renée Leon who joined the Department of Human Services as secretary in September of 2017. Prior to her current appointment, Renée was a secretary of the Department of Employment and has served as deputy secretary in the attorney general's department and the department of prime minister and cabinet. Renée was awarded a public service medal in 2013 for outstanding public service to public administration and law in leadership roles in the Australian Capital Territory and the commonwealth. Please welcome Renée.

We're going to actually start this panel as a conversation and I'm actually going to ask Renée to kick that off just to reflect some thoughts building off David and I'll pass it to Peter as well. Thank you, Renée.

Renée Leon:

Thanks Nina. The thing I found really inspiring and interesting about the way we're approaching the review is the 2030 horizon. We, secretaries, are always interested in how we can make public service better and fulfil our stewardship role, but setting that 2030 horizon ensured that we really lifted our sights above the many frustrations that David referred to and the incremental change that you can make in the short-term to really think about a potentially very different world and what we would need to be in the public service to be ready for that.

That's been I think very helpful framing that it does remind me a little of the work that I did as secretary of employment on the future of work where whenever I get up to speak about the future or work I always had to say it's not really in the future. It's actually already started now. That 2030 horizon is very much the same. It's more than 10 years away but the work that we have to do to become who we need to be is already on foot. There's a continuum that David and I have talked about between the work that the review is doing with that much more extended horizon and the work that the APS Reform Committee led by secretaries is doing to engender reforming here now. So that future of the public service is a future that very much builds on who we are now and the work that we're doing now to become better for the present as well as fully equipped for the future.

In my own role as the secretary of human services, a couple of the things that I find most resonant about the things David said today were the outward focus of the review, not thinking, not sort of just navel-gazing about how we can get more of what we want in our daily work but remembering that we're here to serve the public and the citizens of Australia and that whatever our collective endeavour is ought to be really informed by engagement with the citizens of Australia and knowledge driven by data as well as that engagement about what they need and what impact their work is going to have.

Therefore, the other key part of what David has referred to is the outcomes focus of the review. That it's not enough to just wander around and around in our own routes, that we ought to be thinking all the time not what are my inputs and outputs but what are the outcomes I'm achieving, and having real clarity about those perhaps in the way New Zealand does where the government sets some clear outcomes, and then the public service can be united in a collective endeavour because the outcomes are clear and we're accountable to them. We report on them. We're transparent about how we're achieving them. That kind of focus I think is what many in the public service would really welcome because I know all the public servants who I've ever dealt with or led, what we're here for actually is to improve services and policies for the benefit of the citizens of the country and getting our framing and a framework within which we can do that. I think we all really look forward to. That's a few comments, David.

David Thodey:

Okay. Thank you.

Nina Terrey: Great. Thanks Renée. Peter.

Peter Woolcott: Yeah. Look, thank you. I mean first of all, I will have to express my admiration for Dave for taking on this job. I mean to do something in terms of looking of the public service, what's it going to be after 2030, how you may get fit for purpose in that time frame. Change, that is moving very quickly. We all know that and it's accelerating. What the world is going to look like in 2030 is ... There's a fair amount of guesswork in that. We know certain things around demographics, around technology. There's a lot we don't know how fast that change is going to be.

So David is going to land this and land this with whoever the government is at that time. But I think what is done which is really important and interesting is he started a conversation which is right across the public service, it's within government and within academia about the public service and what it needs to do and how it needs to adjust and change. I think that conversation has been fundamentally important and that in itself is going to help a lot in terms of our work and what we're trying to do because there's a lot of us as the public service can and should be doing now and for the future in terms of being much more agile and adjusting to events.

Renée and both David have mentioned the work of the APS Reform Committee executives who work on something called the ACT I think is the acronym. That's actually very important because it's looking at operating structures, it's looking at workforce capabilities and mobility, it's looking at how we become more citizen-centric, and it's looking at a whole range of things around digitalization as well. This is the sort of work we just need to be doing now. There's no point in waiting. We don't need to wait for David on this and he wouldn't want us to wait. This conversation, as I say, has been hugely important. David has been very active in that work as well.

One of the really interesting thing he said today in his speech was about trusted partnerships and looking at how we look at ourselves as a trusted partner of government and how we look at ourselves as a trusted partner of our clients and the citizens of Australia and business groups and single-issue groups and everybody else, because that's actually a real cultural change. I think the public service has been a bit insular. That would be my sense. It knows that it has to work with government and to serve government. We also know that's a much more contested space. It's not as easy as it used to be for 30 years ago when essentially it had a monopoly on political advice. We don't anymore. So that's much more difficult and there are certain skills we're going to have to continue to develop to be able to maintain our appearance in terms of that advice.

But again, what we're not very good at I don't think is engaging with people, engaging with stakeholders, engaging with single-issue groups, and the way [inaudible 00:47:55] these days we just need to get much better at that as a public service. So I think the way David is framing that discussion around

partnership is really important and a really interesting thing for us all to dwell on. I'll probably just finish up because we need to get the questions.

Nina Terrey: Yes, yes.

Peter Woolcott: There's a lot more I'd like to say but it's David's how so I'll back off.

David Thodey: No, no. [inaudible 00:48:19].

Nina Terrey: Thanks very much, Peter. I've actually got a question that comes from one of the streaming audiences. I think it builds on that just that last point you raised, Peter. It's about the conversation that you've had to inform the review so far. There's a question here that says, "How are you making sure that the recommendation speak to the experience of the public sector across Australia not just in Canberra?"

David Thodey: Right. Well, firstly it would be being as online as possible. For those who don't know, you can go to the website, and I wish there was a little bit more social media life but it's pretty good, right? We're getting quite a lot of rapport and questions coming through but also we have run workshops both for the public servants around the country. I've been to Darwin, Perth, even been to Geelong, Ballarat, Melbourne. That's the public service but also with the citizens of Australia.

Now, because the engagement from the citizens of Australia has not been enormous, it's been probably a few hundred, but we are trying to reach out as much as possible. So if anyone who's online, please go online. I'm a great believer as Peter just said, it is the conversation. It's our conversation. If this is a report that comes out as a surprise to you, then I don't think we would have done our job. Okay. So.

Nina Terrey: Great. Thank you. I just have another question which quite probes into one [inaudible 00:49:46] which is being an employer of choice. And the questions being asked ... You mentioned terms and conditions to be an employer of choice. So the question is: What sort of terms and conditions?

David Thodey: Well, I should talk to Peter at this point. Look, I think that-

Peter Woolcott: Two percent to you.

David Thodey: Two percent to you. Right. I think it's very important that as we look Now, we're looking to the future about what the labour market will look like in the future. I will always start from the position of a strong ... Our essence, our value is in the people we have. That's the underlying principle, but we do need to look at flexible ways of working. Are the contractual conditions we have mitigating against creating great opportunities for people and being able to get the job?

It's in that context not around enterprise buying. That's not what we have. We're trying to create a world of where would the labour markets be and how do we give people confidence about being able to steer into a great job on the basis they deliver a great outcome, they have a great career. I mean that's what we want. We want people to be successful and enlivened and all those things. That's the context we're looking at.

Nina Terrey: Okay, great. Thank you. Well, I'm going to open up to the group now the questions from the floor. It's a great opportunity. So who would like to kick off with the question?

Rob Heferen: Rob Heferen from the Department of Environment and Energy. David, thank you very much for that [inaudible 00:51:17]. Just a thought I'd like to get a reaction, when we talk about the Australian Public Service, there's a level of homogeneity. [inaudible 00:51:27] served the public, served the government today in one way or another. There's a huge diversity. So when you ... Observations about how we connect with having a partner, having a trusted partner, I mean I know it's just my own experience being lucky enough to work in a whole range of agencies, some departments do it really well. Probably even more calibrated than that. Some areas of some departments do it really well. Some areas of some departments or agencies, I think you've got a lot to learn.

One of the tricky things in a report like this or a review like this is to actually call that out how they could be ... Well, for you not pretty limiting for how this could well be, but to actually be specific, so then there are things that people can actually take away and utilise almost by necessity. It means there's a granularity or a calibration about it. So if we can say, "Ah, okay. This is a good example. That's what we should model on, that process." But I know that's a very difficult thing to actually deliver because of the problem and blowback that could occur.

But I would really like thoughts on that because it is something that a lot of us are really looking forward to. I guess one of the key things we'd want to say, okay, what are the concrete things we can do to actually make the service better? I think by that, looking a good example and trying to replicate that is a really positive way of doing it, but to do that, we need to be specific of what those good examples are.

David Thodey: Right, right. Look, it's a really good question because it is ... What you first is saying is the APS is an incredibly diverse and multifaceted ... I won't call you an organism, but you are very diverse. The first question we ask ourselves, "Is there one APS," and in one sense there is. By the way, take the citizen's view. They only see one APS. Within your world, you see many different groups but you've got to look at it from the outside. That's the problem with many organisations. You get too internally focused. So just think of it that way.

So then in terms of our recommendations, I mean how specific can we be? Look, if we would go to too much specificity, it would end up being 500 recommendations. What we're trying to do is get some really big principles about how a future APS would be fit for purpose that you can take leadership to stare into in your own world. Now, we will provide examples, if we can, of best practise but I just don't know how to do it. So if I'm talking around CSIRO and the scientists, there's this call centre in [DHS 00:54:21]. They're just different environments. So I think we've got to be very careful not to be too specific.

But that's what leadership is about, you see, to me. You see, we have to create the environment for people to make the right decisions, do the right thing, be externally focused. That's what we can do. Yeah. You can. You can. I can have two questions. I'm not sure.

Nina Terrey: I don't know. I don't know.

Rob Heferen: It's just a quick follow-up.

David Thodey: No. You can go. Yeah.

Nina Terrey: Is it short? Is it short?

Rob Heferen: Thank you. You point out about the leadership that's necessary. I guess that gets to a kind of even trickier one. As all of us know, I'm working with various agency working and having people that work to us in various situations. Some people we got is very good, some okay, some not so good, through all different levels of leadership in an organisation through the service. So then when you have something that is ... And I'll take your point, you can't have a whole bunch of recommendations for every different ... I think that would be very clearly useless.

But then having the recommendations that the various elements of our leadership could take up and use we'll be having some observations about the kind of leaders that the APS needs because it does strike me that some of the issues we're talking about, about where the service has arguably fallen short probably is a function of some of that leadership, and obviously, I got to include myself in that.

David Thodey: Yeah. [inaudible 00:55:51]. Yeah.

Rob Heferen: I know that's a tricky thing, but will you try to go there?

David Thodey: Well, the answer is absolutely yes, but Peter do you want to talk to that or ... because I do think leadership is a critical component of ... Not to say it is bad. It's been how we become better leaders because leadership is such a critical part, and I will say before maybe Peter says a word, and you've got a [inaudible 00:56:21] leadership. It doesn't just happen because you know a

good leader. You've got to put yourself out there. We're going to spend money, et cetera. Peter, do you want to take that up?

Peter Woolcott: Yeah. Just to say that obviously the capability aspects if we start to engage much more with stakeholders, you got to in one sense get the political licence and the political class to do that, because as we know, ministers [inaudible 00:56:44] like to make sure the message is controlled or things start to run away from them. I think it's very important if we're going to provide the quality of advice we need to and with the speed we need to these days. We have to be talking to the stakeholders. We have to know where they're coming from, what they are thinking and engage on a regular basis with them.

Part of that is practise, just doing it. Part of that is actually knowing how to do it and teaching those sort of skills. In fact, it's leaders in systems where that's important. It's not important in every area of course, but knowing that ... If you go back over the last six months in terms of the diaries of people that work for you, how much time do they spend talking to stakeholders? We found very little in many areas where they probably should, and so it's a question again of changing the culture, and being much more prepared to go out and take a few and manage those lists that David talked about earlier.

That's why I also think that more and more permeability within the system is going to become much more important so that you develop these networks quite naturally. You spend time in state jurisdictions if you're working on similar issues. You spend time with private sector and you spend time with single-issue groups. So it's a way again of changing the way you work because I think it's going to become a necessity.

Nina Terrey: So I'd just like another question from the floor. Is it a woman? Good. That was my criteria. Thank you.

Helen Sullivan: Helen Sullivan, Crawford School. Thanks very much for the presentation, David, and for the follow-up. I think my question follows from the last reflections from Peter. It's really about this theme of being the employee of choice. We, as an educator know that students who come to us as ... you know, and we want them all to work in the public service or work with people who provide services. We also know that the nature of work has changed dramatically and we're told we need to expect to have a least seven different careers and so on and so on.

So I just want to tease out a little bit this idea of one and the same time the APS being the employer of choice and also how you manage to do that in an environment where we're saying that in order to be a best fit for the APS, you need to be somebody who can bring experiences from all sorts of other places and indeed be expected to have those experiences the way that Peter has just described. I think it's a difficult circle to square but I don't disagree at all. I'm just interested in how you're thinking about how the APS can be out

one and the same an employer of choice and a reflection of the diversity of ways in which services are delivered and policies are designed.

David Thodey: Right. I mean I really agree that it is very multifaceted. Let me try to put it in a different term. When you have an organisation that is making a difference if it's steering the big problems, but it's got a culture of can do, you become a magnet for great people. I mean you just take a look at any organisation in Australia and the world. So the employer of choice is sort of more around that nature of who we are and that is seen as an attractive place to come. Now, there are many different aspects, graduates, mid-tier, senior level, lots of different areas there. And yes, they may only come in for four years and then leave. That's okay.

However, today's world here, I'm not sure that leaving and coming back, some of you may have done that but it's probably a little not always great. I don't know. Is that fair? I don't know. I don't have any data on that actually so [inaudible 01:00:37].

Renée Leon: It's less usual. Yeah.

David Thodey: Yeah, yeah. So I think that that's creating this flexible working environment where people can come and contribute and move out, and that's okay. I think it's got many different aspects. It is not an employer for life. That's not what I said. It's not an employer where you're going to get paid twice the private sector. You know that. But it should be a place where you get satisfaction, you can engage, your opinion matters, and you can make a difference because that's the driver. That's what I mean by what I think an employer of choice is in the new world, and we go away from many of these things that have defined the organisations of the past. Does that ... But you can help us. We need the Crawford School, you know. Thank you.

Nina Terrey: Fantastic. Great question. Thank you. We have one more here.

Andrew: Hi, David. It's Andrew [Podger 01:01:31] here.

David Thodey: Hi Andrew.

Andrew: Just a couple of comments. Reflecting on the [Morin 01:01:36] report, there were two particular weaknesses, some of those you have offered. One was that it was a consensus of the hierarchy. Therefore, had probably some very sensible views but lacked a lot of substance, and so it didn't have a long shelf life and we've all forgotten about it now. The other issue is that its conclusion was very broad ideas, beginning an agenda, other people take it on, and it wasn't tangible enough to actually lock things in. So, with those comments, I'm a little bit nervous about just having up with big ideas and also would wish to encourage you to publish the commission work, to come up with some published discussion papers which allow us to react.

David Thodey: They are coming. Yeah, yeah, yeah. Okay.

Andrew: But to say not to have 500 recommendations is probably very wise, but not to have 50 may actually also be unwise. You may need up to that number if you got to touch tangible issues.

David Thodey: Yeah. Andrew, I should say I reserve the right to change my view at this point. Look, what I'm just worried about ... I mean if I [inaudible 01:02:47] to the number of recommendations we've had, all great ideas, I think we're probably what? 400 already? I mean something like that. Even as I present today, there is a grave danger, the sort of motherhood platitude. So Andrew, I'm acutely aware of that. But I do want to persevere to try to find some big impactful things. The problem with the 50s and the 100s is that there's only a few things you can do in life.

Now, as I say that, I know this a very complicated, multifaceted world of the public service and yes, there's history, legislation, et cetera, but I'd like to try to get some big impactful things. We may not, and maybe we will come back, and maybe it is the right decision to have 50. I remain open, but I'm going to try to do a few things well than many things poorly. The other thing is I should quickly say there are so many good reports. I mean, Andrew, you've written good reports but many of the things don't land.

So I sit here and say I prefer to have a ... By the way, that doesn't say that many things that you've suggested have been done very well. But let's go to [inaudible 01:04:11]. There are things that just suddenly get put on the shelf and I hope, though there's a great danger, I hope that's not the case. So hold us true to it and it's people like you who keep testing us and pushing us and writing reports and going to [inaudible 01:04:30] to keep us honest or keep us focused because this is more than me, I tell you. I have no desire for this. I'm really interested in what we do that's good for this group of people because it's important for Australia.

I don't know if I answered your question but it's still an open door. Okay? Right.

Nina Terrey: I would like to say thank you so much to David and Peter and Renée for a fantastic session. Can we put our hands together for our panel. Thank you.