

# Advising Howard: Interpreting Changes in Advisory and Support Structures for the Prime Minister of Australia

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John Howard, Prime Minister for nearly a decade, leads a disciplined Cabinet and, save for a few recent rumblings, a united and orderly backbench. He runs a tightly controlled political and policy agenda that unmistakably bears his personal stamp. How can John Howard's authority be understood and explained? While undoubtedly the product of his personality and working style, his formidable political skills, experience and renowned personal discipline, it may also be attributable to the substantial and sophisticated advisory infrastructure developed to support his prime ministership. This article surveys the key institutions that provide advice and support for John Howard's prime ministership, and assesses their effectiveness.

## Introduction

When John Howard became Australia's 25th Prime Minister on 11 March 1996, he inherited an advisory and support system in which the personal staff resources available to the Prime Minister had been significantly enhanced. The Department of the Prime Minister, established by the Fisher government in 1911, was traditionally the Prime Minister's principal source of advice and support (Walter 1992).<sup>1</sup> The Prime Minister's private office provided limited administrative and secretarial support. Under successive governments since Whitlam, the Prime Minister's Office (PMO) has grown substantially in size, power and influence (Holland 2002). It has become a significant personal and policy resource for contemporary Australian leaders (Walter 1986; Weller 2000). As a consequence of developments under the Hawke–Keating governments, ministerial staff and particularly prime ministerial staff had become more significant actors than they were when Howard was a minister in the Fraser government (Tiernan 2004; Maley 2002). Mechanisms for achieving greater diversity in sources of advice to ministers were well established.

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<sup>1</sup>A separate Department of the Cabinet Office was created by Prime Minister John Gorton in 1968. The two were amalgamated as the Department of Prime Minister and Cabinet (PM&C) when William McMahon won the prime ministership in March 1968.

Howard has been in public life for more than 30 years. His experience is unmatched within the federal parliament. He has overcome the setbacks of the 1980s—his long and bitter rivalry with Andrew Peacock, his lack of success as Opposition Leader from 1985 to 1989 (Henderson 1998), a sceptical and at times disdainful media (Barnett 1997)—to prove himself a formidable and durable politician, one whose skills are frequently underestimated (Adams 2005, 229). Accounts of the Howard style emphasise his ‘tenacity, resilience, determination and ambition’ (Adams 2000, 13). To this we might add persistent, vigorous and strategic (*The Age* 16 March 2002) and increasingly confident and assured (Singleton 2005, 5). He is also exceedingly well organised and well briefed.

Howard’s long political experience undoubtedly shaped his views about a government’s advisory needs. Since coming to office, he has capitalised on the innovations of his predecessors, overcoming initial difficulties to build a large, impressive and sophisticated infrastructure of advice and support for himself and his Cabinet. In part, his pre-eminence and longevity are sustained by this infrastructure.

This article uses original empirical research, drawn from a major study of ministerial staffing arrangements under the Howard government (Tiernan 2004), to develop the first detailed account of the advisory infrastructure developed to support the Howard prime ministership. It provides a current and descriptively rich analysis of changes at the summit of the Australian core executive in the period 1996 to the present. It argues that John Howard’s organisational skills are an important but underemphasised factor in his political success.

### Advising Prime Ministers

Prime Ministers have special advisory needs, reflecting their multiple roles as the head of executive government (Hollway 1996). As the scope, pace and complexity of the job has increased under the pressures of modern governance (see, for example, Foley 2001; Kavanagh and Seldon 1999), so too has the need for advice and support (McAllister 2004; Rose 2001). Their advisory arrangements reflect the key responsibilities of the Prime Minister which, as Weller (2000, 60) notes, are ‘a combination of practice and choice’:

Some things prime ministers must do: they must shape and chair cabinet, lead the government in the House of Representatives, deal with state premiers, campaign in elections and present their case in the media and overseas, although how *much* time and energy they put into any of these areas will still be a matter of choice. But prime ministers may also set their own priorities—the issues where they want to take a lead or make a mark, where they are particularly committed. These will change from leader to leader. In effect the prime ministership has some basic roles and then a range of choices.

The combination of advice that an individual Prime Minister chooses to engage will reflect their perception of their multiple roles and how they want to play them (Weller 1992, 2000). Increasingly, however, Prime Ministers are finding their choices constrained by the demands and expectations of other actors. In the US context, Walcott and Hult (2004, 5) note that the demands and expectations of external political actors can shape presidential advisory structures, reinforcing the tendency to retain certain structures and arrangements from one administration to the next. These then form the ‘deep structures’ of the presidential staffing institution

(see Moe 1993). Deep structures are becoming evident in the Australian Prime Minister's advisory system (see Tiernan 2004), suggesting that the personality and style of the individual Prime Minister, while important, is only one set of influences on their advisory arrangements.

The need for staff support derives from what in the US context is described as a situation of 'bargaining uncertainty' (Dickinson 1997). Presidents are constantly engaged in negotiation and bargaining with other actors whose political resources they need in order to achieve their desired outcomes. Since they cannot do this personally, they require the assistance of agents who will act in their name. Power dependence also characterises relationships within the contemporary Westminster core executive (see Rhodes 2005; Bevir and Rhodes forthcoming). The structure of dependency requires actors to bargain and exchange resources in order to achieve their policy goals (Smith 2000). This exacerbates complexity and increases demands on time, creating the need for additional staff support.

Like the proliferation of presidential support agencies to deal with bargaining uncertainty, the centralisation of coordination and advisory mechanisms around the Prime Ministers of Australia, Britain and Canada, and the pluralisation and personalisation of support structures (Bevir and Rhodes forthcoming; Savoie 1999) can be seen:

[not as] a concentration of power, but a desperate search for effective levers of control by a core executive less powerful than many commentators and insiders claim. (Bevir and Rhodes 2006, 35)

Prime ministerial advisory structures aim to augment a leader's capacity and extend his or her reach. But not all leaders are equally successful in developing arrangements that enable them to achieve results while maintaining political support. For example, despite almost continuous restructuring of his advisory arrangements since 1997, Tony Blair has 'never succeeded in finding a structure that suited him' (Bevir and Rhodes forthcoming, 25). Compare this with John Howard, who in almost a decade in office has developed arrangements that facilitate his dominance over his Cabinet and the Coalition government. Howard's system of advice is large, active, personalised and stable. As the descriptive account below shows, it gives the Prime Minister capacity to drive the strategic agenda, while keeping him sufficiently close to the politics to keep winning elections and maintain internal discipline.

### **John Howard, PM**

Howard returned to the Liberal Party leadership in January 1995, following the brief, gaffe-prone leadership of Alexander Downer (Henderson 1998). Reportedly aware of his reputation for having a chaotic office as a Fraser government minister (Williams 1997, 88), and determined to have greater success than during his first term as leader, Howard immediately began developing the nucleus of a staff that would accompany him into government.

Perhaps because of Howard's experiences of treachery and betrayal in his tenacious climb to Australia's top job, a key concern was to surround himself with people who had proved their loyalty during his years in the political wilderness (*Sun Herald* 14 April 1996). Competence and the ability to gain the trust of a Prime Minister who does not trust easily seem to be criteria for entry to Howard's

advisory network. His preference for dealing with people with whom he has had long associations and/or familial connections is well documented (see, for example, Grattan 2000). From the outset Howard asserted his right to work with people he knows and feels comfortable with, and who share his philosophy and worldview.

During his first weeks in office, Howard implemented decisive changes to the system of advice. First and most controversially, even before the government was sworn in and despite his claim that there would be no 'hit list' of senior bureaucrats, the Prime Minister replaced six departmental secretaries (see Weller 2001). Some of their replacements were individuals associated with the Coalition.<sup>2</sup>

Second, Howard announced a political appointment to the position of Cabinet Secretary, a post held for more than half a century by a career official, usually the Secretary of the Department of Prime Minister and Cabinet (PM&C). The appointee was Howard confidante Michael L'Estrange, who had worked for Howard in the lead-up to the 1996 campaign. A former bureaucrat, and Executive Director of the Menzies Research Centre, L'Estrange was also given responsibility for the new Cabinet Policy Unit (CPU), a small unit staffed by political appointees with responsibility for providing longer term advice and a political perspective on Cabinet business. Its establishment was long foreshadowed. The Liberal Party Committee of Review into its 1983 election loss (the Valder report), canvassed the idea that 'the government's own senior political staff should be integral to the conduct of Cabinet under modern conditions' (Valder 1983, 108). Howard committed the party to the idea of a political Cabinet Secretariat during the 1987 election campaign (see White 1988) and consistently thereafter (see, for example, Howard 1990, 27).

Next, Howard appointed Max Moore-Wilton to replace Michael Keating as Secretary of PM&C. Despite an extensive bureaucratic career in the Commonwealth and the NSW State public services, Moore-Wilton was seen as an 'outside' appointment (see Nethercote 2003). Nicknamed 'Max the Axe' for his reputation as a cost-cutter, it has become conventional wisdom that he was recruited to implement a radical public-sector reform agenda (see, for example, *The Age* 18 December 2002). In selecting the colourful Moore-Wilton to be his chief public service adviser, Howard reinforced the tendency of Prime Ministers to personalise the post (Weller 2001).<sup>3</sup>

These initial changes sent some clear signals about how the Howard government's advisory system would work. In disposing of more than one-third of the departmental secretaries, the government made clear its expectation that the bureaucracy should be responsive and politically attuned (see Prasser 1997; Williams 1997). Howard subsequently outlined his philosophy of advice, emphasising that assertive and policy-oriented ministers were determined to drive 'policy planning, detail

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<sup>2</sup>For example, Primary Industries and Energy Secretary Paul Barratt returned to the public service from the Business Council of Australia (BCA) (Weller 2001, 74). Department of Finance Secretary Dr Peter Boxall, appointed in 1997, was drawn from the personal staff of Treasurer Peter Costello (Weller 2001, 71); he had previously been Under-Treasurer in South Australia, a post to which he had been appointed shortly after the election of Dean Brown's Liberal government in 1992, and had earlier worked for Opposition Leaders Andrew Peacock and John Hewson (Weller 2001, 71).

<sup>3</sup>All previous appointees (apart from John Menadue, appointed by Whitlam in 1974) had come from the ranks of the senior public service, though a number had a distinctly personal touch. For example, Shepherd in 1911 (see Hudson and Steele 1988); Lennox Hewitt in 1968 and Alan Carmody in 1976 (see Weller 2001, 24, 72).

and implementation' (Howard 1998, 8) within the broad strategic framework agreed by Cabinet. His efforts to focus the attention and energy of Cabinet on long-term strategic directions were intended to overcome some of the difficulties of the Fraser years. According to Howard (1990, 27):

One of the tensions I found as a senior minister in the Fraser government was the balance between the political role and the administrative role. The extent to which too frequent a number of Cabinet meetings and too cumbersome an administrative procedure can paralyse one's political activity and one's political effectiveness is a real constraint.

According to the Prime Minister, the new ministry would draw on various sources of advice in developing policy options. These sources would include 'industry, business—big and small, community and welfare groups, academia and Ministers' personal offices' (Howard 1998, 9). This was the inevitable consequence, he argued, of an increasingly contestable environment for policy advice (Howard 1998, 2001). Contestability has been a recurrent theme in Howard's public comments on his government's advisory arrangements.

### **The System of Advice**

Howard's advisory system comprises three formal elements. These are: the PMO, the CPU and the Department of PM&C. In February 2005, there were 40 staff in the PMO (compared with around 30 in Paul Keating's (Holland 2002, 30)).<sup>4</sup> Howard is also supported by the CPU, with a staff of seven, located next to the PMO in Parliament House. Staff numbers in PM&C have varied over the period 1996 to the present, declining 26% from 479 to 381 (PM&C 2001) between March 1996 and June 2000, and to 347 in 2002–03 (PM&C 2003). This trend has reversed in the past two years. Staffing levels increased to 375 in 2004–05 and are projected to grow to 450 in 2005–06, reflecting the significant expansion of the Department's responsibilities for policy and program implementation, national security and international policy advising (PM&C 2005). While each of these entities has specific functions, together they provide the Prime Minister with contestable advice within a collegiate framework (see Tiernan 2004, 147). Their support enables Howard to be on top of his job. According to a former senior bureaucrat who has observed the Prime Minister at close quarters:

One thing that distinguishes a champion sporting person from their peers is that they seem to be unhurried; calm. They seem to be on top of things. They seem to have a lot more time to do things, and prepare for things than their colleagues. And that's how it is with Howard. Howard never seems, or very rarely seems harried or rushed. He's almost always on top of the subject. The questions that might get put to him are anticipated. His position on issues is deliberate and calculated. He rarely gets caught by surprise and he is very effective in bringing to bear I think, rewards and sanctions on people. (Quoted in Tiernan 2004, 155)

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<sup>4</sup>Government Personal Staff as at 1 February 2004–1 February 2005. Answers to questions on notice, Finance and Administration portfolio. Senate F&PA Legislation Committee's consideration of Additional Estimates, 21 February 2005.

*The Prime Minister's Office*

The PMO is a key element of Howard's advisory infrastructure. Comprising partisan personal loyalists with long associations with the Prime Minister, it is focused on day-to-day political and policy coordination and management. Thirteen of the staff in Howard's office as Leader of the Opposition made the transition to government in 1996. Nine years later, three of these remained on the staff. Initially the functional divisions that characterised the prime ministerial offices of Malcolm Fraser and Bob Hawke were retained. Thus Howard's office was divided into an Advisory Group, an Administrative Group and a Media Unit—all under the management of the Chief of Staff, initially Nicole Feely who had directed the Leader's Office in Opposition. Howard's trusted political adviser, Grahame Morris, was elevated to the Chief of Staff position in May 1997, but his tenure in the job was brief. Both he and Office Manager Fiona McKenna were dismissed during the Travel Rorts affair in September 1997, which also claimed three government ministers (see Tiernan 2001, 2004, 197–8).

Morris was succeeded by Arthur Sinodinos (PM Press Release 2 October 1997). The following year the PMO was reorganised into five functional areas under the leadership of the Chief of Staff:

- a Personal Staff comprising a Principal Private Secretary and two personal secretaries;
- an Advisory Group comprising between 10 and 12 advisers, with senior advisers specialising in a substantive policy area;
- a Program Coordination and Event Management Group comprising three staff;
- an Administration Group with a staff of 11 headed by an Office Manager; and
- a Media Unit comprising seven to eight staff, headed by the Prime Minister's Press Secretary.

Staff numbers in the PMO have increased gradually from 30 in July 1996 to the current complement of 40. Howard's decision to base himself in Sydney rather than Canberra accounts for some of this growth. Throughout his prime minister-ship, Howard has maintained senior advisers in the areas of International, Government, Economics and Social Policy. Other senior adviser positions have varied. International advisers have been senior bureaucrats drawn from PM&C and the Department of Foreign Affairs and Trade (DFAT). Since 2003 the senior advisory group has mirrored program areas in PM&C. The advisory group also includes generalist advisers who are more junior in classification than the specialists. The group is supplemented by limited use of specialist consultants. Howard's 1996 decision to limit the use of consultants (employed under Part II of the Members of Parliament (Staff) Act 1984) to the PMO only represented a significant break with Labor practice (see Tiernan 2004, 104). The Hawke–Keating governments allowed ministers to make extensive use of consultants (see, for example, Maley 2002; Walter 1986), enhancing their capacity to direct and drive policy (Maley 2002, 86). Howard's decision signalled that under his government policy direction and strategy is the province of the Prime Minister and his Cabinet, supported by the CPU.

During the 1998 restructure, the job of providing political advice to the Prime Minister moved from the advisory group to the Personal Staff Group. Following the loss of Morris, political fixer Tony Nutt became Howard's Principal Private

Secretary. Nutt has a broad brief, mostly as a ‘problem-solver’ and ‘enforcer’ on behalf of the Prime Minister (*The Age* 20 September 2003). He is a machine man focused on the politics rather than policy, and ensuring his boss’s interests are protected (*The Bulletin* 4 June 2002).

The structure of the PMO has remained unchanged since 1998. There has been turnover in some key positions, particularly in the fourth term, but mostly staff have been very stable (*The Australian* 4 April 2005). Arthur Sinodinos has acknowledged the importance of this longevity. ‘We’ve all been around a long time. It’s a team rather than individuals fighting for access to the emperor’s ear’ (quoted in *The Age* 20 September 2003).

Howard’s office operates differently from that of his predecessor. Howard was dismissive of Keating’s personal staff, whom he regarded as too visible and high profile (Williams 1997, 92). Although ministerial staff play crucial roles in his government, the Prime Minister prefers they remain in the background, and not develop an identity separate from the elected representatives they serve (see Tiernan 2004, 151). Even his closest advisers ‘know their own power—and are aware of its limits. Howard does not allow his staff to build their own empires’ (*The Age* 20 September 2003). This is an important point of difference from the Keating government, where key ministerial advisers were prominent and wielded substantial power and influence (Maley 2002).

Howard’s PMO is a reflection of his experience, political skills and personality. Howard is immensely disciplined, with a renowned work ethic and capacity to deal with the prime ministerial paper-load (*Australian Financial Review* 23 December 2003). Watson’s (2002) biography suggests that Keating was overwhelmed by the demands on his time but Howard seems energised by the role. According to Grattan (*The Age* 20 September 2003), ‘Howard’s office runs smoothly, apparently without those existential moments—documented in Don Watson’s book—that gave the Keating office frisson and friction’. The calm tenor of the office is a testament to the Prime Minister’s assurance and personal restraint (Tiernan 2004, 152).

Among those who deal regularly at the senior levels of Australian government, Howard’s PMO is regarded as competent and effective (see Tiernan 2004, 154). According to Heather Ridout, Chief Executive of the Australian Industry Group:

It’s approachable and professional. From a customer service point of view, it’s very good for the business community. It’s a balanced office; it’s not all politics, policy is also given priority. (Quoted in *The Age* 20 September 2003)

It is important to note that such assessments tend to date from the government’s re-election in 1998. During the first term, suspicion and distrust of the bureaucracy set the scene for a more distant relationship between the government and its public service advisers. Ministerial and ministerial staff inexperience, and the inability and unwillingness of some ministers to engage the public service, created some initial difficulties. A political crisis that led to the resignation of three ministers and two prime ministerial staffers was a catalyst for reforms to bolster the government’s political skills and personal staff capacity (see Tiernan 2004). Howard’s pursuit of an organisational response to the problems of his first term is a testament to both his organisational skills and his capacity to learn from experience.

Many attribute the professionalism of Howard's PMO to the leadership of Arthur Sinodinos, a former Treasury official, who has had a long association with the Prime Minister (Tiernan 2004, 152–4) As Tingle (*Australian Financial Review* 26 September 2003) reports:

Sinodinos has risen through the policy rather than the political ranks. This is not unprecedented. For long periods during his time as both Treasurer and Prime Minister, Paul Keating had a Treasury man as chief of staff, or principal private secretary: Dr Don Russell. But perhaps as much because of the nature of the man he works for, and a different policy agenda, Sinodinos has not developed Russell's Machiavellian demeanour or love of the political game. Nor, it has to be said, the dread, fear or resentment that Russell provoked.

Sinodinos is more in the style of some of the mandarins from the Department of Prime Minister and Cabinet (PM&C) who served Bob Hawke as chiefs of staff and then made successful transitions back to the public service . . . During their time as prime ministerial staffers, they remained in the background; impeccable public servants rather than political operatives.

Sinodinos is a highly effective agent of his Prime Minister, but is not a political enforcer in the mould of Grahame Morris or Don Russell. Others in the Howard coterie, notably Nutt, play that role. Journalists, ministers, staff, parliamentarians and lobbyists interviewed for Tiernan's (2004) study commented on Sinodinos' skills, professionalism and candour. According to a former senior adviser (quoted in Tiernan 2004, 153), 'He keeps a very good balance of policy and administration and political nous.' Similar assessments have been offered by a variety of respondents (quoted in Tiernan 2004, 153):

I regularly give Arthur Sinodinos a large amount of credit for the improvement in the Coalition Ministers' discipline. He had many years in the Opposition Leader's office and other roles pre-government, and was also well respected in Treasury. (Former Chief of Staff).

Sinodinos is outstanding—in the way he responds, his attitude and behaviour. He takes matters seriously and is efficient and professional. (Non-government senator)

Sinodinos has become a very respected figure. He is so experienced and has great political savvy. (Senior Press Gallery journalist)

Sinodinos has been described by one minister as a 'very effective Deputy PM' (quoted in *The Age* 20 September 2003) and by the Prime Minister as the 'ideal adviser' (Howard 2001).

There are institutional reasons why the PMO may be seen as functioning more effectively than under Labor. Howard's decision to move political strategy and long-term direction to the CPU has relieved much of the burden of dealing with departments that was once the province of the PMO. While there is some overlap, the development of the CPU enables the PMO to focus on day-to-day issues, short-term policy and political considerations (see Tiernan 2004, 154). This additional capacity may offer some explanation for the office's improved performance, although the personality and style of the Prime Minister, the Chief of Staff and the head of the CPU are undoubtedly also significant.

The PMO gives Howard a wide reach across government on significant or sensitive policy issues. A number of the government's policy initiatives are reportedly being 'run' from the PMO (see, for example, *Sunday Age* 24 August 2003). But in contrast

to Fraser, whose interventions in the portfolios of his Cabinet colleagues provoked resentment (see, for example, Weller 1989), the involvement of Howard's PMO on key issues does not appear to have undermined his stocks of political capital. Tiernan (2004, 156–8) identifies several explanations why this might be so. First, the Liberal Party has a well-developed tradition of allowing its leaders very substantial latitude (Barns 2003; Brett 2003), particularly electorally successful ones like Howard. A second explanation derives from the style and approach of the Howard PMO. Although Howard's office is extremely powerful when it needs or wants to be, its interventions are not constant. Thus despite its role in facilitating the Prime Minister's dominance of the government, Howard's office has not developed the same reputation for insularity and aloofness as Keating's (*The Age* 3 September 2003). Grattan (*The Age* 18 May 1996) argues that Howard listens to colleagues, 'having learnt a decade ago the dangers of failing to do so'. A particular strength has been the manner in which he deals with the Coalition party room. Howard's February 2004 'backflip' on parliamentary superannuation, which reportedly enraged backbenchers (see, for example, *The Age* 13 February 2004), was an uncharacteristically poor example of Howard's party room management. Media commentary noted that dissent from the Coalition party room was extremely unusual (*The Age* 3 September 2003, 11 February 2004). Howard's subsequent backflip on veterans' entitlements—where he reversed a Cabinet decision following party room complaints about its lack of generosity, was attributed to concerns about the ALP's improvement in the polls following the election of Mark Latham as Leader (*Sydney Morning Herald* 18 February 2004). Defending his decision to overrule Cabinet, Howard said 'I don't apologise for that, I'm not embarrassed by it. I think it's just sensible leadership. A leader who is never willing to listen to the strong views of his friends and colleagues is not a very good leader' (quoted in *Sydney Morning Herald* 18 February 2004). His negotiation of changes to the government's mandatory detention policy with a group of dissident backbenchers led by Petro Georgiou is a more recent example of Howard's commitment to maintaining party room support (see *The Australian* 25 June 2005).

A third explanation for the lack of rumblings about Howard's domination of the government is that after 13 years in Opposition, Coalition MPs understand the value of unity and discipline. Howard continually reminds them that their grip on power is tenuous (see, for example, *The Age* 11 February 2004). But there are institutional factors that support the government's unity and discipline; here the role of ministerial staff is significant (see Grattan 2005; Tiernan 2004). Grattan (*The Age* 3 September 2003) attributes the government's disciplined performance to the efforts of:

... ministers and an army of propagandists—many of them journalistic poachers turned gamekeepers. We know hardly anything of what goes on inside the Howard Cabinet Room, where we once knew a lot about the Hawke Cabinet's entrails. Howard runs a largely leak-free Cabinet—bad for the journalists, but you have to give him full marks.

### *The Prime Minister's Media Unit*

The Media Unit in Howard's PMO is the largest ever assembled by an Australian Prime Minister.<sup>5</sup> It has a staff of eight comprising a Press Secretary, a Senior

Media Adviser, a Media Adviser, an Assistant Media Adviser, and four media assistants (Parliament House Communications Directory April 2005). This structure reflects Howard's commitment to media activities. Throughout his prime ministership he has maintained a regular schedule of appearances on commercial radio, in interview and talkback formats (Grattan 2005). Ward (2001) argues that Howard's use of talkback radio has enabled him to bypass journalistic filters, and to target a key Liberal constituency—older, more conservative, ideologically sympathetic talkback radio listeners. According to Steketee (*The Australian* 8 March 2001):

What also matters for Howard is the ability these radio spots, together with live television interviews, give him to talk directly to voters, unedited and unfiltered by journalists' interpretation. His media priorities acknowledge the political influence of the shock-jocks and the need to engage with them. It means he can talk to Australians over the heads of the Press Gallery.

As Press Secretary, Tony O'Leary coordinates the activities of the 34 media staff serving the Howard ministry.<sup>6</sup> There are many more staff involved in media activities than these numbers acknowledge. The 11 staff of the Government Members' Secretariat (GMS) are also deeply immersed in media management and coordination (Barns 2005). The Howard government runs a carefully managed media and communications operation that requires significant staff support (see Tiernan 2004). The time Howard devotes to media activities is arguably also a product of technological changes in the media, notably the importance of the Internet as a source of information for journalists. The Media Unit monitors all Howard's public comments—speeches, doorstep interviews, formal interviews and talkback radio appearances—issuing transcripts that can be quickly circulated or accessed from the Prime Minister's Website. Howard seldom uses prepared speeches, preferring instead to speak from notes that he often makes himself (see Simons 2003). In this context, recording and transcribing the Prime Minister's comments assumes particular significance—creating demand for additional staff resources.

### *The Cabinet Policy Unit*

The CPU is the second key element of John Howard's advisory infrastructure. Initially intended to be a substantial unit, its size has been limited to between three and seven staff (Tiernan 2004, 166). The *Cabinet Handbook* (2004, 2) describes its role as follows:

The head of the CPU is the Secretary to Cabinet and is employed under the *Members of Parliament (Staff) Act 1984*, as are other members of the CPU.

While working closely with the Cabinet Secretariat on issues such as the programming of business, the head of the unit is accountable directly to the Prime Minister as Chairman of Cabinet.

<sup>5</sup>Keating had, on average, three media staff plus a speechwriter (Department of Administrative Services *Ministerial Directory* October 1992, March 1994, April 1995, October 1995).

<sup>6</sup>Government Personal Staff as at 1 February 2005.

Particular responsibilities of the CPU include:

- (a) providing advice on matters being considered by Cabinet as well as on strategic policy directions to provide a more detailed medium- to longer-term perspective on the policy agenda and outcomes of Cabinet deliberations as they relate to the implementation of the government's policies and priorities; and
- (b) working closely with policy advisers in the Prime Minister's Office and in the offices of other Cabinet ministers to enhance the linkages between departmental and ministerial sources of advice on Cabinet-related business.

The CPU's establishment was one of the first actions of the new government. With its head as Cabinet Secretary, its purpose is to 'act as a link between the PMO and PM&C to help ensure proposals fit the governing party's philosophy and strategic directions' (Weller 2000, 66). Another function is 'to provide the Prime Minister with a stream of advice on Cabinet issues separate to that he receives from other advisers' (*Australian Financial Review* 27 December 1996). As a politically appointed adviser to the Prime Minister its 'brief is to ensure that the government's strategic policy objectives are not subjugated to bureaucratic interests' (*Australian Financial Review* 3 November 1996). The head of the CPU has become pivotal within the Prime Minister's system of advice. The position reports directly to the Prime Minister and is remunerated at the same level as the Chief of Staff.<sup>7</sup> Howard has staffed the role with a succession of personal loyalists. Michael L'Estrange held the position from 1996 until he was appointed High Commissioner to London in 2000. His replacement, Paul McClintock, who held the position until 2003, was a former lawyer and investment banker who worked as an adviser to Howard in the Fraser government. The current occupant, Peter Conran, is a former PMO and long-term Liberal Party adviser.

The CPU's focus is strategic and whole-of-government. It works with the Cabinet Secretariat in PM&C to ensure the smooth running of Cabinet. The Cabinet Secretariat, formerly the Cabinet Office, had its name changed in 1996 to distinguish it from the CPU (PM&C 2001, 7). Staffed by public servants, it provides secretariat support to Cabinet and Cabinet committees. Although it reports through the Secretary of PM&C, the Cabinet Secretary has a significant say in assessment of the Cabinet Secretariat's performance (PM&C 2002, 2003). According to PM&C (2001, 7), the Cabinet Secretariat is responsible for:

- (a) the arrangement of meetings;
- (b) the circulation of agenda, memoranda and other documents;
- (c) the recording, drafting and circulating of minutes and conclusions;
- (d) any follow-up action to ensure that conclusions are carried out by the appropriate departments; and
- (e) the custody and indexing of records.

Howard is essentially a Cabinet traditionalist; since 1996, Cabinet has met regularly. In contrast to Keating, who delegated attendance at Cabinet committees to his staff and allowed them to be present in Cabinet meetings, Howard's approach is more conventional. But he has made institutional enhancements that extend the supervision

<sup>7</sup>Ministerial Senior Staff Salaries, 30 January 2004—additional information provided by DoFA to the F&PA Committee's consideration of Additional Estimates, 20 February 2004.

and reach of the Prime Minister (see Tiernan 2004, 166–71). New arrangements have facilitated the entry of personal loyalists into the system of advice, providing additional patronage appointments for prime ministerial distribution.

The establishment of the CPU is a significant innovation that has, in the words of its former head Paul McClintock (2003, 15), enabled the government ‘to really drive and focus the long-term strategy side-by-side with the daily tactical struggle of the political world’. It has substantially enhanced the Prime Minister’s capacity to direct and determine the business of government. Howard’s personal rationale for its establishment was that:

He felt the actual running of Cabinet was an essentially political structure. It was a committee of politicians; and that the running of Cabinet, the management of its business, and the actual interpretation of decisions was essentially a political function rather than a bureaucratic function. By [*sic*] taking it out of the bureaucracy and putting it into his office, effectively reflected the fact that he thought it was more appropriate for those final judgments to be made out of his team and not out of the bureaucratic team. (Former Liberal staffer, cited in Tiernan 2004, 100)

### *Department of Prime Minister and Cabinet*

While PM&C continues to play an important role in supporting the Prime Minister, its role has been affected by the development of a larger and more influential PMO. Under the Howard government, PM&C’s role in managing the Cabinet process has adapted to complement that of the CPU. The Secretary still attends Cabinet meetings, but the relative influence of PM&C is contingent on the strength of the relationship between the Prime Minister and the Secretary. Former Secretary Max Moore-Wilton enjoyed a close relationship with Howard. His successor, Dr Peter Shergold, has developed an effective working relationship with the Prime Minister but, unlike Moore-Wilton, is rarely included in journalistic accounts of his inner coterie. Although not necessarily at the centre of the political action, the Department remains an important part of the prime ministerial advisory system. According to a former Howard staffer, cited in Tiernan (2004, 171):

PM&C have got the skills, they’ve got the resources, they’ve got the bureaucratic authority and the whole system assumes that the relationship between the PM and his office and the department is effective, and works well—is responsive.

The Department is very influential in implementation and designing systems; bringing the bureaucracy to the table. But of course, the Prime Minister may not need so much guidance about what to do or where the priorities are from the bureaucracy, and I guess this government is showing signs of having a Prime Minister who has been there for a while and is in command, and doesn’t need a lot of hand-holding.

Over its recent history, PM&C has shown itself highly adaptable to the demands of the incumbent—reshaping itself to suit the priorities of its Prime Minister (Weller 1989, 2000). It downsized dramatically under Moore-Wilton, but since 2003 staff numbers have grown, and there has been increased investment in corporate systems and staff development (Shergold 2003). An organisational restructure in 2003 saw the establishment of the National Security Division with responsibilities for counter-terrorism, defence, intelligence, security, law enforcement and border

protection (Shergold 2003), and the Cabinet Implementation Unit, signalling a determination that decisions of the Cabinet are promptly actioned. Both adaptations reflect prime ministerial priorities and commitments, as does the recent decision to transfer the Office of the Status of Women from PM&C to the Family and Community Services portfolio (PM&C 2005).

Shergold has been emphasising the department's role in improving coordination, the promotion and facilitation of whole of government and other horizontal initiatives (Management Advisory Committee 2004; Shergold 2005). PM&C is leading several strategic policy reviews and significant taskforces.<sup>8</sup> Shergold has been active in using coordinating mechanisms, notably Secretaries' Committees, to pursue government priorities, from national security to the development of Shared Responsibility Agreements (SRAs) with Indigenous communities. Shergold has also asserted a role as leader of the APS, making comments and speeches exhorting the public service to rise to the challenge of contestability by providing advice that is 'timely, accurate, comprehensive and strategic' and that is 'balanced: responsive to the directions set by the elected government but frank and robust in its assessment of the relative merits of different options'. He has called on public servants to 'capture the imagination of government by identifying innovative approaches to public policy' (PM&C 2004, 3). He has been outspoken and forthright on issues including: politicisation of the public service, the role of ministerial advisers, leaks and whistleblowing (see, for example, Shergold 2004).

### **Australia in an International Context**

Based on a study of 12 countries, Peters, Rhodes and Wright (2000) identify four convergent trends in the way advisory arrangements for first ministers are developing. The first of these is growth. In all systems there has been a significant increase in the advisory resources available to leaders, and in particular the chief executive. Growth has been accompanied by a second trend, namely institutionalisation. In all systems, institutionalised staff advisory and support arrangements are structured around the key roles performed by chief executives. Of these, political management, which includes managing relationships with the parliament, the party, pressure groups and the media, is assuming growing importance. A third trend is politicisation which, according to Peters, Rhodes and Wright (2000, 15) can include 'the recruitment of party or interest group officials, or the appointment of civil servants with identifiable party affiliations, or a clearer subordination of neutral civil servants to partisan policies, or a mixture of all three phenomena'. This leads to a fourth and related trend, the hybridisation of staff. A dimension of politicisation, this involves the blurring of the conventional boundaries between different sources of advice and support.

Changes in the system of advice and support to Australian Prime Ministers have paralleled these international developments. John Howard's advisory infrastructure shows evidence of both growth and institutionalisation. Overall ministerial staff numbers have increased (see Table 1), and there has been an augmentation of resources available to the Prime Minister. New arrangements have been institutionalised through, for example, the codification of the CPU's role in the *Cabinet Handbook*, and important changes to the employment framework of ministerial

<sup>8</sup>For a current list see <<http://www.pmc.gov.au/initiatives/index.cfm>>.

**Table 1.** Ministerial staff growth under the Howard government

May 1996	April 1997	April 1998	April 1999	April 2000	April 2001	April 2002	May 2003	May 2004	May 2005	May 2006
294	294	325.5	340	345.9	356.4	363.9	371.6	391.6	407.6	444.6

staff (see Tiernan 2004, 118–28). The new Cabinet support arrangements that combine the explicitly partisan CPU with the non-partisan Cabinet Secretariat can be read as an example of hybridisation as envisaged by Peters, Rhodes and Wright (2000, 15). There is some evidence that hybridisation may be the ideal as far as leaders are concerned. Prime Minister Howard has lauded the benefits of the hybrid adviser—one drawn into political service from a bureaucratic background:

It's appropriate that ministerial offices draw from the full range of skills—political and public administrative—that's available. And it's a tribute to the quality of training and range of experience offered within the APS that some of the finest ministerial staff that I have known had previous careers within the Service . . . In many ways, it's the ideal—someone who understands the detailed workings of government but is fully attuned and sympathetic to the Government's political and policy objectives. (Howard 2001, 7)

Claims of politicisation are more problematic. However, as in many Westminster systems, there is evidence of a trend to greater personalisation—that is, the appointment of individuals to key positions on the basis of style and approach rather than for any partisan views (Weller and Rhodes 2001, p. 238; Weller 2001, 13). Personalisation may have other dimensions, such as coming from a similar background or outlook; being philosophically aligned or in tune with the government's policy direction; or having a prior relationship with the minister or Prime Minister.

Howard has pursued a highly personalised approach to government appointments, particularly departmental secretaries and diplomatic appointments (Tiernan 2004, 131–7; Weller 2001). Beyond the public service, Howard's system of advice is similarly personalised. Appointments spanning a spectrum from ministerial staff to government boards and other statutory appointments are closely supervised by the Prime Minister through his PMO (Barns 2003; Edwards 2004). There are two key mechanisms by which this is achieved, each of which involves his senior staff. The first is the Government Staff Committee, which oversees ministerial staff appointments and promotions (see Tiernan 2004, 112–18). The second is a substantially increased role for the Prime Minister in approving significant government appointments, institutionalised through changes to the Cabinet process, and formalised through the *Cabinet Handbook* (Tiernan 2004, 158–9).

## Conclusion

The system of advice and support to the Prime Minister of Australia is large, active, interventionist and personalised. Although shaped by Howard's personality and preferences and his considerable organisational skills, it has been built on foundations laid by his predecessors in the period since 1972. There are discernible continuities

in prime ministerial advisory arrangements from Whitlam to Howard. That 'deep structures' are becoming evident in the advisory infrastructure of Australian Prime Ministers, and that Australian developments parallel international trends, suggests that though the system adapts to accommodate the needs of the incumbent (Weller 2000, 60), the evolution of prime ministerial advisory arrangements reflects institutional pressures and demands on leaders more generally. Howard has learned through experience that modern leaders must work with and through organisational structures to achieve results. He is reaping the rewards of his focus on organising and managing his system of advice.

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