

### **State Sector Review Discussion Paper**

Submission by Institute of Public Administration New Zealand (IPANZ)

#### **Preface**

The Institute of Public Administration New Zealand (IPANZ) was established in 1936. Its objectives are (a) to promote improvements in public policy and in administration and management in the public sector in New Zealand and (b) to increase public understanding of the work undertaken in the public sector. In pursuit of these objectives, IPANZ works actively to promote the maintenance of high standards of conduct and performance in the public sector. By contrast, the Institute has stated from its establishment that the promotion of the interests of public servants in such matters as remuneration and conditions of service is not within the scope of its objectives.

The history of IPANZ in contributing to discussion of issues of governance and its particular long-established role as a representative of the professional public service qualifies it to put forward a submission on the State Sector Act Review discussion paper. Accordingly, IPANZ appreciates the opportunity to make this submission.

IPANZ's submission was tested with a cross section of members who used the decision support software *Thinktank*, available through Victoria University of Wellington. This software enabled members to vote anonymously on proposed statements and contribute insights which enhanced the draft submission.

IPANZ is nevertheless disappointed in the very limited time provided to make submissions on the discussion paper. Changes to the core legislation affecting the whole public sector are of constitutional significance and, as such, best practice would be to ensure that stakeholders – and these effectively include all New Zealand citizens and residents – should have ample opportunity to consider the issues and have their views heard. This is a rare opportunity to have a meaningful conversation about a fundamental pillar of New Zealand's system of government.

#### **Introductory Comment**

IPANZ supports the current review. The State Sector Act 1988 changed substantially how the Public/State Service operated. Now, 30 years on, citizens' expectations, technology, and the nature of the problems and issues with which public servants have to deal have again changed significantly. As such, it is appropriate to take another look at the way in which the public service operates to ensure that it remains fit for purpose.

Change is likely to require new legislation. This can be implemented either by amending the current Act or by passing an entirely new piece of legislation. There are many elements in the current legislation that need to be retained (not all of which are traversed in the discussion paper), but the underlying theme of the discussion paper is sufficiently different that, on balance, IPANZ supports the proposal that a new Act be introduced, rather than an attempt be made to amend the current Act.

In this context, however, IPANZ would like to emphasise strongly that not all the issues identified in the discussion paper are susceptible to a "fix" through legislation. An acceptance of an appropriate ethos, the functioning of relationships both within and external to individual entities, a flexibility of approach and a willingness to learn from experience are essential ingredients if the public service is to flourish. Institutional memory is also essential if resources are to be used to optimum effect and "reinventing the wheel" is to be avoided.

Further, it is essential that there be awareness across the public service of the reality that each individual



and each entity is part of the collectivity that makes up the 'Crown' and that the integrity of the Crown (as distinguished from successive governments) is to be respected.

IPANZ notes the assertion in Chapter 2 of the Discussion Document that "work in recent years has greatly enhanced the ability of the Public Service to work in a joined-up way. However, our statutory provisions have lagged behind our practice and now need to catch up". The fact that innovative collaborative practices have been introduced within the current legislative framework suggests that practical and effective approaches do not necessarily require new legislative measures. With this in mind, and bearing in mind that any new legislation is likely to be in force for several decades, IPANZ strongly urges that it be drafted with a view to using permissive, rather than mandatory, language wherever possible. An unknown future requires flexibility.

IPANZ wishes to stress that the public service has an integral place in New Zealand's constitutional arrangements. This is often not recognised. Governments, elected by today's citizens, act on behalf of future citizens as well as determining and carrying out the policies and programmes directed towards the problems of today. In doing so, the executive government (ie the collectivity of ministers) which is in office because it commands a majority in the legislature, is inextricably joined with the public service. For its part, the public service is the repository of assumptions, knowledge, research and insights that under political direction inform the activities of government. Thus, without in any way questioning the authority and responsibility of Ministers to Parliament, their relationship with the public service has elements of a partnership. IPANZ believes that this constitutional role of the public service should be explicitly acknowledged in the new Act.

#### **Discussion**

In the following, IPANZ provides comments to the various questions posed in the discussion paper.

1. Should the purpose, principles and values of the New Zealand Public Service be included in the Act? Why do you think that?

IPANZ agrees in principle with the proposal that purpose, principles and values could usefully be included in the new Act. The proposed language in the "purpose" section seems comprehensive. An additional reference to the constitutional position of the public service could perhaps be considered in the "Purposes" section.

So far as the "Principles" are concerned, the ones set out are supported in principle. We would stress, however, that 'merit selection' needs to be defined in a contemporary context; such an interpretation would need to go well beyond the original 1912 principles to ensure that a wide range of different skills and attributes are taken fully into account. This is essential if the objectives of diversity and an increase in Māori public sector leadership are to be attained. We also suggest that consideration be given to expanding 'openness' to read 'openness and transparency'; the two are not synonymous and the latter is increasingly important in today's world.

In addition, moreover, we consider that 'to act in accordance with the law' might usefully be added. This may seem unnecessary, but given that there have been occasions where there have been judicial reviews, we think it should be part of the legislation. We also suggest that consideration be given to the inclusion of 'Acknowledgement of the principles of Te Tiriti'. Further, bearing in mind one of the principal reasons for advancing new legislation, we suggest that a principle of 'collaboration' should also be included.

The proposed values too seem an appropriate starting point. We consider, however, that "fairness" should be added to the list of values. Further, it seems to us that these are a somewhat monocultural set of values. Although we have no specific suggestions to put forward, are there others, particularly from a Māori perspective, that could usefully be included?

There is some cross-over between principles and values. Accordingly, it would be useful if the legislation



were to make the point clearly that principles apply in the first order to state entities and that values relate primarily to how individual staff should behave.

This section of the discussion paper deals *inter alia* with the responsibilities of public servants towards Ministers. Given the point made above in the introductory comments, should there also be a reciprocal obligation? This would strengthen the guidance contained in the Cabinet Manual. If agreed, this could be couched as follows:

In its working relationship with the Public Sector, the Government and its Ministers will:

- Create an environment in which free, frank and comprehensive advice is respected;
- provide clear guidance about policy directions and outcome priorities;
- participate effectively in accountability processes; and
- treat people in the Public Sector in a professional manner.

We agree that the concept of public service could usefully be strengthened and extended

2. How should the principles and values be enforceable?

Through Codes of Conduct. Where breaches are clearly egregious and have not been dealt with appropriately through such Codes, there is presumably redress available by way of the Bill of Rights.

3. How can the Act help build the trust and confidence of citizens in the Public Service?

The Act can establish the desired framework for its operations, but of itself it cannot build trust and confidence. That requires all elements of the Public Service to act fully within its spirit at all times, and thus constantly reinforce its integrity. Integrity and trust is something that takes time to build up, but can be lost very quickly. In terms of process, we believe that it is critically important to include training on principles and values in the induction process for new entrants into the public service.

4. How much detail should be included in the Act and how much should be specified elsewhere in guidance and requirements issued by the Commissioner?

As noted above, IPANZ believes that not all the issues identified in the discussion paper are susceptible to a "fix" through legislation. An acceptance of an appropriate ethos, the functioning of relationships both within and external to individual entities, a flexibility of approach and a willingness to learn from experience are essential ingredients if the public service is to flourish. Further, bearing in mind that any new legislation is likely to be in force for several decades, IPANZ strongly urges that it be drafted with a view to using permissive, rather than prescriptive, language wherever possible. An unknown future requires flexibility. The corollary is that the language in legislation should wherever possible be at a high-level.

5. Do you agree with the way we have articulated the purpose, principles and values? Are they clear and compelling?

See above discussion.

6. Are there concepts you think are missing? What are they, and why do you think they are important?

See above discussion.

7. Do you see any constitutional implications arising from these proposals and, if so, are there any risks or costs that we need to be aware of?

See discussion in the "Introductory Comments".



8. Do you agree with the extended scope of the New Zealand Public Service proposed in this paper? Do you see any problems in how this might operate in principle?

In principle, yes. In the short time available to analyse the discussion paper, IPANZ has not had time to consider whether there might be potential implementation problems, although there will clearly be challenges in rolling out new provisions across such a large sector of the economy.

9. What entities do you think should be covered by the purpose, principles and values in the Act?

These are high-level, overarching elements and all public sector entities should abide by them.

10. What is your view on the inclusion of Independent Crown Entities in the scope of the New Zealand Public Service?

In the short time available to analyse the discussion paper, IPANZ has not had time to develop a view on this issue.

11. Does this proposal provide for an appropriate contemporary expression of the Public Service's support for the Crown/Māori relationship? Why or why not?

In principle, what is proposed represents a sound starting point. However, any definitive judgement will depend on the way in which these principles are couched in legislation or regulation. More broadly, we agree with the proposal that there be a clause relating to expectations of the public service in relation to Māori. In particular, we believe that there does need to be some recognition of the fact that successive Treaty settlements are creating potentially new entities and relationships (eg the status of the Whanganui River as a legal entity), and the Crown (through the Public Service) needs to factor these into its thinking and activities.

We agree too that it is also appropriate that the Crown as a Treaty partner should have an obligation to consider how to reflect Māori cultural practices and processes in its activities, particularly in relation to obligations under Clause 2 of the Treaty. This should apply across the public service, even if some parts have only limited direct Māori-facing roles. A corollary is that training in Te Tiriti and Crown/Māori relationships should be a requirement for everyone in the public service.

12. Are there aspects you think are missing? What are they, and why do you think they are important?

No comment.

13. What do you think are the system-wide priorities to ensure that the Public service will deliver for Māori?

In the short time available to analyse the discussion paper, IPANZ has not had time to develop a comprehensive view on this issue.

With respect to the objective of increasing Māori senior leadership numbers, we are not clear as to how this might be dealt with in legislation, short of establishing a quota regime. We do not believe this to be desirable. The need to promote an increase in senior leadership numbers and to address institutional racism issues is not in dispute but there needs also to be a balance between pursuing this objective of increasing senior Māori leaders and that of also promoting and encouraging diversity that goes beyond the two original Treaty partners. These complexities are ones that need to be given appropriately weighted consideration in the individual appointment process. And, as noted earlier, it is very important in this context that the principle of "merit" be broadened to include attributes such as cultural competence and language skills.

14. What agencies should be covered by the expectations of the Public Service in relation to Māori?

All.



### 15. What should the Act say about diversity and inclusion?

IPANZ strongly supports the drive for greater diversity and inclusion. But in addition to diversity and inclusion in the public sector workplace, should there also be some recognition that diversity among citizens also requires appropriate actions by the Public Service to ensure appropriate engagement by such people? For new arrivals in New Zealand in particular, measures to encourage confidence in dealing with authority and officialdom are essential if they are to integrate into society.

### 16. How can the Act help ensure that workplaces are diverse and inclusive?

It cannot do so directly other than by making expectations of CEs explicit and holding them accountable.

# 17. Do you agree that the legislation should enable the establishment of common terms and conditions for functions and professions across the Public Service? Why, or why not?

IPANZ understands the rationale provided for the proposal that common terms and conditions for functions and professions be established across the public service. We recall, however, that the earlier (pre-1988) system of job classification was too restrictive and failed to reflect adequately important differences in job task and qualifications. A new, more unified, system could be effective in addressing the issues identified, but it would need to be tailored more specifically to like-for-like and for there to be a workable degree of flexibility. Moreover, given the much-vaunted adage that most of the jobs over the next forty years haven't yet been invented, undue rigidity of job structure would be a negative. There is probably a reasonably strong case for alignment of broad conditions of employment (ie outside salary and remuneration), although here too some flexibility will be required to be able to take into account specific factors in some areas of work.

Any fundamental examination of how terms and conditions of employment are to be determined and established in the public service, should provide the opportunity to examine whether the fundamental principles on which the current system is based remains fit-for-purpose in a world where both employers and employees need to be more flexible, and where the emphasis is increasingly on outcomes, not outputs.

In addition to the issue of common terms and conditions, there is also that of cross-fertilisation of ideas. We strongly endorse mechanisms that would encourage horizontal exchanges among public sector agencies to exchange experience and knowledge. This probably does not require legislation. Further, there needs to be strong support given to the training given staff upon their initial induction into the Public Service; there is ample anecdotal support for the thesis that many now employed have no real idea of the constitutional place of the public sector in New Zealand.

# 18. Do you agree that the Commissioner should have the proposed level of oversight over pay equity negotiations?

We agree that because of its systemic significance there should be central oversight of pay equity negotiations.

### 19. What could be the costs or risks in greater cross-Public Service coordination on workforce issues?

The rationale for seeking to achieve greater alignment of conditions of employment is understood, and there is potential merit in doing so in order to minimise harmful competition amongst agencies. However, undue rigidity is likely to lead to a diminution of innovation and a reduction in the flexibility required to meet requirements as needs change over time.

### 20. What else could promote the aim of a diverse, flexible and effective workforce?

See above.



## 21. Do you agree that we need more options for departments to organise in ways that improve the outcomes and services for New Zealanders? Why, or why not?

There can be little argument about the desirability of strengthening cross-agency cooperation and joint activities in today's inter-disciplinary world. However, IPANZ is of the view that behavioural change and attitude is a much more central ingredient than legislative change. Well-designed incentives for CEs would seem to us to be a more effective lever. It follows therefore that any legislative provision for such new mechanisms should be permissive rather than prescriptive.

### 22. Do you agree that Public Service Executive Boards will help the Public Service deliver better services and outcomes? Are there risks that we should consider?

IPANZ is not in favour of the proposed Public Service Executive Boards, at least in the manner currently proposed. The approach proposed seems in many respects to be not very different from setting up a new department. In a world where flexibility and the ability to respond to change is going to be even more important, the proposals appear unduly rigid (and what is the procedure for possible dissolution if required?). And again, looking to the long-term, explicit mechanisms would seem to have the potential to stymie innovation. Permissive, but not prescriptive reference in legislation might be the way to go in this area.

# 23. What do you think about formal collective accountability of chief executives on Executive Boards? What are the benefits and risks of this approach?

We support the concept of formal collective accountability of chief executives for cross-agency, joint activities. We see no reason why this should be limited to a particular structure such as Executive Boards. Further, a part of a new approach to collaboration might lie in potential changes to the Public Finance Act, allowing greater multi-agency accountability for particular appropriations. This could include provision for a number of Chief Executives being collectively accountable for a joint appropriation (see below).

## 24. Do you agree that a Joint-Venture model would help the Public Service deliver better services and outcomes?

We not opposed in principle to the proposal for public service joint-ventures. Flexibility for agencies to join up where this makes sense should be maintained, but we consider that the form of such collaboration/cooperation should not be specified in legislation. New approaches will develop over the life of the proposed legislation, including some probably unthought-of today, and it will be better to maintain maximum flexibility to permit these. It might be useful, however, for agency-to-agency agreements to be given an appropriate element of legal or administrative enforceability (probably the latter). We are of the view that Cabinet or joint Ministerial approval should be a sufficient condition for enforceability, but we are undecided whether it should be a necessary condition. In any event, we see a role for the Public Service Commission to be a centre for information exchange about different models for joint ventures that might emerge. Over time, this would allow agencies to learn from the experiences of others as to which models have been successful and to make soundly-based judgements as to which might be suitable for their particular circumstances.

# 25. Do you think that one of the three potential Joint-Venture models would work better than the others, and if so, why?

See above.

### 26. What are the benefits or risks of the Public Service using joint ventures?

The advantage could be enhanced scope for innovation and for the establishment of purpose-designed vehicles to meet specific needs. The risk is of diminished accountability if not structured well.

27. What checks and balances are needed in the process of establishing joint ventures?

See above.

28. Do you agree with the proposal for an Executive Agency model? Why or why not?

IPANZ agrees that this model could be useful in specific circumstances.

29. Do you agree with the proposal for a Statutory Officer model? What would be the benefits or risks of this model be?

IPANZ is not persuaded about the specifics of the proposal for expanding the current Statutory Officer role. It understands that current positions are ones that have powers vested in them to exercise functions stemming from a specific piece of legislation. Nevertheless, IPANZ considers that it could be useful to expand the structural elements of this concept because of its degree of independent action and accountability within a wider organisation. However, a different title should be used to differentiate these new roles if the functions and legislative foundations of these new positions are different in nature from those that currently exist.

30. When considering all of the proposals in this chapter, do you think they will achieve the right balance of delivering services and outcomes while retaining clarity of accountability?

It's difficult to make an overall judgement; insufficient detail is available.

31. When considering all of the proposals in this chapter, are there any specific changes that would improve them?

Maintain flexibility; legal language should be permissive, not prescriptive.

32. What do you think the consequences of the proposals will be, e g for public servants, citizens and other legislation?

IPANZ has not been able to consider this issue fully. One area, however, that is immediately apparent is that changes will be required to the Public Finance Act.

33. Do you agree with the potential implications for the Public Finance Act? What other changes might be considered to the Public Finance Act?

IPANZ is not able to comment other than to confirm, as stated above, that changes to the Public Finance Act will be required.

34. Are there options for changing the way services are delivered that we have missed?

Almost certainly; hence IPANZ's view that legislation should be permissive and not prescriptive.

35. Do you agree with the proposal for a Senior Leaders' Service in the Public Service?

There is insufficient detail in the discussion paper for us to come to any firm conclusions about the benefits of the proposed Senior Leaders Service (SLS). The objectives of the SLS as stated are in themselves laudable; there is a strong argument for developing mechanisms to bring together leaders and potential leaders in cross-organisational environments. We consider, however, that it is an open question whether the SLS is a necessary condition to achieve the benefits sought. Appropriate courses, seminars, workshops, conferences etc all have merit. The concept of a cross-organisational leadership group has been tried before through the failed SES; are the reasons for this failure well understood? What's different this time around? In particular, we see a potential conflict between establishing the SLS to provide leaders "who are

able to operate effectively across a diverse range of roles and contents", and those who might provide "a core of long experience and deep knowledge in a particular role and function". There is also the factor that some very able and competent leaders might simply not have an interest in working in sectors outside their particular passion or expertise.

Against these concerns, it will be important that the way in which the SLS is set up is carefully thought through if it is introduced. Would all staff at or above a certain management/leadership level be included in the SLS? If so, would there be scope for individuals to specialise in specific areas? If not, does this mean that there will be an implied opportunity cost for staff who choose not to be part of this generalised senior pool? How open or closed would the SLS be? If membership of this group is too restrictive, there would seem to be an enhanced risk of "group think" and/or an incentive not to "rock the boat" for fear of limiting future career options. Both these factors would work against the kind of innovation required of the public service's future leadership. Further, IPANZ sees a significant risk in establishing a cadre of generalist leaders who do not have the depth of knowledge and experience about their departments to really "know the business", particularly if there were an expectation that they would move frequently around different parts of the public service.

IPANZ considers that this points to a critical systemic question. There is an implication in the discussion paper that one of the current problems in the public sector is that there are too many functionally-oriented leaders in the system as opposed to broad system-oriented ones. We accept that may well be the case, particularly in relation to having a strong awareness of a whole-of-government interest. However, the increasing pace of movement of staff in, around and out of some parts of the public sector has meant that in some cases the deep-seated technical and functional experience, the essential institutional memory mentioned earlier, is increasingly not there. In our view, there needs to be retention of an incentive to develop that deep knowledge of a specific agency's business, while also ensuring that the benefits to be gained from experience in a range of sectors and roles can be brought to bear on the multi-disciplinary challenges of today. Both elements are essential if leaders are to be effective.

### 36. What are the benefits, costs and risks of our proposals for the SLS?

See above.

### 37. How can we ensure that the Senior Leaders' Service is diverse and inclusive?

Through a robust recruitment process, built on a comprehensive and inclusive training and development programme. The latter must include programmes to address implicit bias.

# 38. Do you agree with the proposal to include an overarching reference to the collective responsibility and accountability of chief executives in the Act?

There is today an increase in the kind of intractable problems which transcend traditional sectoral boundaries (child poverty, family violence are obvious examples). New approaches and different organisational arrangements will be required if they are to be tackled successfully. Accordingly, the proposal to require CEs to exercise collective responsibility and accountability seems essential to us, especially the suggestion that they have a duty to act in the collective interests of the Public Service. As part of this, it might be useful to consider the possibility of providing a mechanism by which Chief Executives might be held collectively responsible for a joint appropriation covering a collaborative interagency activity. This would be a sound underpinning of the imperative to act collaboratively and across departmental/agency boundaries.

# 39. How do you think collective responsibility of chief executives could best be achieved? Are there any costs and risks that we should consider?

No comment, other than to note that contracts/letters of expectation etc should clearly spell out this expectation.



- 40. Do you agree with the proposal for the Commissioner to bring chief executives together and work with them to improve the system? Why, or why not?
- 41. Should chief executives have a duty to work with each other and the Commissioner to improve the system? Why, or why not?

IPANZ is a little disappointed that a recommendation to establish formally a Chief Executives' Team is a necessary component of a process to strengthen stewardship of the system. Stewardship has already been identified as a core principle of the Public Sector. That clearly includes stewardship of the public sector itself. Accordingly, it is not unreasonable that CEs already have an obligation to work collaboratively to improve the overall Public Service where this is seen as desirable. But having said that, there is probably no harm in establishing a mechanism to set up a Chief Executives' Team. IPANZ is pleased that there does not seem to be any suggestion that this should be tied down in legislation.

42. What types of issues would benefit collective system leadership and why?

See above. Also, as noted earlier cross-agency cooperation is a necessary component of effective public administration.

43. How do you assess the benefits, costs and risks of this proposal?

Significant benefit; limited downside.

- 44. Do you agree with the proposal to recognise the role of functional and professional leads? Why, or why not?
- 45. How do you think we should define the roles of functional and professional leads?
- 46. How do you assess the benefits, costs and risks of this proposal?

IPANZ believes that functional leads and professional leads can play a useful role. The former seem very sensible in that they provide a mechanism for ensuring that the whole system can benefit in specialised or technical areas from uniform standards and can also obtain advantage from collective action (eg through optimising whole-of-government purchasing power). With respect to professional leads (incidentally, we'd include Finance in the functional category) we consider that careful thought is required to ensure that there is sufficient commonality across government for them to be effective? Areas which are built around specific disciplines such as the law, or economics would certainly seem to lend themselves to this concept, but we have some doubts around, eg, the policy field where different agencies have varying needs. What in particular is the role of the leads to be? If the intention is to exert greater central control or impose tight uniformity across government, the likelihood is that innovation will be stymied. However, an educative, information and good-practice sharing role could be very useful.

We are unclear about the implications of the suggestion that functional and professional leads be appointed at the level of chief executive. We believe that one of the strengths of the "lead" role is that the person in that role is an active practitioner in that field. Accordingly, we would not support the proposal if it is envisaged that a functional/professional lead is simply that, and stands apart from a "day job" in a public sector agency. We are, however, more supportive of the proposal if it is one in which an individual is "double-hatted" and is both the lead and also engaged in the relevant activity within a public sector agency. In the latter case, some additional remuneration would certainly be appropriate to reflect the additional responsibilities, but we are not well-equipped to make a judgement as to whether this should bring the total remuneration up to the level of a CE.

We are not convinced that functional and professional lead roles should be defined in legislation. In particular, we do not see that specific legislative power is required to make guidelines and standards mandatory. Moreover, fast-changing technology is likely to require new leads over time. This reinforces the

desirability that legislation – if indeed any is required – should be permissive, not prescriptive.

- 47. Do you agree with the proposed designation, role and functions of the Public Service Commissioner? Why, or why not?
- 48. Specifically, what do you think about the proposal to make the role of the Commissioner on the government formation process explicit in the New Zealand Public Service Act?

IPANZ has no problems with the change of title (back) to Public Service Commissioner from State Services Commissioner. A semantic change, but probably sensible. The enunciation of the role of the Public Service Commissioner is straight-forward, and the formalisation of the role of the Commissioner in the government formation process is logical to provide certainty. And it is probably good constitutional practice to spell out specifically what the Commissioner's functions are in respect of each part of the legislation.

49. What do you think the consequences will be of the proposed changes to the designation, role and functions of the Public Service Commissioner? Are there benefits, costs or risks that we have not considered in this document?

IPANZ has not had the opportunity to examine this question in detail. Its initial view, however, is that the additional clarity provided by including these elements in legislation will be beneficial.

50. In what circumstances do you think it appropriate for the Commissioner to direct departments on specific integrity matters?

Given the importance of integrity and ethics in maintaining trust both domestically and more widely for New Zealand's international reputation, we are of the view that these should be issues that are embedded into the very fabric of the Public Service. The Commissioner is the obvious person to lead in this area.

- 51. Over the long term, which option for appointment of the Commissioner would best help the Public Service to accomplish its purpose, adhere to its principles, and practise its values?
- 52. What are the benefits and risks of each possible option?
- 53. Are there other options you would suggest? If so, can you please outline the option and why you are suggesting it?

With respect to the appointment of the Public Service Commission, we favour Option 3, but with the addition to it of the suggestion in Option 1 that consultation with the Leader of each party in the House of Representatives be undertaken before a recommendation is made to the Governor-General for appointment to the Commission. Our view is based on the fact that while the Commissioner may well be *primus inter pares* we believe that (a) no single person has a monopoly of knowledge or wisdom; (b) decision-making will benefit from being drawn from a diversity of views, experience, social and other backgrounds; (c) the fact that the Commissioner is not answerable to the Minister makes it imperative that there be an appropriate potential check on the exercise of the considerable power that the Commissioner is able to wield; and (d) it is desirable that, as an independent officer, the Commissioner has cross-party support in Parliament.

- 54. Do you agree with the proposals related to the Deputy Public Service Commissioner and the Chief Executive of the Public Service Commission? Why, or why not?
- 55. What are the benefits and risks of these proposals?

IPANZ does not have a firm view on whether there should be a separate CE of the PSC. Our preliminary thoughts are that this should be linked to exactly what powers the revamped PSC will have. If there is a close (almost 1:1) alignment between its functions and the overall role of the Commissioner to lead the

Public Service as a whole, we would suggest not; the administrative management of the Commission could be delegated to a Tier II manager. However the greater the diversion of the focus of the Commission beyond the central role of the Commissioner, then the more the Commission could be treated as just another department of state, and as such might have its own CE.

56. What else needs to happen to strengthen leadership of the Public Service? Should any further proposals be provided for in legislation?

No comment.

57. Should a provision for a Long-Term Insight Briefing be provided for in the legislation?

IPANZ supports the idea of a "Long-term Insights briefing".

- 58. What do you think the Long-Term Insights Briefing should contain?
- 59. Which length of time should the Long-Term Insights Briefing cover?
- 60. Who should develop a Long-Term Insights Briefing?

IPANZ had not had the opportunity to consider this degree of detail. It suggests that provided any legislative reference is sufficiently permissive in regard to content, this is an issue that can be examined in slower time. Among the issues that require careful examination is whether such Long-Term Insights Briefings should be produced solely in-house, or whether (and to what extent) external sources might also be drawn upon. IPANZ would be interested in being involved in the development of ideas in this area.

- 61. Are there any further options for how the Public Service could provide data and analysis to help citizens, political parties, and Ministers?
- 62. Are there any other ways for the Public Service to support successive governments?

IPANZ has not had sufficient time to consider this issue in any depth. However, issues such as the ability to use or share "big data" need particular consideration. Wicked problems need to engage a wide range of contributors/interlocutors and they will need access to relevant analyses and data.

- 63. Do you agree with the problem definition and focus of the legislative change set out in Chapter 2?
- 64. Do you think that we should amend the State Sector Act or develop a new Act? What do you see as the benefits, costs and risks of this proposal?
- 65. Do you agree with the proposed purpose of the new Act? What other ideas do you have for defining the purpose of a new Act?

IPANZ supports the current review. As stated in the introductory comments, the State Sector Act 1988 changed substantially how the Public/State Service operated. Now, 30 years on, citizens' expectations, technology, and the nature of the problems and issues with which public servants have to deal have again changed significantly. As such, it is appropriate to take another look at the way in which the public service operates to ensure that it remains fit for purpose. IPANZ supports also the proposal that a new Act be introduced, rather than attempting to amend the current Act.

IPANZ notes the assertion in Chapter 2 of the Discussion Document that "work in recent years has greatly enhanced the ability of the Public Service to work in a joined-up way. However, our statutory provisions have lagged behind our practice and now need to catch up". The fact that innovative collaborative practices have been introduced within the current legislative framework suggests that practical and effective approaches do not necessarily require new legislative measures. With this in mind, and bearing in mind

that any new legislation is likely to be in force for several decades, IPANZ urges that it be drafted with a view to using permissive, rather than mandatory, language wherever possible. Increasingly complex problems will require yet unforeseen approaches - an unknown future requires flexibility.

IPANZ supports the proposed title for the new Act.