Program Evaluation and Policy Management in Australian Central Agencies

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Declaration

I hereby declare that this thesis is the result of my own independent research and that all authorities and sources which have been used are duly acknowledged.

Michael F Di Francesco
A c k n o w l e d g e m e n t s

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A b s t r a c t

Of the many components of reform to Australian government administration in the 1980s, the introduction of systematic program evaluation is perhaps one of the least examined. This thesis seeks to assess the Federal Labor Government's evaluation strategy as an instrument for enhancing what are here termed the policy management capacities of central agencies. It proceeds in two steps. First, the thesis traces in detail the development of program evaluation policy in Australian federal government from the effectiveness reviews of the Coombs Report of 1976 to the current evaluation strategy, and argues that, despite competing purposes for it, evaluation was intended primarily to serve decision making in central government. This policy aim was cemented by the economic crisis of the mid 1980s and framed around budgetary issues by its steward, the Department of Finance. Second, in order to assess the impact of the evaluation strategy, the thesis develops a framework for analysing program evaluation as one instrument for strengthening the core policy management functions of central agencies. In this context, policy management is essentially a coordination task. The contribution of evaluation to two aspects of policy management—resource coordination, and policy development and coordination—is examined. The findings confirm that attempts to formalise evaluation processes have had a variable impact—central budgetary processes remain dependent on relatively informal assessment procedures, although recent attempts to enhance policy coordination through the evaluation of policy advising processes have proved potentially to be more influential. In conclusion, the thesis argues that the evaluation strategy represented a credible attempt to better inform policy making in central government, but suffered for want of clear policy design and firm execution that resulted in only a marginal impact on these processes.
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### Table

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Abbreviations

ABC  Australian Broadcasting Corporation
ADP  Automated Data Processing
AEP  Agency Evaluation Plan
AGPS  Australian Government Publishing Service
ALP  Australian Labor Party
ANAO  Australian National Audit Office
APS  Australian Public Service
ASO  Administrative Service Officer
ATO  Australian Taxation Office
ATSI  Aboriginal and Torres Strait Islanders
BIE  Bureau of Industry Economics
CAA  Civil Aviation Authority
COAG  Council of Australian Governments
CPD  Commonwealth Parliamentary Debates
DAS  Department of Administrative Services
DASET  Department of Arts, Sport, the Environment, Tourism and Territories
DEET  Department of Employment, Education and Training
DFAT  Department of Foreign Affairs and Trade
DHHCS  Department of Health, Housing and Community Services
DHSH  Department of Human Services and Health
DILGEA  Department of Immigration, Local Government and Ethnic Affairs
DITRD  Department of Industry, Technology and Regional Development
DoF  Department of Finance
DPIE  Department of Primary Industries and Energy
DPMC  Department of the Prime Minister and Cabinet
DSS  Department of Social Security
DTC  Department of Transport and Communications
DVA  Department of Veterans’ Affairs
ECG  Evaluation Consultancy Group
ERC  Expenditure Review Committee (of Cabinet)
ESAB  Evaluation and Staffing Analysis Branch
ESSB  Evaluation and Statistical Services Branch
ESU  Efficiency Scrutiny Unit
FESP  Forward Estimates Strategy Paper
FMIP  Financial Management Improvement Program
GDP  Gross Domestic Product
GED  General Expenditure Division
GFEP  General Financial and Economic Policy Division
HRSCE  House of Representatives Standing Committee on Expenditure
HRSCFPA  House of Representatives Standing Committee on Finance and Public Administration
HRSCTCI  House of Representatives Standing Committee on Transport, Communications and Infrastructure
IDC  Inter-departmental Committee
JCPA  Joint Committee of Public Accounts
JMR  Joint Management Reviews
MAB  Management Advisory Board
MATS  Modernised Apprenticeship and Traineeship System
MBS  Medical Benefits Scheme
MIAC  Management Improvement Advisory Committee
NPP  New Policy Proposal
OCG  Office of the Comptroller-General of Canada
OPAAM  Office of Policy Analysis and Administrative Management
OSC  Commonwealth-State Officials Steering Committee
PAR  Program Analysis and Review
PEAC  Program Evaluation Advisory Committee
PEMS  Policy and Expenditure Management System
PEP  Portfolio Evaluation Plan
PES  Public Expenditure Survey
PEU  Program Evaluation Unit
PMB  Program Management and Budgeting
PMPR  Program Management Performance Reviews
PMR  Policy Management Review
PPS  Program Performance Statement
PSB  Public Service Board
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>PSC</td>
<td>Public Service Commission</td>
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<tr>
<td>RCA GA</td>
<td>Royal Commission on Australian Government Administration (The Coombs Commission)</td>
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<tr>
<td>RIPAA</td>
<td>Royal Institute of Public Administration Australia</td>
</tr>
<tr>
<td>RMI</td>
<td>Resource Management Improvement Branch</td>
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<tr>
<td>RN SWGA</td>
<td>Review of New South Wales Government Administration</td>
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<tr>
<td>SAC</td>
<td>Structural Adjustment Committee (of Cabinet)</td>
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<tr>
<td>SO</td>
<td>Savings Option</td>
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<tr>
<td>SOG</td>
<td>Senior Officer Grade</td>
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<tr>
<td>SSCFPA</td>
<td>Senate Standing Committee on Finance and Public Administration</td>
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<tr>
<td>SSCSW</td>
<td>Senate Standing Committee on Social Welfare</td>
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