Abstract

Australian prime ministers need advice and support. Recent incumbents have demonstrated a willingness to experiment with the institutions of advice, each attempting to create arrangements to enhance their capacity to do their job effectively and to achieve their particular agenda. The advisory arrangements developed by Gough Whitlam, Malcolm Fraser and Bob Hawke have been the subject of considerable scholarly attention and are now well documented. Interestingly, despite media speculation that there has been an acceleration towards greater partisanship and personalisation under the Keating and Howard prime ministerships (for example Dodson, 1996a; Sherman, 1998; Waterford, 1995;1996), the advisory arrangements of these two recent prime ministers have received comparatively little attention.

This article addresses itself to this gap in the literature by examining the arrangements supporting John Howard as prime minister. It describes the system of advice developed to meet the needs of Howard’s prime ministership during his first two terms. By describing and documenting Howard’s advisory arrangements, this article provides a basis for assessing the current state of evolution of prime ministerial advisory systems in Australia.
Introduction

This article describes the key institutions of advice and support that have evolved to support John Howard’s prime ministership. It uses an organising framework suggested by Peters et al. (2000), to explore Howard’s machinery of advice \(^1\) and considers what, if anything, these developments tell us about the priorities and preferences of our current prime minister. This article finds that the advisory arrangements which have evolved under Howard lend further credence to the view that the personality and style of the incumbent are decisive in shaping the structure of advice and support to prime ministers. It argues that Howard has continued the tendency of recent prime ministers to personalise their advisory arrangements, and presents evidence that the cumulative effect of institutional changes have enabled Howard to pursue personalisation more deliberately than his predecessors.

Drawing on the limited body of available evidence and data, this article develops a preliminary account of Howard’s advisory arrangements. The picture is necessarily a partial one, because there are significant gaps in the data, and certain political sensitivities that make data collection difficult. The research methodology combines the use of primary and secondary sources. Primary data has been drawn from public statements, parliamentary documents and government directories and has been supplemented with analysis from secondary sources to develop a database of Howard’s staffing arrangements. The findings presented here are therefore provisional. They need to be supplemented with additional primary material, notably interview data which may only be obtainable when the current government leaves office.

Advising Prime Ministers

The advisory arrangements supporting Prime Ministers and other political executives have undergone important changes over the past three decades. As the scope, pace and complexity of the job has increased, so too has the need for advice and support. It is generally agreed the demands on prime ministers have grown exponentially over the period
since 1970, a product of (inter alia), rapid developments in technology, a greater focus on leaders by the media and the increased expectations of a more educated and informed voting public (Campbell, 1998; Kavanagh and Seldon, 1999; Rose, 2001; Weller, 2001). Advisory systems are evolving in response to prime ministers’ demands for the support they perceive they need to do their jobs effectively. While shaped by national specificities, there are discernible similarities in the way in which advisory systems are developing (Peters et al., 2000).

Based on a study of twelve countries², Peters et al. (2000) identified four convergent trends in the way advisory arrangements 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, institutionalisation. In all systems, institutionalised staff advisory and support arrangements are structured around the key roles performed by chief executives. Of these, political management is assuming growing importance³. A third trend is politicisation which, according to Peters et al. (2000 p. 15), can include ‘the recruitment of party or interest group officials (thus leading to a fourth but related trend - the hybridisation of staff), 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’. Changes in the system of advice and support to Australian political executives have paralleled these international developments. In the second part of this article, these four trends are adapted as an organising framework for exploring the changes that have taken place under John Howard’s prime ministership.

Prime ministers have special advisory needs, reflecting their multiple roles as the head of executive government (Hollway, 1996). Their advisory arrangements reflect the key responsibilities of the prime minister which, as Weller (2000 p. 60) notes, are ‘a combination of practice and choice’.

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¹ I am indebted to Patrick Weller for the use of this term, coined in his book Malcolm Fraser PM.
² Britain, Denmark, France, Germany, Greece, Italy, Spain, Sweden, Australia, Canada, Japan and the United States.
³ Political management includes managing relationships with the Parliament, with the majority political party and major pressure groups, monitoring public opinion and media management Peters et al (2000).
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 options may spread across at least three areas: the administrative machinery, in which prime ministers ensure the smooth working of the machinery of government (of which Cabinet is an essential part); the policy area, where prime ministers seek to shape the agenda, drive the debate and lead to outcomes that they consider satisfactory; and the political arena, where partisan decisions on tactics are made.

The institutions of advice and support to Australian leaders reflect these key areas of responsibility – administration, policy and politics. 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). With the expansion of the prime minister's role, the need for individual advice has grown (see Weller, 2000), and with it a tendency to draw on non-public service sources.

In Australia, the Department of Prime Minister and Cabinet (PM&C), along with the Cabinet was traditionally the Prime Minister’s principal source of advice and support4. The prime minister’s private office provided limited administrative and secretarial support. Recent prime ministers have preferred to receive support from within the Prime Minister’s Office (PMO). Since 1975 the PMO has evolved to become a significant personal and policy resource (see Walter, 1992). Because recruits are political appointments selected for their personal loyalty to the prime minister as much as for their skills, staff in the PMO have significant influence. The system of advice now comprises both bureaucratic and partisan components, each providing distinct but complementary advice to the leader (see Moore-Wilton, 2001; Tiernan, 2001). The PMO and PM&C are the key institutions of advice and support to contemporary Australian prime ministers, but their influence is not assured. They must compete for influence in a competitive market for advice where the ultimate purchaser is the prime minister.
While as Walter (1992) has noted, Australian prime ministers have always relied on personally loyal advisers, it is generally acknowledged that the Whitlam government was the first to systematise and institutionalise broader and substantially enhanced advisory resources for ministers and especially prime ministers (Smith, 1977;1989; Walter, 1992). As Prime Minister, Malcolm Fraser was initially ambivalent about the utility of ministerial staff, and mindful of their dangers. In office however, Fraser consolidated the changes introduced by Whitlam, significantly augmenting the resources available to the prime minister. As an active and interventionist prime minister, Fraser was concerned to develop an advisory infrastructure that would enable him to understand and influence the Cabinet agenda, and would provide the necessary information and advice to enable him to perform the tasks of the head of government (Weller, 1989a p. 20-22; White and Kemp, 1986). His advisory system comprised both formal and informal elements, partisan and non-partisan actors, reflecting Fraser’s belief that there was safety in having multiple points of view.

As with his two predecessors, Hawke’s advisory arrangements reflected his priorities and stylistic preferences. Elements of arrangements inherited from Fraser were retained, including the division of tasks within the PMO into three key functions: administration, policy advising and media relations (Campbell and Halligan, 1992; Hollway, 1996; Walter, 1986;1992). The size of the office remained the same, but party and political elements were more explicitly represented (Walter, 1986 p. 95). Initially most members of the office were political appointments (Walter, 1986; Weller, 1985), but by the latter part of Hawke’s term, career public servants were represented in greater numbers (Campbell and Halligan, 1992 p. 65; Walter, 1992). Throughout Hawke’s tenure the PMO was managed by a senior public servant, a reflection of Hawke’s personal view that this would ensure the incumbent would be possessed of ‘skills in public administration, established bureaucratic networks and a ready-made understanding of how to link the private office to the departments’ (Hollway, 1996 p. 141). Under Hawke, PM&C took a less interventionist role in policy matters than had been the case under Fraser, reflecting the PMs preference for decentralisation of policy to the ministry. Although it maintained its policy capacity, PM&C’s focus during this period was process management and coordination, and on developing arrangements to support the

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4 The Prime Minister’s department was established in Australia in 1911 on the instructions of Andrew Fisher (Walter
Cabinet Committees established by the new government as the main drivers of priority setting and strategic directions (Campbell and Halligan, 1992).

Scholarly analysis of prime ministerial advisory arrangements since the Hawke period is rather scant; the most recent contributions being by Weller (2000) and Campbell (1998). After this, media and participant accounts become the major sources of information and analysis. These suggest that under Paul Keating, the role of the public service in policy advising was diminished (Gray quoted in Weller, 2001 p. 103), and policy initiation and decision-making became centralised within a powerful and progressively more insular PMO (see Day, 2000; Williams, 1997). FitzGerald (1996 p. 123) notes that 'as the Keating government saw it, policy should be essentially the province of ministers', with the bureaucracy's role often confined to issues of implementation (see also Waterford, 1995). Waterford (1995 p. 12) argues that Keating's lack of engagement with the bureaucracy derived not from any hostility or lack of respect for their abilities, but rather from the fact that 'their ways increasingly did not suit his style'. The replacement of Michael Codd as Secretary of PM&C (Waterford, 1995), significant changes to the appointment and tenure of departmental secretaries (Weller, 2001) and the sackings of four department heads during Keating's premiership have been cited as evidence that he expected no less than the total commitment of senior bureaucrats to implementing the government's agenda (Waterford, 1995). In this environment, and because of Keating's preference for oral briefings and to govern personally rather than through Cabinet, the role of ministerial staff became increasingly significant (Waterford, 1996 p. 92). In a recent analysis of the Keating prime ministership, Day (2000 p. 428) notes the importance of Keating's personal staff, observing that,

the advisers who had seen him through the dark days of his challenge against Hawke and helped his accession to prime minister now became a tight circle, restricting access to Keating, even by Cabinet ministers.

Accounts of Howard's advisory arrangements have come mainly from the media. These have tended to focus on Howard's appointments, in particular the head of his Cabinet Policy Unit (CPU) and the Secretary of PM&C, the individuals working in the PMO, and others seen as
being members of the prime minister’s ‘kitchen cabinet’\textsuperscript{5}. This tendency to focus on ‘the backroom boys’ has become a media preoccupation since the early days of the Whitlam government. It is arguable that public awareness of personal staff and the profile of key individuals amongst them has increased with each subsequent prime minister\textsuperscript{6}. Under Howard this trend has continued and perhaps accelerated. Articles about Howard’s inner circle\textsuperscript{7} began circulating almost immediately he resumed the Liberal Party leadership (see for example Cumming, 1996; Grattan, 1995; Savva, 1996; Shires, 1996). They have appeared periodically since that time, peaking in the aftermath of his decisive election victory in 1996.

As this brief contextual overview indicates, over the period since 1975, the system of advice to Australian prime ministers has shown itself adaptable to the demands of the incumbent. Each prime minister has tended to build on the foundations of their predecessor, reshaping arrangements to suit their own priorities and purposes. Accordingly, as Weller (2000 p. 60) argues, any analysis of advisory arrangements must therefore take account of the priorities, preferences and working style of the individual. Studies of the advisory arrangements of the Whitlam\textsuperscript{8}, Fraser\textsuperscript{9} and Hawke\textsuperscript{10} prime ministerships lend support to this general view. It is of course, far easier to identify these with the benefit of time and distance. As Michelle Grattan (2000 p. 438) notes, it is difficult to draw firm conclusions about a given prime ministership while the individual still holds the office. Nonetheless certain patterns are discernible in Howard’s arrangements after five years and two terms in office.

\textsuperscript{5} Bakvis (1997) defines a ‘kitchen cabinet’ as a group of people with a close and often long-standing relationship with the leader, who play an informal but important advisory role. Members of a kitchen cabinet might be political staff, relatives or close friends. Bakvis (1997) identifies kitchen cabinets along with political staff, management consultants and think tanks as among the most important categories of advisers to contemporary political leaders.

\textsuperscript{6} David Kemp, David Barnett and John Hewson were the subject of media attention during the Fraser prime ministership. Hawke’s two ‘machine men’ political advisers Bob Hogg and Peter Barron were the focus of scrutiny. Chief of Staff Don Russell and Speechwriter Don Watson were public figures during the Keating period. Jack Waterford (1995 p. 12) for example, described Russell as being ‘as powerful as any White House Chief of Staff’.

\textsuperscript{7} For a wide-ranging list of those reputed to be members of Howard’s inner circle, see Savva (1996). While these are regarded as important, there is a broad consensus that Howard’s most influential adviser is his wife Janette (Henderson, 1998; McGeough, 1996; Wright, 1999).

\textsuperscript{8} There is now a wealth of studies of Whitlam’s advisory arrangements. A useful synthesis of these can be found in Walter (1996).

\textsuperscript{9} Weller (1989a) provides an authoritative account of Fraser’s machinery of advice, but Walter’s (1986) analysis is also very useful.

\textsuperscript{10} For a good description of the structure and philosophy of Hawke’s office see Hollway (1996). On the development of the prime minister’s office from Whitlam to Hawke, see Walter (1992).
Howard’s Inheritance

Howard’s long political experience has undoubtedly shaped his view about a prime minister’s advisory needs. Since becoming prime minister, Howard has deliberately broadened and personalised his sources of advice. Changes to the advisory system over the preceding twenty years have facilitated his capacity to do so. The cumulative effect of these changes gave Howard distinct advantages over his predecessors; his successors may enjoy even greater potential to mold the system to suit themselves. On taking office, Howard inherited an advisory system within which the resources available to the prime minister were significantly enhanced. Moreover, the mechanisms for achieving greater diversity in the sources of advice were well established. Under the Keating government, departmental secretaries had been moved onto employment contracts, enabling ministers, and particularly prime ministers, far greater say in their appointment and termination (Weller, 2001). The policy monopoly of the public service, if it ever existed, had been eroded, and the APS reform process undertaken by the Hawke (and to a lesser extent) Keating governments (Campbell, 1998) had delivered political control of the bureaucracy to ministers (Campbell and Halligan, 1992; FitzGerald, 1996; Hollway, 1996). There is as John Howard has observed on many occasions, an increasingly competitive market for policy advising (Howard, 1996; 1998; 2001). The bureaucracy is now but one of several potential sources of advice to ministers, and modern ministers are, as the prime minister has remarked, ‘taking greater control of policy planning, detail and implementation’ (Howard, 1998 p. 8).

The growth and development of the ministerial staffing system is one of the factors which has enabled ministers to achieve greater control over the policy process (Campbell and Halligan, 1992; Dunn, 1995; Maley, 2000a). By 1996 when Howard became prime minister, substantial numbers of ministerial staff were employed, and the Hawke government had institutionalised arrangements for their engagement through the Members of Parliament (Staff) Act 1984 (the MoPS Act). Thus when Howard has claimed that ministers are entitled to rely primarily on their personal staff for advice and support (for example Howard, 1998; 2001), it has provoked comparatively little controversy. Key actors and institutions have adapted to the presence of
this new group, amongst whom because of their proximity to power, the staff of the prime minister are especially influential.

**Analysing Howard's System of Advice**

Earlier analyses of prime ministerial advisory arrangements have focused on the component parts of the advisory system. They have thus described the development of the PMO, the Department of PM&C and the manner in which they have served prime ministers (see for example Walter, 1992; Weller, 1989a). Others, notably Weller (1985), have used prime ministerial roles as a means of structuring their analysis. While each of these approaches has merit, an alternative approach is used here. The organising framework used to develop this account is adapted from Peters et al. (2000 p. 13). As noted earlier, Peters et al. (2000 p. 13) identify four convergent trends in the development of executive advisory systems internationally. These are growth, institutionalisation, politicisation and hybridisation.

Data collected for this study found evidence of each of these trends in the advisory arrangements supporting John Howard’s prime ministership. In the discussion that follows, the order of the trends identified by Peters et al. (2000) is altered slightly to accommodate the chronology of changes pursued by the Howard government. A more significant adaptation concerns politicisation which, as Peters et al. (2000 p. 15) argue, has three dimensions. The first of these, hybridisation, is explored separately below. The second dimension of politicisation identified by Peters et al. (2000 p. 15) - clearer subordination of the bureaucracy to partisan interests, is beyond the scope of this paper. A third dimension, the appointment of civil servants with identifiable political affiliations is more problematic. Debate has raged in the Australian literature about the extent to which claims of politicisation, using this definition, can be substantiated (Mulgan, 1998; Weller, 1989b; 2001 p. 71-78). In the Australian context, the term *personalisation* more appropriately describes the tendency of recent prime ministers to become more actively involved in government appointments (Rhodes and Weller, 2001 p. 238; Weller and Young, 2001). Personalisation is the appointment of individuals to key positions on the basis of style and approach rather than for any partisan views (Weller, 2001 p. 13). Weller (2001 p. 173) argues that personalisation may be more insidious than
politicisation because it is less blatant. For the purposes of this analysis, personalisation is the term that is used.

**John Howard, Prime Minister**

John Howard has had a long and arduous ascendancy to the Australian prime ministership. Twice deposed as Liberal Party leader during the 1980s and 1990s, his political resurrection was famously likened to ‘Lazarus with a triple bypass’ (see Grattan, 2000 p. 438). After thirteen years in opposition, having lost the ‘unlosable’ election in 1993, and following the brief but gaffe-prone leadership of Alexander Downer, John Howard returned to the leadership of the Liberal Party in February 1995 (Williams, 1997). Reportedly aware of his reputation for having a chaotic office as a Fraser government minister (Williams, 1997 p. 88), Howard immediately began developing the nucleus of a staff that would accompany him into government.11 Perhaps because of his experiences of treachery and betrayal in the course of his tenacious climb to Australia’s top job, a key concern was to surround himself with personally loyal appointees - people who had proven their loyalty during his years in the political wilderness (Cumming, 1996; McGeough, 1996). According to Wright (1999 p. 4), members of this group are ‘all are very different characters. But there is a common thread: they are loyal. And they have been tested’.

In contrast to the former Labor government which devoted significant resources in Opposition to planning its system of advice (see Weller, 1983), Howard came to office in March 1996 without a discernible transition to government strategy (Williams, 1997 p. 323). He did however seek advice on machinery of government arrangements from long-time Liberal staffer, Michael L'Estrange. But while the development of arrangements to support the prime minister commenced immediately, there were delays in other areas. Recruitment of staff for ministers was reportedly slow, due to the elaborate vetting process insisted upon by the prime

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11 Grattan’s (1995) observation that Howard’s office had problems during the 1980s, notably during his period as Opposition Leader, lends support to Williams’ suggestion that Howard gave considerable attention to his staff support arrangements in preparation for the 1996 election. For a detailed account see Williams (1997).

12 For various accounts see Savva (1996); Wright (1999); Grattan (2000). As Wright (1999) notes, Howard has ‘very few trusted friends and colleagues… Howard may be at the top of the political mountain right now, but he remembers the many bleak times when he has been forced to plod the dry gulches – a term he uses himself – and he has learnt to put his faith only in those who have been there with him’.
minister (Grattan, 1996b p. 1). Given the inexperience of the incoming ministry\textsuperscript{13}, it is perhaps understandable that central control would be exercised over staffing. Five years on, centralised control of ministerial staffing remains a feature of the Howard government’s approach, and arguably an important additional lever of patronage available to the prime minister.

Despite the absence of a transition strategy \textit{per se}, decisive changes to the system of advice were implemented within the first few weeks of the new government’s term. The Howard government was suspicious and distrustful of the bureaucracy, perceiving it as too close to the Labor governments of Hawke and Keating (see Campbell, 1998; Prasser, 1997), and full of Labor appointments (The Canberra Times, 25 March 2000, Dodson, 1996a). First, and most controversially, even before the government was sworn in and despite Howard’s claim that there would be no ‘hit list’ of senior bureaucrats (Singleton, 2000 p. 6), the prime minister terminated the contracts of six departmental secretaries (see Weller, 2001). At least two of the replacements were individuals associated with the Coalition. The new Finance Secretary, Dr Peter Boxall, was appointed while he was on the personal staff of Treasurer Peter Costello (Weller, 2001 p. 71), and Primary Industries and Energy Secretary Paul Barratt returned to the bureaucracy from the Business Council of Australia at the invitation of the prime minister (Weller, 2001 p. 74). Other appointments were drawn from existing ranks but as Dodson (1996b p. 25) notes,

\begin{quote}
The new line-up strongly reflects the priorities of the Howard government in that it tends to favour dry economics with strong policy-making skills and backgrounds in Canberra’s ‘razor gang’ portfolios – the Finance department and the Department of Prime Minister and Cabinet.
\end{quote}

Second, Howard announced a political appointment to the position of Cabinet Secretary, a post traditionally held by a career official, usually the Secretary of PM&C. The appointee, Howard confidante Michael L’Estrange, was also given responsibility for the new CPU, a unit staffed by political appointees with responsibility for providing longer term advice on the government’s strategic directions. The appointment of an outsider as the Prime Minister’s most senior adviser was perceived by some as a downgrading of the role PM&C secretary.

\textsuperscript{13} Aside from the Prime Minister, only one member of the first Howard Government ministry, John Moore, had ministerial experience.
and as a move towards a ‘US-style approach which places political appointees at the highest level of the policy process’ (Burton and Dodson, 1996 p. 1). Such claims fail to account for the fact that prior to pursuing a career as a political adviser, L’Estrange had worked in PM&C, and was an experienced career official (Weller, 2000 p. 66). Third, having brought forward the retirement of Michael Keating whose departure reportedly followed his loss of the Cabinet Secretary role (Shires, 1996), Howard announced the appointment of Max Moore-Wilton as Secretary PM&C. Notwithstanding his long experience in the public service, Moore-Wilton was seen as an `outside’ appointment. Nicknamed ‘Max the Axe’ for his reputation as a cost-cutter, it was speculated he was recruited to implement a radical public sector reform agenda. Commentators speculated that the manner in which Howard’s two personally selected advisers worked together would be crucial to the flow of advice to the new prime minister (Grattan, 1996a p. 21).

**Personalising the Prime Ministership**

These initial changes sent some clear signals about how the advisory system would work under the new government. 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). The Howard government’s distrust of the public service, the ruthlessness of its initial and subsequent dealings with senior executives\(^{14}\), as well as significant outsourcing and staff reductions throughout the APS have fuelled perceptions of an uneasy relationship between the government and its public service advisers (see for example Dodson, 1996; *Canberra Times*, 25 March 2000). The prime minister has rejected claims that his actions have politicised the public service, arguing instead that,

> Any government must, and should, reserve the right to adapt the administrative structures of the public service to best achieve the policy priorities on which it was elected. So also, any government must, and should, reserve the right to have in the top leadership positions within the public service, people who it believes can best give administrative effect to the policies which it was elected to implement. Governments of both political persuasions have recognised these realities. (Howard, 1998 p. 8).
The appointment of Max Moore-Wilton as Secretary heralded an important change for the Department of PM&C. Although prime ministers have long exercised their prerogative to choose their department head (see Weller, 2001; Mulgan, 1998; Waterford, 1995), all previous appointments were drawn from within the existing ranks of senior public servants. Despite an extensive bureaucratic career in the Commonwealth and various state public services, Moore-Wilton was working in the private sector when his appointment was announced. In selecting Moore-Wilton to be his chief public service adviser, Howard reinforced the tendency of recent prime ministers to personalise the post (see Halligan, 2000; Weller, 2001), and established a precedent for the appointee to be drawn from outside the ranks of current public servants.

Personalisation is the hallmark of the Howard prime ministership. It is evident in his initial staffing decisions – both the sackings and appointments and across the system of advice which has been developed under his leadership more generally. While compatibility is clearly important, competence and the ability to gain the trust of a prime minister who doesn’t 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; Savva, 1996), and clearly evident, especially within his PMO. From the beginning of his prime ministership, Howard has asserted his right to work with people he knows and feels comfortable with, and who share his philosophy and world view.

Howard has used changes to the advisory structures to bring trusted colleagues into official positions within government, either in his private office or through advisory boards or other strategic government appointments. Indeed the amount of time devoted by Cabinet to government appointments has been the subject of criticism and comment. Noting this, Michelle Grattan (2000 p. 439) has described Howard’s penchant for patronage appointments as ‘if not elitist, certainly highly tribal’. She argues ‘he vets government appointments

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14 The sacking of Defence Secretary Paul Barratt being a case in point (Weller, 2001).
15 For a more expansive account of Moore-Wilton’s career see Grattan (1996a).
16 Moore-Wilton was the Director of Policy Coordination with the Australian Stock Exchange.
carefully – any past or present association with Labor is regarded as a taint. He has little hesitation appointing political loyalists or personal staff to key jobs’. The prime minister has defended his approach however arguing,

I take a close interest in government appointments. They are a reflection of the Government’s policies and priorities and over time they have a huge influence. When you have been out of office for 13 years, it is inevitable that you find the landscape littered with the appointees of the former Government – many of whom were very political, not all of whom were bad appointments. But I do take a special interest in getting the right people and I am very pleased with the general balance that we have got. Obviously, you want people who have merit and, if they also have ease of communication with senior people in government, that’s advantageous (quoted in Savva, 1996 p. 2).

While the question of whether he has consciously and deliberately structured the system of advice in a manner similar to Malcolm Fraser (see Weller, 1992 Ch. 2), is an empirical one, there is some evidence that the arrangements Howard has implemented are underpinned by a clear rationale. There seems to have been a two-pronged basis for Howard’s desire to broaden the channels of advice beyond the public service. First, perhaps as a consequence of his ministerial experiences in the Fraser government, he has argued there is a danger in relying only on official advice,

I think it is very important to get advice on the economy and on business conditions separately from the bureaucratic advice. The bureaucratic advice is sometimes right and sometimes wrong. Its timing can be astray, even though its general drift can be correct. Unless you are constantly checking your official advice with field advice, you can often get it wrong. It’s impossible for official advice to pick up every nuance and every drift.

I think the experience of the Keating and Hawke Governments and the Fraser Government before them demonstrate that if you only listen to Treasury and official advice on the state of the economy, you don’t always get the full picture. And that’s not meant critically, it’s just a fact of life (quoted in Savva, 1996 p. 2).

Second and relatedly, a consistent theme advanced by the Howard government is that there is a contestable market for policy advice. In a recent speech to mark the Centenary of the Australian Public Service (APS), the Prime Minister noted the contestability of advice as the most significant challenge facing the APS in the twenty-first century (Howard, 2001 p. 6). Reinforcing views expressed in his 1997 Garran Oration (Howard, 1998), Howard

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17 Howard’s Media Adviser is Willie Herron, daughter of former Minister for Aboriginal Affairs, Senator John Herron. She has worked for Howard almost continuously since Opposition. Another staff member has been on Howard’s staff since at least 1979.
emphasised the changes in governance which have led to governments drawing advice from a broader range of sources. The prime minister has used these two major speeches about the role of the public service to highlight ministerial staff as an important group among this range of alternative advisers, and to expound his views about their roles, uses and benefits. Implicit to the prime minister’s statements is an assumption that personal staff have a critical influence on executive performance. Statements emanating from the organisational wing of the Liberal Party, with which Howard has enjoyed a close relationship (see Williams, 1997), are consistent with this general view. Early in the Howard government’s first term, Liberal Party Director Lynton Crosby remarked,

There is a deliberate strategy [by the Liberal Party] to build up its personnel ahead of the next election. The party is committed to ensuring the best possible political and policy advice that’s available… personnel is very important and good personnel provides good government (quoted in Windsor, 1997 p. 13).

Growth

A second trend evident in Howard’s advisory arrangements is growth. Greater numbers of ministerial staff have increased the resources available to the government as a whole. Resources available to the prime minister have also been significantly enhanced. It is worth noting that increases in the numbers of political staff have coincided with unprecedented downsizing of the bureaucracy. Under the Howard government, the APS has shed around 30,000 positions18. There have been significant staff reductions within the prime minister’s own department. Between March 1996 and June 2000, total staff of the Department of PM&C fell from 479 to 381 (PM&C, 2000), a reduction of almost 26%. The 1996-97 Annual Report shows the bulk of these reductions occurred during the 1996-97 financial year, when staff numbers fell to 363 (PM&C, 1997). Budget documents estimate the total staffing level will drop to 352 during the 2001-02 financial year (Department of PM&C Portfolio Budget Statements, 2001). Staff numbers are a crude measure of the support available to a prime minister from his department, however the scale of the reductions suggests the need to investigate the impact that downsizing within PM&C has had on Howard’s system of advice.

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18 140,829 staff were employed by APS departments and agencies in 1996. By 2000, this number was 110,954 (PSMPC, 2000, APS Statistical Bulletin 1999-00).
During the 1996 election campaign, the Coalition pledged to both abolish Labor’s National Media Liaison Service (aNiMaLS) and to control the growth in ministerial staff numbers (Costello, 1996). On coming to office, the government reduced overall numbers of ministerial staff from 375 at the end of the Keating government (Maley, 2000b) to 295 (HoR CPD 16 September 1996 p. 4299-4333). At the time, these reductions were contrasted with what the Coalition claimed were the staffing excesses of the former Keating government. As Maley (2000b p. 51) notes the reductions were achieved primarily by restricting the use of ministerial consultants (see also HoR CPD 16 September 1996 p. 4300). Since these initial reductions and despite the election commitment, there has been steady growth in total ministerial staff numbers such that in May 2001, there were 360 staff serving the ministry and office holders (Senate Finance & Public Administration Legislation Committee, 29 May 2001 p. 183). The Opposition has argued these numbers mask the true extent of personal staff resources available to the Coalition government. Labor claims that greater numbers of Departmental Liaison Officers (DLOs), up from 42 under Labor to 72 (Senate Finance & Public Administration Legislation Committee, 30 May 2001 p. 275), is a strategy by the government to contain opposition staff resources which are set as a percentage of those employed by the government under the MoPS Act (Maley, 2000b p. 52).

Table 1 indicates the growth in ministerial staff numbers over the life of the Howard government. It shows that significant growth in staff numbers occurred during the first year of the government’s second term.\footnote{One possible explanation for staff increases in 1998 is the unprecedented loss of ministers which occurred during the government’s first term (see Henderson, 1998). While he originally professed a desire to give ministers a free hand in management of policy within their portfolios, an accident-prone ministry and the realities of government may prompted Howard to impose strong central direction and control through a larger PMO and a more extensive network of ministerial staff.}

Growth in staff numbers is particularly evident in the PMO and the CPU, both of which serve the prime minister. Total numbers of staff\footnote{One possible explanation for staff increases in 1998 is the unprecedented loss of ministers which occurred during the government’s first term (see Henderson, 1998). While he originally professed a desire to give ministers a free hand in management of policy within their portfolios, an accident-prone ministry and the realities of government may prompted Howard to impose strong central direction and control through a larger PMO and a more extensive network of ministerial staff.} in the PMO have grown from 33 in 1996 (HoR CPD, 16 September 1996 p. 4300) to 40.5 in 2001 (Senate Finance & Public Administration Legislation Committee, 29 May 2001 p. 187), an increase of almost 23%. The establishment of the CPU has provided the prime minister with the support of an additional three staff.
Given his stated belief in the value of personal staff, it follows that the PMO is an important element of Howard’s advisory armoury. It is comprised almost entirely of partisan personal loyalists with long associations with the prime minister. Thirteen of the staff from Howard’s office as the Leader of the Opposition made the transition to the PMO in 1996. Four of these were still in the employ of the prime minister as at 1 July 2001. Initially the functional divisions that characterised the PMO of Fraser and Hawke were maintained. Thus Howard’s office was divided into a advisory group, an administrative group and a media unit, under the management of the Chief of Staff, originally 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 after Feely’s departure in May 1997, but his tenure in the job was brief. Both he and Office Manager Fiona McKenna, were dismissed by the prime minister in the wake of the Travel Rorts affair21. Howard appointed long time economic adviser Arthur Sinodinos to the Chief of Staff position. In 1998 the office was reorganised into five functional areas under the leadership of the Chief of Staff:

- A personal staff comprising a Principal Private Secretary and two private secretaries;
- An Advisory group comprising 12 advisers, each specialising in a substantive policy area;
- A Programme Coordination and Event Management group
- An Administration group with a staff of 10 headed by an Office Manager
- Media Group comprising around 6 staff, headed by the Prime Minister’s Press Secretary

The main areas of growth within the PMO have been in the advisory group where total numbers increased from 9 to 12, in administration, and in the new dedicated Programme Coordination function which created 2 additional positions. Throughout his prime ministership, Howard has maintained senior advisers in the areas of International, Legal, Government, Economics and Social Policy. Other specialist adviser positions have varied, but further research is needed to determine whether this is because a specific expertise was sought, or because certain individuals were available to fill positions. For example, there has

20 The analysis excludes Departmental Liaison Officers (DLOs), who are funded by the Department of PM&C. Howard has consistently had the services of 2 to 3 DLOs in his office. It also excludes the staffing establishment of the CPU. If these were added, the total numbers of staff working directly to the PM would be increased by around 5.

21 For a detailed account see Tieman (2001).
been no replacement for former Communications Adviser Anthony Benscher since his resignation from the PMO in March 2000. The advisory group also includes a group of generalist advisers who are more junior in classification to the specialists. Despite the decision to limit the use of ministerial consultants, the advisory group is periodically supplemented by specialist consultants. Towards the end of his first term, Howard engaged Sydney-based consultant Communications Strategist, Geoffrey Cousins who has since maintained a part-time presence on the prime minister’s staff. More recently, reflecting the prime minister’s changing needs, a specialist tax consultant has been added to the advisory staff.

In 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 the prime minister’s Principal Private Secretary. Howard’s PMO has enjoyed reasonable staffing stability since the Travel Rorts crisis. While there has been some turnover in the individuals holding key positions, functional arrangements have remained fairly constant. Senior staff changes have tended to occur when the prime minister has promoted incumbents to other positions\(^2^3\). The career trajectories of key Howard staffers confirm the experience of Hawke’s advisers\(^2^4\) that a stint in the PMO is a stepping stone to other career opportunities.

**Institutionalisation**

Institutionalisation of the leader’s staffing arrangements is the third trend identified by Peters *et al.* (2000) that is detectable in Howard’s advisory arrangements. As noted previously, progressively enhanced advisory resources for Australian prime ministers have been institutionalised in the period since 1975, most comprehensively with the passage of the MoPS Act in 1984. The MoPS Act empowers the prime minister to determine the allocation of

\(^{2^2}\) The use of ‘Programme’ instead of the more modern ‘Program’ reflects the prime minister’s stated preference for the traditional spelling to be used (Henderson, 1998).

\(^{2^3}\) The promotion of Arthur Sinodinos to the Chief of Staff position created a vacancy for a Senior Adviser (Economic) which was filled by former Kennett adviser Peter Crone. Howard’s Senior Adviser (International) Michael Thawley left to take up the position of Ambassador to the United States. Thawley’s replacement, David Ritchie departed following his promotion to a Deputy Secretary position in the Department of Foreign Affairs and Trade.
ministerial staff to the ministry, and to control their overall numbers, staff classifications and salary levels. John Howard has used the MoPS act to centralise Coalition ministerial staffing arrangements, and to concentrate decision-making authority on personal staffing issues in the hands of the prime minister. Administration of the MoPS Act was formerly the province of the Minister for Administrative Services (DAS). Howard abolished DAS in the aftermath of the 1997 Travel Rorts affair, and outsourced the majority of its functions (see Tiernan, 2001). The balance of its functions, including the administration of ministerial and parliamentary entitlements were transferred to the Department of Finance, which was subsequently renamed the Department of Finance and Administration.

Since 1997, the Special Minister of State has been the minister responsible for ministerial and parliamentary entitlements including ministerial staffing. Since 1998 former PMO Office Manager, Fiona McKenna, has held the position of Human Resources Manager in the Office of the Special Minister of State (Pearson, 2001). She is reportedly responsible for a new institution, the Government Staff Committee which advises the prime minister on the appointment, classification and salaries of senior ministerial staffers. The role of the committee, nicknamed the ‘Star Chamber’ (see Pearson, 2001), has attracted significant controversy, particularly since it has emerged that the committee recommended special pay arrangements for four of the government’s most senior staff, and personal classifications for as many as seventeen Coalition staffers (Senate Finance & Administration Legislation Committee, 29 May 2001 p. 173-208). Recently it emerged that three of the prime minister’s most senior staff are being paid a personal salary above the maximum MoPS Act salary range of $142,000. A further 6 staff within the PMO have personal classifications, where the prime minister determines their remuneration (see Finance & Public Administration Legislation Committee, 20 February 2001 p. 260-262). Labor’s John Faulkner accused the prime minister of exercising the discretion afforded him under Section 13 of the MoPS Act to reward and retain valued ministerial staff (AAP, 26 February 2001).

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24 A number of the individuals who worked in Hawke’s office went on to become departmental secretaries and to other key positions (Weller, 2001).
25 The Government has been loath to admit the existence of the committee, and rather vague about its purpose. Accounts of its role and membership can be found in transcripts of recent Senate Estimates hearings. See
Perhaps the most significant institutional development under Howard has been in the infrastructure developed to support the prime minister in Cabinet. Here the establishment of the CPU and the appointment of a Parliamentary Secretary to Cabinet have been the key innovations. Though initially controversial, by the standards of Australian State governments, the establishment of a political Cabinet Office by the Commonwealth was a rather late development26. As noted above, the establishment of the CPU was one of the first actions of the new government, however it was several months before its role and purpose became clear. With its head as Cabinet Secretary, the CPU’s purpose was 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 p. 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’ (Taylor, 1996 p. 11). But it is the role of Cabinet Secretary that is the most crucial. In this position L’Estrange performed,

the crucial gatekeeping role of setting the Cabinet agenda. He also determines – in consultation with the prime minister – the exact detail of what was actually decided. And on several occasions, according to ministers, this has left L’Estrange – and Howard – with considerable leeway (Taylor, 1996 p. 11).

Initially located within the Department of PM&C, the CPU is a small unit with a current establishment of 3 (Senate Finance & Public Administration Legislation Committee, Answers to Questions on Notice, 20 February 2001). In April 1997 it relocated from PM&C to an office opposite the PMO in the ministerial wing of Parliament House. In February 2000, Howard announced the appointment of L’Estrange as High Commissioner to London (Wright, 2000). L’Estrange’s replacement as Cabinet Secretary was Paul McClintock, a lawyer and investment banker who worked as a Howard adviser in the Fraser government. McClintock’s lack of public service experience raised questions in some quarters about his capacity to fulfil the position of Cabinet Secretary (see for example Burgess, 2000; Chan, 2000). Defending the appointment, the prime minister claimed that ‘Mr McClintock’s broad experience, commitment and strategic skills will be very valuable to the Government in the period ahead’ (Henderson, 2000 p. 1). Asked about what he would bring to the job, McClintock commented,
‘The job requires a good understanding of strategy where most of my working life has been spent’ (quoted in Henderson, 2000).

The appointment of a Parliamentary Secretary to Cabinet is the other significant change to Howard’s Cabinet advisory infrastructure. The current occupant, Bill Heffernan, is a close ally of Howard, and one of his strongest supporters27 (see Sydney Morning Herald, 12 August 2000 Wright, 1999). In this position, Heffernan enjoys access to all Cabinet deliberations – a privileged vantage point for so junior a minister. It is important to emphasise that the changes to Cabinet advisory arrangements implemented by Howard have in no way diminished the prime minister’s involvement in Cabinet processes. In contrast to his predecessor Paul Keating who delegated attendance at Cabinet committees to his staff, and allowed them to be present for Cabinet meetings, Howard’s approach to Cabinet is more traditional. But he has strengthened his hand with institutional enhancements that have extended the supervision and reach of the prime minister. Moreover these arrangements have also facilitated the entry of personal loyalists into his formal system of advice. As a consequence,

On every account his [Howard] is a careful surveillance. He is also managing a structure that gives him maximum opportunity to influence events. The Cabinet processes are a perfect example of his unambiguous reach across ministerial portfolios. He attends and runs most meetings – of Cabinet and of those few Cabinet committees he chose to leave in place after the election. The business of government is now more centrally under the prime ministerial direction (Taylor, 1996 p. 11).

Hybridisation

The fourth and final trend identified by Peters et al. (2000 p. 13) is ‘hybridisation’. A dimension of politicisation, this involves the blurring of the conventional boundaries between different sources of advice and support. The CPU could easily be interpreted as hybridisation of the kind envisaged by Peters et al. (2000). Here political appointees were given responsibility for a function that was traditionally the province of career officials. But as noted earlier, such distinctions become questionable when one realises that the original political

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27 According to Wright (1999) ‘Heffernan is part of the very inner circle that surrounds Prime Minister John Howard. He [Heffernan] talks to everyone, and the pearls he picks up invariably find their way to the prime ministerial ear. Howard listens, for he trusts Heffernan’s instincts and is attracted to his rough-hewn judgments – he has known this
appointee was himself drawn from a bureaucratic background. What hybridisation suggests is that the categorisations that have been used to understand the background and motivation of ministerial and prime ministerial advisers may no longer be particularly useful. Personalisation may be making the boundaries more permeable and the categories more unstable. There is some evidence that hybridisation may be the ideal as far as political executives are concerned. For example, Prime Minister Howard has recently lauded the benefits of the hybrid adviser – one drawn into political service from a bureaucratic background. Howard (2001 p. 7) argues that,

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.

Conclusion

This article has drawn on the currently limited body of available data to describe the institutions of advice and support that have evolved to support John Howard’s prime ministership. It has argued that the cumulative effect of institutional changes to prime ministerial advisory arrangements has enabled Howard to continue the trend of recent prime ministers to personalise the system of advice. To the extent that the advisory arrangements have been adapted to the needs of John Howard as prime minister, this article lends support to the view that the personality and style of the incumbent have an important influence. On the basis of media commentary and the data analysis developed for this study, it can be speculated that Howard’s desire for a more personalised system is reflective of certain idiosyncrasies of personality and/or his bitter political experience, but in the absence of more data, such conclusions cannot be sustained. Given these limitations, further research is necessary. It may only be when Howard leaves the prime ministership that firm conclusions can be drawn.

farmer a long time, and done battle beside him in the often murky world of internal Liberal Party politics in NSW, which is Howard’s power base’. 
Using the modified framework suggested by Peters et al. (2000), this analysis has also found evidence that prime ministerial advisory arrangements in Australia are evolving in ways consistent with international trends. Hence although the personality and style of the individual is important, advisory systems are also shaped by institutional factors. There are, as Peters et al. (2000) have argued, convergent trends in the manner in which executive advisory systems are developing. Further research is needed to document the changes that are taking place in the system of support to Australian prime ministers, and to enable the development of more sophisticated understandings of the institutional forces that are driving them.
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