How Cabinet ‘really’ works

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Snapshot of the SA Government

- The government manages the State Budget of over $10 billion
- There are 15 Ministers sharing 55 portfolios
- 12 main Departments
- 89,979 public sector employees as at June 2005 which represented 12.1% of persons employed in SA

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The Role of Cabinet

What is Cabinet?

- Cabinet is the central decision making body of government
- Cabinet considers the political, policy and administrative implications of a proposal and settles a government position

Cabinet is appointed by the Governor on the advice of the Premier. It is chaired by the Premier. In South Australia all 15 Ministers sit in Cabinet.

All significant matters are required to be brought to Cabinet. These include:
- strategic policy
- legislative proposals
- inter governmental issues
- administrative matters
- financial matters
Principles of Cabinet Decisions

- Collective
- Confidential
Cabinet’s Workload

- In 2005 there were:
  - 119 Cabinet meetings
  - 902 Cabinet submissions
  - 583 sub-committee matters
  - 737 Cabinet notes
  - 66 Executive Council meetings
  - 1010 items
There are several critical foundations of the public service.

We need a neutral, professional public service that provides advice to elected officials, enforces laws and regulations and ensures the delivery of services to citizens.

We need an accountability regime with many checks and balances in the system to ensure continuous respect for the public interest.
Policy can be ....

- A field of activity
- An operational process
- A desired state of affairs
- A formal authorisation
- A theory about causal links
- A course of action
In public policy there are some perennial issues:
• How to ensure that our education system provides the most appropriate education for our kids
• How to make our diverse population strive for high standards of living while preserving our environment for the future
• How to make sure there is clean water for everybody when you turn on the tap
• How to stop people dying on the roads
• How to spread 40 years of earnings across 80 years of life

Many of the questions are perennials, but the answers change

• Who should pay for these things?
• Who should deliver certain services?
• Should the rich pay the same as the poor?
• If Bill Gates says it’s okay – is it?
• Should government steer more and row less or vice-versa?

How do we develop and maintain the skills to deal with the hardest
policy questions – about people and their lives and aspirations, about the industrial climate, about the sustainability of our national resources, about the protection of our borders?
I know that you have already looked in detail at the policy cycle yesterday so I will not discuss the model in any detail.
The Policy Cycle


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Bridgman and Davis say “if policy makers rely solely on a mixture of political process, bureaucratic convenience and media enthusiasm to compile an agenda, they will be reacting to a very limited set of interests. Most issues emerge through these familiar processes, but the government agenda can be expanded through regular scanning of economic and social conditions, extensive use of data and indicators, evaluations of policy effectiveness and a willingness to look beyond the easy subjects”
For example, National Water Initiative, the government has as priorities the protection of the environment and ecosystems and continued economic growth from primary production. The drivers for the national water reforms, however, were far more complex.

Drivers included:

• Economic impacts of agricultural and other water uses and the need to preserve or increase existing levels of primary production
• Very strong community concern about the environmental impacts as the nation’s water resources were nearing a state of irreversible decline
• Push by scientists and environmentalists for full cost recovery of externalities with the money to be used for fund environmental restoration work
• Very strong lobby groups wanting to protect their ‘asset’ and what they considered to be their ‘right’ to use, lease or
sell their ‘water right’ as they saw fit and seeking compensation where these ‘rights’ were altered

PTO
Margaret Tobin shooting led to review of security of government buildings

Sept 11/ Bali bombings etc led to focus on anti-terrorism

Drought, flood, bushfire (West Coast bushfire example) demand reallocation of resources

Increased property values – land tax
A notable change to the way the Rann Government functions occurred recently with the creation of the Executive Cabinet Committee on 18 April 2005 whereby Ministers Foley, Conlon and the Premier would be joined by the Chairman of the Economic Development Board Robert Champion de Crespigny and Chairman of the Social Inclusion Board David Cappo.

In the media statement, the Premier said:

“While they will not be full members of the Cabinet, this move will give them a far greater influence on Cabinet decisions about how to meet the targets in South Australia’s Strategic Plan.

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### Political Drivers

- Examples of political issue drivers include:
  - Party political platforms
  - Key government achievements of the past
  - Ministerial and governmental changes

(Source: Bridgman and Davis, *The Australian Policy Handbook*)
Economic Development Board, Social Inclusion Board and other boards etc.

Population policy largely a response to EDB recommendation
Cabinet submissions are the basis for the Cabinet decision.

They follow a strict format as set out in DPC Circular 19 and include:
- Economic, budget and financial implications
- Impact on community including small business, environment, regulatory impact, regional impact and social
- Spread and results of consultation

Properly prepared Cabinet submissions aid effective decision making and aid effective implementation.

In Cabinet Office our role is to analyse the submission and provide advice to the Premier and ensure that a whole of Government approach has been taken to develop the policy proposal.

Of course despite all the best efforts and following the rigour of the policy process there is no guarantee that the policy will be approved in the recommended form.
Inputs to Cabinet decisions

- Information in submission
- Advice from Cabinet Office
- Cabinet comments
- Political factors
- Other factors
Possible Cabinet decisions

- Approve
- Amend
- Defer
- Send back to Minister
- Reject
Summary

- Decision making is one stage in the policy cycle
- Cabinet is the decision making body for the most significant proposals
- A submission is the way a proposal is brought to Cabinet for decision

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