

SHAPING GOVERNMENT: A GUIDE TO MACHINERY OF GOVERNMENT IN QUEENSLAND

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INTRODUCTION

Many people in government appear to believe that organization and reorganization does matter: they spend so much time doing it. Although if we look at government structures over time at a high level of generality we see relatively few changes. ... New organizations are born, others die, but most are simply changes in existing organizations.²

...

You'd have thought by now someone would have worked out the best way to run the public sector, but no. On a regular basis, someone in the highest echelons of government decides improvements can be made and so they make a few adjustments - changes to the machinery of government, or MOG.³

There is great comfort in the idea of government-as-machine. The very words suggest order, stability, intent, structure, design and purpose, predictability, and regular, flawless function.

The analogy is pervasive throughout parliamentary systems with British origins – Australia, Canada, New Zealand, South Africa, the United Kingdom. Cognoscenti ascribe it to an acronym, 'MoG', spawning nouns, verbs and adjectives along the way:⁴

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² Peters, B.G. (1998) 'Introduction' in Campbell, C. & Peters, B.G., eds. (1988) *Organizing Governance: Governing Organizations*. Pittsburgh: University of Pittsburgh Press, p.8.

³ Macdonald, R. (2012) "A mog's life with fickle masters". *Courier-Mail* 16 January 2012. <http://www.couriermail.com.au/news/queensland/a-mogs-life-with-fickle-masters/story-fnbwr276-1226245332908>. Macdonald was commenting, unflatteringly, on the major changes wrought by Anna Bligh in reducing the number of departments from 23 to 8.

⁴ Patrick Weller goes so far as to pin the acronym and its derivatives on Kevin Rudd in the era of the first Goss Government: Weller, P. (2014) *Kevin Rudd: Twice Prime Minister*. Melbourne: MUP.

... the moggging process is a long and drawn out one.⁵

... agencies which aren't in the front line of the changes have to ensure the moggged departments follow normal administrative practice.⁶

... whole departments have disappeared. Or they have been 'Moggged' as the public servants like to say: victims of 'machinery of government changes'??⁷

DPI became DAFF in the great moggging of 2012.⁸

The appeal of the machine metaphor is strong, calling forth images of many parts assembled with precision into an entire structure that achieves the overarching public good.

Government tangibly, of course, is not a machine but an amalgam of people and things (buildings, desks and chairs, equipment, the all important cars and mobile phones). And some intangibles, most notably 'offices' (meaning the positions people are appointed to) and laws, especially the Acts of Parliament. Money and the all important routines of government cannot be forgotten.⁹

The people and things and money are assigned to particular functions usually within very large traditional institutional forms (such as 'departments') and given authority to make decisions, usually by being responsible for the administration of an Act of Parliament. For the most part, it is the intangibles that are the focus of MoG decisions: the laws, offices, institutions and functions.

This essay reflects on the MoG process in Queensland, with some comparisons from other jurisdictions. It examines how MoG is achieved, what is done and when. There is also some analysis of why MoG is, or is thought to be, important, and suggests some principles that affect MoG decision-making.

A companion piece specifically examines MoG changes and the Ministry on the formation of the Palaszczuk Government after the January 2015 election.

⁵ The Cubicle Brothers (2013), 'The public service guide to getting moggged', *The Canberra Times* 2 October 2013 <http://www.canberratimes.com.au/act-news/the-public-service-guide-to-getting-moggged-20131002-2urt0.html>. *The Canberra Times* is the only print daily that regularly celebrates public service. But then most of its readership is in the public service ...

⁶ National Archives of Australia (2013), 'How to navigate Machinery of Government changes', Media release: Friday, 9 August 2013 <http://www.naa.gov.au/about-us/media/media-releases/2013/34.aspx>.

⁷ Energetics (2013), 'New Federal ministerial line up announced', <http://www.energetics.com.au/insights/latest-news/climate-change-matters/new-federal-ministerial-line-up-announced-today>.

⁸ While true, this is completely made up.

⁹ Davis, G. (1995), *A Government of Routines Routines: executive coordination in an Australian State*, Macmillan, Melbourne.

THE SECRET LANGUAGE OF MOG

The Department of Prime Minister and Cabinet has a convenient A to Z of acronyms and abbreviations in the Commonwealth government that runs to a pleasing 14 pages. The department allocates three pages to itself, including these two gems:

- SPHASVADR; and
- INTAPAME.¹⁰

Don Watson has already cornered the Australian market for weasel words and obfuscatory bureaucratese,¹¹ but it is worth noting almost nobody outside government understands the language and process of MoG.

It is a secret art and therefore an exclusive one, performed by officials in the Premier's or Prime Minister's Department and the Public Service Commissions on direction of the Premier or Prime Minister and the maybe the Chief of Staff.

So long as it is exclusive, few can influence MoG decisions, yet MoG change can be disruptive for public servants, suddenly finding themselves subject to new masters or working in different buildings, and disruptive to the business of dealing with government as established relationships disappear.

One aim of this essay therefore is to pull back the covers a little so that the processes might be more transparent.¹²

WHAT IS MOG?

The machinery of government refers to the overall organisation of government and the allocation functions among Ministers.¹³ The elements, explained below in more detail, include who gets to be a Minister and in what portfolio. It is important politically as well as administratively.

It is the prerogative of the Premier¹⁴ to make MoG decisions, although it is common to consult senior colleagues, political advisors and trusted senior bureaucrats on matters of detail and judgement. A MoG decision is not always well received, especially demotion from the ministry to the backbench, and leaders are risking their authority when they

¹⁰ The reader is invited to discover this world at https://www.dpmc.gov.au/accountability/filelist/acronyms_abbreviations.cfm. Read on to find the translation of these two gems.

¹¹ (2003) *Death Sentence: The Decay of Public Language*; (2004) *Watson's Dictionary of Weasel Words: Contemporary Cliches, Cant and Management Jargon*; (2010) *Bendable Learnings: The Wisdom Of Modern Management* all Sydney: Random House.

¹² There is very little here that is not already on the public record, I hasten to add.

¹³ UK Cabinet Office (undated) *Machinery of government changes: Best practice handbook*. p.3.

¹⁴ Prime Minister federally, Chief Minister in the Territories, collectively, the first ministers.

demote a colleague.¹⁵ Public servants and constituents alike can be alienated by MoG decisions too.

The prerogative is usually jealously guarded. A Minister who openly canvasses for enlarged responsibilities is trespassing on the leader, and is likely to attract the ire of colleagues whose portfolios are being eyed-off. Failure to manage a rogue minister muscling-in for power is a failure of leadership, possibly a sign that a move is afoot.

Recent uttering by then Federal Immigration Minister Scott Morrison, widely interpreted as a grab for power, were quickly rebuffed by colleagues whose portfolios fell into their ambitious colleague's apparent aspirations.¹⁶ The Prime Minister's authority, at that point apparently secure, allowed him to leave the act of discipline to others, but maybe he was also enjoying a moment of creative tension.¹⁷

POLITICS

Portfolio allocation is politically important: the Cabinet is a political forum, in which Ministers strive to make the best decisions not just in terms of efficiency and effectiveness, but also (legitimately) seeking political advantage. Ministers strive to perform well not only for the good of the State or nation, but because they want to stay in the ministry and they want to stay in government.¹⁸

The more senior Ministers expect some say in what portfolio they get, and some might also argue for their supporters to get the next best portfolios. Seniority is decided formally by the Premier by assigning Ministers to an order in the proclamations discussed below.¹⁹

The Premier and Deputy Premier will always be number 1 and 2 respectively. Shuffling of a minister up or down the order of precedence is often a flag of rising or falling political authority, but may reflect relative policy priorities of governments. For example Leaders will seek political advantage in the way portfolios are divided as well as trying to match the best person to the task.

¹⁵ For example, Kim Carr and Robert McClelland's public pronouncements on demotion by Julia Gillard and Ian MacDonald's criticisms of Tony Abbott, Peta Credlin and others after being dumped from the shadow ministry to the backbench in government; ministerial demotions to the backbench precipitated Bjelke-Petersen's demise in 1987.

¹⁶ For example, van Onselen, P. "Man in a hurry: Scott Morrison's power grab putting off cabinet colleagues", *The Australian*, 25 October 2014; Massola, J. "Scott Morrison denies ministerial power grab", *Sydney Morning Herald* 23 October 2014; Morris, S. "Morrison to snatch courts' powers", *The Saturday Paper* 29 November 2014.

¹⁷ A Prime Minister or Premier can also set loose the dogs by way of fermenting a little trouble-by-design.

¹⁸ Weller, P. (1990), "Cabinet and the Prime Minister", in Summers, J., Woodward, D. & Parkin, A. (eds), *Government, politics and power in Australia*, 4th edn, Melbourne, Longman Cheshire.

¹⁹ The formal Order of Precedence is Attachment 6 in the Protocol Handbook: <http://www.premiers.qld.gov.au/publications/categories/policies-and-codes/protocol-handbook.aspx>. The top of the order is the Governor, the Premier, the Prime Minister, the Chief Justice and then all the other ministers as members of the Executive Council and so on (it is a long list). The order of seniority among Ministers is a political choice of the Premier.

Some portfolios are less attractive than others because of vexed issues or earlier mismanagement and a leader's political enemy might be handed the poisoned chalice²⁰ or kept close and watched.²¹

There is also a need to balance political interests within the ministry and to hold the party together, often reflecting internal party structures, whether formal²² or not,²³ as well as geography and gender.

WHEN DO MOG CHANGES HAPPEN?

Machinery of government is relatively static. Once the machine has been designed and constructed, it is set to work, and only changed when need demands or political mood requires.

Unsurprisingly the focus of much of the literature around MoG is the point of change: the movement from one set of arrangements to another. Two stand out: a change of government; and a major Cabinet reshuffle.

In Queensland there was a major re-alignment of government agencies in 2012 when the Newman Government came to office, replacing a complicated multi-minister multi-agency matrix implemented under Anna Bligh with a linear one-Minister-per-department arrangement. There were 19 Ministers, and 20 departments.²⁴ In 2015, Annastacia Palaszczuk retained the linearity, and as shown in the accompanying article, implemented little MoG change.

It is common for other MoG changes to take place as events unfold or to meet exigencies: a Minister's title may change; an Act or two might have been replaced; Ministers and the Premier might agree it is convenient to adjust portfolio responsibilities, services might be re-aligned.

For example, the Newman government relocated the Queensland Ambulance Service from Emergency Services to Health, a recommendation of the Keelty review.²⁵

²⁰ For example, Health in Queensland when Beattie was first appointed to the ministry in 2005. The enmity between Goss and Beattie is well documented: eg Costar, B. 'A Premier who brought Queensland into the industrial era', *The Age*, 12 September 2007; Sanderson, W. 'Beating up Beattie', *New Matilda* 24 August 2005.

²¹ Such as Northern Territory Chief Minister Adam Giles appointing failed coup leader Willem Westra van Holthe as his deputy.

²² Such as the ALP factions.

²³ The LNP appears to retain some flavor of its predecessor Liberal and National parties, and 'wets' versus 'drys', albeit informally.

²⁴ The Queensland Police Service and Department of Community Safety both reported to one Minister.

²⁵ Queensland Government (2013) *Sustaining the Unsustainable: Police and Community Safety Review*. While there had been formal calls for integration into Health as long ago as 2007, I unsuccessfully urged that very change as early as 2001.

HOW IS MOG CHANGED?

The key elements of MoG include:

- naming of ministerial portfolios;
- allocating functions to portfolios;
- allocating responsibility for Acts of Parliament (or statutes) to a portfolio;
- naming the department or agency responsible for administration under the Minister;
- assigning the principle officer for each Department or agency; and
- appointing Ministers each to a ministerial office (portfolio) and as members of the Executive Council.²⁶

MOG DOCUMENTS IN QUEENSLAND

These elements manifest themselves in Queensland in numerous instruments published in the Queensland Government *Gazette*.²⁷ After the 2015 election they were as follows:

- (a) Notices that the Governor accepted the resignation of the 19 Ministers of the Newman Government both as Ministers and as members of the Executive Council.²⁸
- (b) Proclamation under s.43 of the *Constitution of Queensland 2001* by the Governor of the Ministerial Offices.²⁹
- (c) Notice that the Governor has appointed named persons to the Ministerial offices.³⁰
- (d) Notice that the Governor has appointed Ministers by name to be the members of the Executive Council.³¹
- (e) The Public Service Departmental Arrangements Notice under the *Public Service Act 2008* that effects changes to the departments and other agencies and a declaration of the Departments of government and the titles of the chief executives for each.³² This is a complicated document that identifies each part of the public service that is being shifted and effects the shift.

²⁶ The Executive Council is the formal entity that advises the Governor. All Ministers in Queensland are members of the Executive Council, and it is that appointment that entitles them to be called 'the Honourable'. A meeting of the Executive Council is presided over by the Governor and has a quorum of at least two members. See *Queensland Executive Council Handbook*: <http://www.premiers.qld.gov.au/publications/categories/policies-and-codes/handbooks/exec-council-handbook.aspx>.

²⁷ *Gazettes* are available for download from <https://publications.qld.gov.au>.

²⁸ *Gazette* Saturday 14 February 2015, Vol.368, No.32, p.365. There was also notice of the appointment of the triumvirate interim government consisting of Anastacia Palaszczuk, Jackie Trad and Curtis Pitt holding among themselves all 19 portfolios, and as members of the Executive Council: *ibid* p.366. This is not a 'usual' MoG process, because it involved change of government.

²⁹ *Gazette*, Monday 16 February 2015, Vol.386, No.34, p.369-370.

³⁰ *ibid*, p.370.

³¹ *ibid*. In this case 11 Ministers, as the triumvirate had already been appointed on the Saturday.

³² *ibid*, p.400-407.

(f) The Administrative Arrangements Order,³³ made under the *Constitution of Queensland 2001*, lists in tabular form for each ministerial office: the principal ministerial responsibilities;³⁴ the Acts of Parliament administered by the Minister; the administrative units for those Acts and responsibilities (mostly departments of State); and the responsible heads of the administrative unit. An example, chosen for its relative simplicity follows:

Minister	Principle Ministerial Responsibilities	Acts Administered	Administrative Units	Responsible Heads
Minister for Disability Services, Minister for Seniors, Minister Assisting the Premier on North Queensland	Disability Services Home and Community Care Seniors Assisting the Premier on North Queensland	<i>Disability Services Act 2006</i> <i>Guide, Hearing and Assistance Dogs Act 2009</i>	Department of Communities, Child Safety and Disability Services Department of the Premier and Cabinet	Director-General Director-General

This is the portfolio of Minister O'Rourke. She administers only two statutes, but has wide-ranging responsibility for the matters in the second column. She is supported for the bulk of her portfolio by the Department of Communities, Child Safety and Disability Services, headed by its Director-General. As Minister Assisting the Premier on North Queensland she is supported by the Premier's own department, headed by its Director-General, and by the Premier's office.³⁵

There will also be other instruments assigning or appointing individuals to the positions as head of the departments or agencies.

From time to time there will be changes to the machinery of government, effected by amending Administrative Arrangements Orders, and if necessary, Departmental Arrangements Notices. Recent administrative arrangements orders are on the website of the Department of the Premier and Cabinet.³⁶

MINISTERIAL TITLES

Portfolio names are politically important, as we have seen from the long-running disquiet in the scientific community at the lack of a federal Minister for Science in the Abbott government until the reshuffle in December 2014.³⁷

³³ *ibid*, pp.371-399

³⁴ Being 'the matters connected with the public business of the State' that the Minister is to administer: cl.2(2) (a).

³⁵ It is not usual for a Minister assisting to have direct access to staff of the Premier's Department.

³⁶ <https://www.qld.gov.au/about/how-government-works/government-responsibilities/>

³⁷ Readfearn, G. "Australia, where is your science minister?" *The Guardian* 17 September 2013: <http://www.theguardian.com/commentisfree/2013/sep/17/science-minister-abbott-australia>;

Phillips, N. & Smith, B. 'Science takes a back seat after 50 years', *The Sydney Morning Herald*, 19 September 2013. For the re-instatement of science both as a ministry and a department see respectively *Gazette* C2014G02139 Swearing in of new Ministry - 23 December 2014 and *Gazette* - C2014G02144 Administrative Arrangements Order - 23 December 2014. (Commonwealth Government Notice Gazettes are available at Comlaw: <http://www.comlaw.gov.au/Browse/ByPublicationDate/Gazettes/Current/1/>).

But does a name make any real difference?

It is common enough for portfolios to be tagged with the relevant policy area: education; health; police and so on. Indeed in the early days of Queensland public administration, such prosaic names were the norm. Here are the portfolio titles in TJ Ryan's first ministry, one hundred years ago:

- Premier, Chief Secretary, and Attorney-General;
- Deputy Premier, Treasurer and Secretary for Public Works;
- Secretary for Agriculture and Stock;
- Secretary for Public Lands;
- Secretary for Railways;
- Secretary for Public Instruction;
- Secretary for Mines;
- Home Secretary;³⁸
- Secretary for Railways;
- Secretary for Mines;
- Minister without office.³⁹

Lately it has become popular to include important constituencies in portfolio names. New South Wales has a recent affection for geographic descriptions. Hence ministers in the Emma Government for each of Central Coast; Hunter; Illawarra; Redfern Waterloo; and Western Sydney. The affection has continued. The Baird Government boasts an almost identical line up, trading trendy-left Redfern for a more solidly conservative emphasis on the rural West.

MoG has political purposes, including as a sop to constituencies. Pandering to constituencies has become more common in recent years. It can lead to some strange departmental and portfolio names.

Queensland has had a Minister for Wine Industry Development and a Minister for Communities, Disability Services, Aboriginal and Torres Strait Island Partnerships, Multicultural Affairs, Seniors and Youth.⁴⁰

But not all naming decisions are partisan. A ministry can send a strong symbolic message: this is an emphasis of the government. Significant events and responses to tragedy are common ministry titles. The Carr government had a Minister for the Olympics; the Newman and Palaszczuk governments, a Minister for Commonwealth Games; the second Giles Ministry in the Northern Territory has not one but two ministries responsible for

³⁸ The Home Secretary is one of the so-called 'Great Offices' of the UK Government and is responsible for (among other things) migration and policing. In the Queensland context, the Home Secretary assumed the responsibilities of the former Colonial Secretary in 1896, and was responsible for health, welfare, local governments and courts, police and prisons, aborigines, recreation, and internal administration of government. It later evolved into the Health Department, with other functions assuming greater importance and their own ministers. See, eg, Robinson, R. H (1950) "Highlights of the home secretary's department in Queensland", *Journal of the Royal Historical Society of Queensland*, 6(1), 122-129.

³⁹ A contemporary equivalent might be Special Minister of State (eg Minister Ronaldson in the Abbott Government; Minister Jennings in the Andrews Government; and in Queensland, Assistant Minister of State assisting the Premier, Stirling Hinchliffe).

⁴⁰ Presumably known as CDSATSIPMASY.

alcohol issues;⁴¹ the Napthine government appointed a Minister for Bushfire Response, and Anna Bligh took on herself the role of Minister for Reconstruction after the 2011 floods, a move reflected by the Newman's governments addition of 'Community Recovery and Resilience' to the local government portfolio in 2013. The Abbott government has a Minister Assisting the Prime Minister for the Centenary of ANZAC.⁴²

In reality, ministerial titles may be symbolically important, but the real gravitas attaches to the other aspects of administrative arrangements: the scope of responsibilities; the authority to be exercised under the Acts administered; the size and resources of the Departments. None of this is as important as the political clout wielded by the Minister, a matter sometimes unrelated to portfolios but springing from a coalition of supporters, capacity to garner numbers,⁴³ or the authority of the office of leader, deputy and Treasurer.⁴⁴

DEPARTMENTS MATTER

Now I take it to be quite plain that when a minister is entrusted with administrative, as distinct from legislative, functions he is entitled to act by any authorized official of his department. The minister is not bound to give his mind to the matter personally. That is implicit in the modern machinery of government.⁴⁵

Ministers seldom make formal decisions alone. They often act through officials,⁴⁶ and rely on advice from experts, mostly from within their departments.⁴⁷

⁴¹ A Minister for Alcohol Policy and a Minister for Alcohol Rehabilitation. The portfolios did not survive into the 2015 ministry after the failed coup attempt. There is however a Minister for Statehood.

⁴² Another of Senator Ronaldson's responsibilities.

⁴³ Think of Ian Macdonald, a great survivor in successive New South Wales Labor cabinets, never seemingly taking senior portfolios but wielding great influence, not, it seems, always with propriety: Independent Commission Against Corruption (2013), 'ICAC finds corrupt conduct in relation to Doyles Creek coal exploration licence'. Press release 30 August 2013.

⁴⁴ Not being a politician and not being invested in particular political outcomes, I quaintly believe that length of job title is negatively correlated to the job's importance, and hence prefers simple titles: the responsibilities of office should speak of special constituencies, and the holder of the office to them. Advice to name ministries accordingly was often rebutted with the political importance of symbolic inclusion.

⁴⁵ Denning LJ in *Metropolitan Borough and Town Clerk of Lewisham v Roberts* [1949] 2 KB 608 at 621. Cited with approval by Wilson J in *O'Reilly v State Bank of Victoria Commissioners* [1983] HCA 47; (1983) 153 CLR 1; Callinan J in *Dooney v Henry* [2000] HCA 44; (2000) 174 ALR 41; (2000) 74 ALJR 1289 at [13].

⁴⁶ Whether by express delegation or under the 'alter ego rule'. A useful summary is found in Blight, J. (2004) 'Delegations, authorisations and the *Carltona* principle', *Legal Briefing* No 74 (14 December 2004), Canberra: Australian Government Solicitor.

⁴⁷ For a partially counter view at the Commonwealth level see Russell, D. (2014): 'Only departmental secretaries can save the Australian Public Service: Ministerial decisions are often made without departmental input. That has to stop', *The Age*, 31 March 2014:

'Secretaries have more authority than they think. They can build imaginative institutions that ministers want to consult and they themselves can be effective advocates encouraging their ministers to do sensible things that are good for the minister and good for the nation. At the risk of feeding the cult of the secretary, I can say that only the departmental secretaries can save the Australian Public Service.'

Conventionally, departments are an extension of the Minister, existing to advise on policy and particular decisions, and to act out the government's policy wishes by delivering services, administering the affairs of State and so on.

A chief executive, usually titled Director-General in Queensland⁴⁸ or Secretary at the Commonwealth level,⁴⁹ heads each department. Below the chief executive sits an array of senior executives, and below then the other public servants. The functions and administration of each department is distributed among officials by a range of instruments including formal delegations and position descriptions that state an officer's role and reporting and managerial relationships. Other entities also make up the Minister's portfolio and discharge their independent responsibilities (eg the Anti-Discrimination Commission Queensland, headed by its Commissioner, is not within the Department of Justice and Attorney-General but is part of the Minister's portfolio and part of the public service).⁵⁰

While public servants are employed by the State of Queensland as a legal entity, the chief executives are effectively the employers on behalf of the State, particularly for the purposes of employment laws.⁵¹

Departments are created by the public service notices made under the Queensland *Public Service Act 1998* and along with "public service offices"⁵² make up the entire public service.

Ministers' input to Cabinet, Executive Council and formal parliamentary business is usually managed by their departments and coordinated by a network of Cabinet and Legislation Liaison Officers (CLLO) working with the Department of the Premier and Cabinet.⁵³

Thus, the departments and their internal workings are a crucial part of the great machine of government, described by the public service notices, administrative arrangements, appointment of chief executives, and the allocation of responsibilities and power by delegations and role descriptions.

MONEY AND POWER MATTER

Ministers in Queensland are not, as a matter of constitutional necessity, members of parliament, although there is potent convention that would require such: it is implicit in the notion of ministerial accountability to the Parliament under the Westminster system that

⁴⁸ Exceptions are Treasury (Under-Treasurer) and Queensland Police Service (Commissioner of Police) and Queensland Fire and Emergency Services (Commissioner). For a full list see <http://www.qld.gov.au/about/how-government-works/government-structure/> and the schedule to the *Public Service Departmental Arrangements Notice (No. 1) 2015*.

⁴⁹ For a list see <http://www.australia.gov.au/directories/australian-government-directories/list-of-departments-and-agencies>.

⁵⁰ For a complete list of the 300 or more such entities see <http://governmentbodies.premiers.qld.gov.au>.

⁵¹ Most importantly, the *Public Service Acts*, the *Industrial Relations Act 1999* (for Queensland public servants) or the *Fair Work Act 2009* (Commonwealth).

⁵² Listed in Schedule 1 of each the *Public Service Act 2008* (Qld) and *Public Service Regulation 2008* (Qld).

⁵³ The internal mechanics of the Queensland government are described in a suite of documents called *Governing Queensland*, an innovation of mine (along with others). See <http://www.premiers.qld.gov.au/publications/categories/policies-and-codes/handbooks.aspx>.

the ministers are drawn from the ranks of elected members,⁵⁴ specifically the lower house (if there is one).⁵⁵

Ministerial remuneration in Queensland is governed by the Queensland Independent Remuneration Tribunal, created by the Newman Government in the fallout over huge increases in parliamentary remuneration during a time of great public service austerity.⁵⁶ In 2014 the Tribunal determined salaries, extra remuneration for office holders and a new structure for parliamentary allowances.⁵⁷ The determinations are conveniently collected in the *Members' Remuneration Handbook*.⁵⁸

Members of the Legislative Assembly receive a base salary of \$148,848. Ministers are paid an additional allowance: \$230,312 for the Premier; \$184,250 for the Deputy Premier and \$161,218 for other Ministers. Future increases in members' salaries are to be tied to public service wage growth.⁵⁹ There is no provision to pay anyone who is a Minister but not an elected member.

The shadow Cabinet often uses the same or similar titles to those adopted by the Ministry, although points of political difference are sometimes made by choosing different titles. Shadow Ministers are also paid an additional allowance. The Leader of the Opposition is paid the same as a Minister. Other Shadow Ministers are paid an addition \$57,578, but by

⁵⁴ This, despite speculation before the 2015 election that Campbell Newman might remain Premier in a re-elected LNP government even if he lost his seat. The options canvassed in the media included another member resigning and for the Premier to stand in the resulting by-election. In the result, Newman remained Premier until the result was clear 14 days after in the poll.

⁵⁵ As is the case federally, where, by s.64 of the Constitution, a Minister cannot 'hold office for a longer period than three months unless he is or becomes a senator or a member of the House of Representatives'. The inaugural Australian ministry (appointed 1 January 1901) was composed entirely of men who of necessity were not members or senators: the first election was held on 29 March 1901. Two ministers were never elected to federal parliament. Elliot Lewis was Premier of Tasmania as well as Minister without Office and not contest the 1901 election. Former Queensland Premier, James Robert Dickson, who died in office as inaugural Minister for Defence on 10 January 1901. John Gorton was senator when Harold Holt disappeared on 17 December 1967. William McMahon was Holt's deputy, but the Country Party precipitated a leadership crisis by declaring it would not serve in a McMahon Government. Gorton won the leadership on 9 January 1968 and was sworn as Prime Minister the next day. He resigned from the Senate on 1 February 1968, comfortably winning the by-election for Holt's House of Representatives seat of Higgins on 24 February 1968. He was thus Prime Minister for 23 days when a member of neither house, and is the only serving senator to be Prime Minister.

⁵⁶ For example, Ironside, R. (2014) 'Huge pay rise to place Queensland MPs among nation's highest paid politicians', *The Courier-Mail* 28 March 2014: <http://www.couriermail.com.au/news/queensland/huge-pay-rise-to-place-queensland-mps-among-nations-highest-paid-politicians/story-fnihsrf2-1226867001953>.

⁵⁷ Queensland Independent Remuneration Tribunal Determinations 1/2014, 3/2014 and 6/2014 respectively. Determinations are available at <http://www.remunerationtribunal.qld.gov.au/determinations.aspx>.

⁵⁸ Legislative Assembly of Queensland (2014). *Members' Remuneration Handbook*. Office of the Clerk of Parliament: <http://www.parliament.qld.gov.au/documents/Members/entitlements/Remuneration%20Handbook.pdf>.

⁵⁹ For example, Moore, T. (2015) 'Queensland MP salaries to increase 2.58 per cent: tribunal', *Brisbane Times* 5 March 2015: <http://www.brisbanetimes.com.au/queensland/queensland-mp-salaries-to-increase-258-per-cent-tribunal-20150305-13w01k.html>.

a resolution of the Legislative Assembly,⁶⁰ the maximum number of shadow Ministers cannot exceed the number of Ministers.⁶¹

The first Palaszczuk Ministry has only 14 Ministers, but the LNP Opposition boasts 18 shadow Ministers. Someone isn't being paid! ⁶²

MoG is primarily about the Executive, but has important implications for the Legislature because it is the Ministers who lead the government benches, take questions without notice, introduce government Bills, and who are grilled (with their officials) by the Estimates Committees. The Legislature also oversees the Executive through its Committee system generally and the Parliamentary officers, particularly the Auditor-General and the Ombudsman.

PERSPECTIVES ON MOG

MoG as description

One of the functions of MoG is to describe the structure of government, allowing consumers of services, both inside government and those outside, to comprehend the complicated mixture of institutions, programs, responsibilities and accountabilities. By naming ministerial offices and departments of State, MoG describes the activity expected of the Ministers and public officials. But MoG is only a part descriptor. It is not apparent from ministerial and departmental titles just whose job it is to monitor capital works, a key element of the Queensland economy. Is it the Minister for State Development? Public Works? Well, the Administrative Arrangements Order reveals the Treasurer and Queensland Treasury to be responsible for this major economic driver.

MoG as distribution

A second function is the distribution of authority among Ministers and their departments. Responsibility for functions is a key driver of a minister's work. It does not necessarily come with statute administration. For example, the Minister Assisting the Premier on North Queensland⁶³ does not, in that capacity, administer any statute. And while the Premier administers the *Public Service Act 2008*, the Treasurer⁶⁴ is responsible for public sector industrial relations, and administers the *Industrial Relations Act 1999*. Thus the Premier is not the minister who makes rulings about public service remuneration under s.54 of the *Public Service Act 2008*. Minister Pitt is. This information is found by examination of the Administrative Arrangements Order. At least at the time of writing, the Queensland

⁶⁰ *Hansard* 13 February 2014, p.215, moved by the Leader of Government Business, under s.42 of the *Queensland Independent Remuneration Tribunal Act 2013*.

⁶¹ See also the *Queensland Opposition Handbook*, describing further entitlements for Opposition office holders: <http://www.premiers.qld.gov.au/right-to-info/published-info/assets/qld-opposition-handbook.pdf>

⁶² For example, <http://www.theaustralian.com.au/news/latest-news/qld-lnp-unveils-19-shadow-ministers/story-fn3dxiwe-1227231889624> ; <http://www.news.com.au/national/breaking-news/lnp-to-meet-on-shadow-ministry-in-qld/story-e6frfku9-1227222333966>.

⁶³ Hon. Coralee O'Rourke MP.

⁶⁴ As Minister for Employment and Industrial Relations.

Treasury website did not mention this fact even though employee expenses represented the biggest share of the State's budget for 2014-2015.⁶⁵

MoG as allocation

MoG also allocates the resources of government among agencies. While the primary vehicle for financial allocation is the annual budget, known as appropriations, MoG changes have implications for who administers money, for what purposes, and supported by which employees.⁶⁶ For example, after the 2015 Queensland election, arts became the responsibility of the Premier. As a consequence, Arts Queensland (the arts funding and policy entity) and the Corporate Administration Agency (corporate services provider to Arts Queensland and the statutory arts entities) were merged into the Department of the Premier and Cabinet. That necessitated budget adjustments to the Department and changes in staff management responsibilities. Similar adjustments would have taken place for the shift of multicultural affairs, employment programs and policies, and public sector industrial relations.⁶⁷

COST AND WASTE

Gone are the days when typists x-out the old departmental name and type the new one on letterhead. Not only is printing much cheaper than ever before, the cost of manual changes is higher than printing new stationery.

Governments are very sensitive to allegations of waste, but signage, letterhead and business card changes are marginal costs that barely make a dent in the budget of a big department. It may be excellent sport for the Opposition, journalists and talk-back callers, but a bit of printing is not where the real costs lie.

MoG changes have an inevitable cost, and the real expense lies in the transaction costs of personnel changes and opportunity costs of staff being distracted by the necessity of moving, training new colleagues, and settling into new routines.

After a major change, established patterns will be disrupted. New relationships must be built, and new pathways for decision making forged, preferences of Ministers and chief executives gleaned and met, and new priorities accommodated. The opportunity cost of these disruptive elements can be massive, but are rarely if ever calculated.

CONSIDERATIONS AND PRINCIPLES FOR MOG DECISIONS

Many factors affect MOG decisions, and there is no closed set of principles that guide decisions. Some of the most important considerations follow.⁶⁸

⁶⁵ Queensland Treasury (2014) *Budget Strategy and Outlook 2014-15*, p.74, <http://www.budget.qld.gov.au/current-budget/budget-papers/bp2.php>.

⁶⁶ See Queensland Treasury (2012) *Financial Accountability Handbook*. Vol 4 Information Sheet 4.6 – Machinery of Government. At the Commonwealth level see Australian Public Service Commission (2004) *Principles for the allocation of resources following a machinery of government change*. <http://www.psc.qld.gov.au/library/document/guideline/mog-allocation-of-resources-guideline.pdf>.

⁶⁷ The key to understanding the allocation issues for public sector industrial relations between the Premier and the Treasurer is found only in the Public Service Departmental Arrangements Notice.

⁶⁸ The list does not canvass the irrational and rent-seeking considerations that might arise from time to time, nor the inevitable ideological drivers.

Pragmatism

Government administration is a practical matter, taking place in a political context. The arrangements must work in practice, and that inevitably means there are compromises at every level. This is no abstract mathematical exercise, but the real world.

Political balance

The Premier will strive to achieve a functional Cabinet, address the future ambitions of backbenchers, seek to advance political agendas, look forward to future elections, and advance or thwart the ambitions of potential successors. Politics is not only a real consideration: it is the legitimate concern of Ministers.

Control

MOG is about good governance, and good governance is (in part) about the allocation of power: who controls the resources and authority of government. A poor design might risk loss of control or the misallocation of resources between programs.

In government, control is also about the relationships between ministers and chief executives, the processes and procedures that direct the activities of public servants, and the internal checks and balances about money and the use of authority. Clear lines of control are necessary to drive efficiency and accountability, yet that clarity is sometimes lost, especially if relationships are multi-lateral. The Newman Government's reversal of Bligh's matrix structure was intended in part to bring clarity and improve accountability through more simple structures and relationships.⁶⁹

Important constituencies

Governments result from political processes, and politics takes place in the context of stakeholders. It is common for constituencies to demand a symbolic place at the Cabinet table through a Minister whose title reflects their importance, or many a special focus through a dedicated agency. Sometimes this need is assuaged by adopting a name that includes key words to satisfy constituencies (discussed above). At other times, a government sends important signals back to a constituency by adopting a name or word in a title. It is interesting to speculate whether naming a Minister for Ambulance Services in the 2015 Palaszczuk Cabinet is recognition of the special character of ambulance services in the context of health, acknowledgement of the rising importance of ambulance services in primary health response, or a nod in the direction of a key constituency with a strong union base.⁷⁰

Symbolism

Never underestimate the importance of symbols. MOG changes will reflect important symbolic matters for the new government. They are flags about principles or political ideology.⁷¹

⁶⁹ 'Gone are the days of the super departments. Rather, this government has put in place machinery-of-government changes that are designed to produce real outcomes', said then Minister Steve Dickson: *Hansard* 5 June 2012, p.473.

⁷⁰ The Andrews' Government in Victoria also created a Minister for Ambulance Services.

⁷¹ For example, the name 'Fair Work Australia' says much about the Gillard approach to industrial matters; the NSW Minister for Healthy Lifestyles; the NT Minister for Statehood.

Efficiency

Good organisation should improve efficiency. One defining character of MoG across all Australian jurisdictions is the bringing-together of like functions. Hence the mega-departments of Health and Education and at the Commonwealth level, Social Security. But not all agglomerations result in greater efficiency. Issues of scale can overwhelm. Dysfunctional parts can damage the efficiency of the whole. Important but ancillary issues can be lost in the urgency of large-scale management.

Effectiveness

Well-structured programs will be more effective than poorly organised ones. So too, a well structured department or portfolio should be more effective in delivering the programs.

Coordination

Government needs to work as a whole, and MoG should be built to enhance the capacity to coordinate among agencies, to the centre (Premiers and Treasury in particular), and out to other governments. Part of that balance is to look to the tripartite mix of Minister, chief executive and political advisor, an important balance to enhance not just performance but also coordination.

Cohesion of government

Government is not divisible despite the arrangement of MoG among ministers and departments. It is important for government to work as a whole and for public servants to understand their responsibility to the whole of the government of the day, not to their individual agencies or branches.⁷²

Continuity

Governments seldom choose to disrupt the ability of departments to perform. Continuity of service capacity is a consideration, and militates against radical change.

Reform

One the other hand government legitimately expects its agenda and policy to be implemented even if that does disrupt established norms, organisations and careers. Many reform agendas will result in significant MoG shifts: the creation of new departments and the abolition of old ones; movement of authority from one agency to another; closure of functions.

Subsidiarity

Subsidiarity is an organising principle that says matters should be managed by the smallest government entity rather than being centralised. It is a major tenet of the European Union,⁷³ and a creed of American conservative thought.⁷⁴ An alternative formulation is that central authorities should only perform tasks that cannot be performed at a more local level.

⁷² This was one of the rationales for the corporate logo under the Beattie Government: symbolic of the unity of departments, being different from the Ministry. The logo was abandoned (but not necessarily removed physically) under the Newman Government.

⁷³ Stated in Article 5 of the Treaty on the European Union <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:12012M/TXT&from=EN>.

⁷⁴ For example, Vischer, R.K. (2001) 'Subsidiarity as a principle of governance: beyond devolution', *Indiana Law Review*, 35, 103-142.

Subsidiarity is a key driver in the decisions to devolve authority (especially to “hire and fire”) to schools and health and hospital boards. Both cases were driven by the Commonwealth government, and the success or otherwise of each is contestable.⁷⁵

DISRUPTORS

Government is not immune from external change. Significant MoG decision can be precipitated by factors completely beyond the control of any political influence. For example, in early 2001 the Queensland Government had little interest in counter-terrorism matters beyond normal policing. By the morning of 12 September that year, my working life, and that of thousands in governments around Australia, was substantially committed to the issue. The machine of government shifted to commit resources, people and time to national and international counter-terrorism.⁷⁶ The impacts were not just about government, but economic,⁷⁷ social⁷⁸ and legal.⁷⁹

It is not only dramatic and tragic events that disrupt the intended order of the government machine. New technologies are fundamentally changing the way government approaches service delivery and regulation of economic activity.⁸⁰

On-demand service providers like taxi-substitute Uber and accommodation-booking service Airbnb are “an emerging digital elite out to conquer the world [with] little time for rules or politics”.⁸¹ One Queensland public servant said to me recently: ‘they are making a mockery of the law and government’s ability to enforce it’.

⁷⁵ For example, University of New South Wales Business School (2012) . *Devolution Revolution: Will Fewer Fat Cats Help to Keep the Customers Satisfied?* <https://www.businessthink.unsw.edu.au/Pages/Devolution-Revolution-Will-Fewer-Fat-Cats-Help-to-Keep-the-Customers-Satisfied.aspx>; Hamilton-Smith, T. (2014), ‘The education revolution or devolution: the consequences of an iPad for every child’, *Journal of the National Centre for Sustainability*, 2014, 1(2): <http://www.swinburne.edu.au/ncs/journalncs/The-Education-Revolution-or-Devolution.pdf>; Shields, L. (2014) *Health Care in a New Queensland*, http://www.tjryanfoundation.org.au/dbase_upl/Health-Care-in_a_New_Queensland.pdf, TJ Ryan Foundation Annual General Meeting, 19 February 2015.

⁷⁶ For a salutary reminder of the news of that day see <http://www.abc.net.au/news/2011-09-05/september-11-newspaper-front-pages/2870784>

⁷⁷ Australian Bureau of Statistics (2002), ‘8634.0 - Tourism Indicators, Australia March 2002’ [http://www.abs.gov.au/ausstats/abs@.nsf/featurearticlesbytitle/5F060AB85A309F87CA256C10000A11B?](http://www.abs.gov.au/ausstats/abs@.nsf/featurearticlesbytitle/5F060AB85A309F87CA256C10000A11B?OpenDocument) OpenDocument.

⁷⁸ Aly, A., Green, L. & Balnaves, M. (2009) *Social implications of fearing terrorism: A report on Australian responses to the images and discourses of terrorism and the other: Establishing a metric of fear*. Mt Lawley, WA: Edith Cowan University.

⁷⁹ <http://www.ag.gov.au/NationalSecurity/CounterterrorismLaw/Pages/AustraliascounterterrorismLaws.aspx>; <http://www.safeguarding.qld.gov.au/ctarrangements/legislation.htm>; Reece, L. (2014) “A brief introduction to Australia’s counter-terrorism laws: Offences and other provisions”. Legal Aid Queensland (Presentation: 23 September 2014): <https://elo.legalaid.qld.gov.au/webdocs/dbtextdocs/internal/irregseries/cle/2014/counterterrorism.pdf>

⁸⁰ Fishenden, J. & Johnson, M. (2014) ‘Tale of two countries: the digital disruption of government’, *The Mandarin*, 10 November 2014: <http://www.themandarin.com.au/9557-tale-two-countries-digital-disruption-government/>; Washington, D. (2014) ‘Uber and State Govt in peace talks’, <http://indaily.com.au/news/2014/10/30/uber-and-state-govt-end-hostilities/>; King, M. (2015) ‘Uber-trouble for Cabcharge investors as technology takes over’, *Sydney Morning Herald* 5 February 2015: www.smh.com.au/business/motley-fool/ubertrouble-for-cabcharge-investors-as-technology-takes-over-20150205-136ti2.html.

⁸¹ Schultz, T. (2015), ‘Byte Barons’, *Australian Financial Review* 20 March 2015.

Digital disruption is coming to more regulated industries, and to government services. Anyone who has tried to use integrated on-line government services knows, however, that our public services have yet to make great gains ... yet.⁸² It will happen, and there will be massive implications for the structure and resources of government, with many thousands of public service jobs replaced by intelligent and automated systems. As Bill Gates noted recently:

Software substitution, whether it's for drivers or waiters or nurses ... it's progressing. ... Technology over time will reduce demand for jobs, particularly at the lower end of skill set. ... 20 years from now, labor demand for lots of skill sets will be substantially lower.⁸³

While many of Gates' comment draw on USA concepts of the government-business balance, the same job impacts will inevitably apply to the machinery of government in Queensland and Australia generally.

The *Courier-Mail* recently published predictions the Queensland public service will be further massively reduced as a result of computerisation, citing unnamed Newman Government Ministers and experts.⁸⁴ But Des Houghton is right when he opines that 'Inevitably there will be downsizing'.⁸⁵

Astute and nimble policy making may go some way to ensuring that the impacts of digital disruptions and crowd-sourcing are managed well and in a timely way. The objective should be better, more responsive and more efficient government, rather than merely computerising existing inefficiencies, as may have happened in the past.

MoG tools will be an essential component in that management.

CONCLUSION

MoG is not a science, but a practical art of public administration. There are obvious and when dealing with very large institutional forms, there is inevitable complication as many considerations come into play simultaneously.

MoG remains a significant tool of good governance.

However practice shows there are many degrees of freedom. Few MoG decisions will inevitably lead to disaster: most structures, even awkward ones, will be made to work by Ministers and public servants.

⁸² There are some exceptions, such as on-line registration through Queensland Transport and various payments. My completely subjective review indicates that governments still use digital resources for passive information-giving rather than active service delivery or problem-solving.

⁸³ American Enterprise Institute (2014), 'From Poverty to Prosperity: A Conversation with Bill Gates'. 13 March 2013. Video at <http://www.aei.org/events/from-poverty-to-prosperity-a-conversation-with-bill-gates/>; transcript at http://www.aei.org/wp-content/uploads/2014/03/-bill-gates-event-transcript_082217994272.pdf.

⁸⁴ Houghton, D. (2015), 'Did Campbell Newman squib it? And why computers will steal your job'. *Courier-Mail* 21 March 2015. Figures of 11,000 fewer public servants, and a reduction of another 20% were cited.

⁸⁵ While I do not share the suggestion in the article that public servants actively resist or undermine change, path dependency in the public sector is deep and can be very hard to overcome. Astute MoG change is one tool to overcome it.

Ultimately, the workability of MoG arrangements lies in the hands of the individuals charged with good management of government.

Endnote

SPHASVADR: Health, Arts, Sport, Veterans Affairs & Disaster Recovery (within Social Policy Division of the Department of the Prime Minister and Cabinet).

INTAPAME: Asia-Pacific, Americas and the Middle-East (within the International Division of the Department of the Prime Minister and Cabinet).