



Australian Government
Australian Public Service Commission

Australian
Public Service
Commissioner
Annual Report

2004-05



Incorporating the Annual Report of the Merit Protection Commissioner

© Commonwealth of Australia 2005

ISSN 1032 0350

ISBN 0 9757584 4 6

This work is copyright. Apart from any use as permitted under the *Copyright Act 1968*, no part may be reproduced by any process without prior written permission from the Commonwealth available from the:

Commonwealth Copyright Administration
Attorney-General's Department
Robert Garran Offices
National Circuit
Canberra ACT 2600
www.ag.gov.au/cca



Heart

Overview

part one



Review

PUBLIC SERVICE COMMISSIONER'S REVIEW



Photo: www.geoffcomfor.com

**Lynelle Briggs,
Public Service
Commissioner**

I am pleased to present to you my first Annual Report as Public Service Commissioner. I commenced as Commissioner in November 2004 and I am proud to be leading the Australian Public Service Commission in its mission to promote, review and evaluate a values-based Australian Public Service (APS) and to foster its capability.

I would like to acknowledge Andrew Podger's valuable contribution as the previous Public Service Commissioner. He brought a wealth of experience and knowledge to the role of Commissioner and during his time the Commission was successful in promoting the APS Values, in enhancing its quality assurance role, and in contributing to building the capability of the APS.

Directions

The Commission set as its priorities for 2004–05 to further strengthen its evaluation role, particularly around promoting and embedding the APS Values, and to provide practical support to help build the capability of the APS for the future, with a strong focus on leadership development. There are also increasing expectations that the Commission will make a more

substantial contribution to debates on the directions of further public service reform.

As Commissioner, I am focusing the Commission's work programme on the contemporary needs of the Government and the APS. I am particularly keen to address critical issues facing the service, including our focus on whole-of-government approach, changing workforce demographics and leadership. I am also keen to contribute to building the reputation and professionalism of the APS and to celebrate its success.

We are now setting our evaluation work, including through the State of the Service Report, within a broader framework of public sector reform. Our capability development role is evolving towards a wider, more action-oriented capacity-building focus, including consideration of performance, governance, policy and practices, and culture, while we continue our strong focus on skills development.

Our achievements

I am highlighting here some of the Commission's major achievements for the year in delivering the outcome the Government has set for our work towards a confident, high quality, values-based and sustainable public service.

During 2004–05 we continued to promote and support public sector reform in the Asia–Pacific region. By far the largest element of our international assistance programme in 2004–05 was the Pacific. There was a significant increase in the level of AusAID funded international activities undertaken by the Commission. Specifically, we agreed to deliver a range of public sector reform related projects in Papua New Guinea and the Pacific, as well as Thailand and Indonesia. As part of the Enhanced Cooperation Program we

deployed two people to work as advisers on industrial relations and human resources management in the Papua New Guinea Department of Personnel Management. In addition, we continued to provide technical advice and assistance to the Papua New Guinea Public Service Commission on a range of issues.

We also supported Australia's interests in the Asia–Pacific region through our *Leading Australia's Future in Asia* (LAFIA) programme. LAFIA is a senior executive development programme involving an overseas study tour focusing on countries in Australia's region. It enables senior executives to respond strategically to changes in the Asia–Pacific region and develop networks and contacts amongst Australian participants and with their overseas equivalents.

Following the Government's decision to adopt a whole-of-government approach to administering Indigenous affairs from 1 July 2004, our work on Indigenous employment in the APS increased markedly. During 2005 we have been developing a whole-of-government strategy aimed at improving Indigenous employment in the Commonwealth public sector by helping agencies implement workable initiatives to attract, recruit, develop and retain Indigenous employees.

I welcome the most senior Indigenous person in the APS, Pat Turner, to the Commission. Pat has taken up a leadership role in the Commission as the Aboriginal and Torres Strait Islander Employment Coordinator, working with me to foster Indigenous employment in the Service.

During the year the Minister invited me to join an Employer Roundtable for People with Disabilities. The roundtable was established to provide high-level advice to the Government on ways to increase workforce participation for people with disabilities through increased employer demand. The roundtable comprised employers and peak bodies. Engaging employers in this reform is critical, and will provide a crucial base for developing and implementing employment initiatives.

The Commission has continued to support the work of the Management Advisory Committee (MAC). MAC was established under section 64 of the *Public Service Act 1999* to advise the Government on matters relating to management of the APS. The Secretary of the

Department of the Prime Minister and Cabinet chairs MAC, and I am its executive officer. During the year the Commission hosted a MAC project that will provide guidance to the APS on contemporary workforce management strategies.

The Commission evaluates APS performance through our annual State of the Service Report to parliament. Under section 44(2) of the Act, I am required to report annually on the state of the APS. While the Act does not specify the issues to be covered in the report, the approach has been to focus evaluation on the extent to which agencies incorporate and uphold the APS Values (in line with section 41(1)(a) of the Act).

The *State of the Service Report 2003–04* covered relations with the Government and parliament, relations with the public, workplace relationships and personal behaviour. Coverage also included embedding the APS Values, workplace diversity, and building APS capability. We drew upon a number of sources to prepare the report. These included our own research and employment database, published and unpublished material from other agencies and parliamentary committees, Australian National Audit Office reports, and employer and employee surveys. The 2003–04 report highlighted five critical challenges for the APS in the coming year:

- building and sustaining the capability of the APS
- ensuring whole-of-government capacity
- ensuring diversity in the APS
- ensuring an effective relationship between the APS and the Government and parliament
- embedding the APS Values and the Code of Conduct.

This year we have been reviewing and developing a new suite of Senior Executive Service (SES) leadership programmes for 2005–06 based on the Integrated Leadership System (ILS), to help build and strengthen the capability of the SES and its feeder group. This suite of programmes will include a number of new programmes that specifically target each of the three levels within the SES.

We continue to actively support the Australia and New Zealand School of Government (ANZSOG), by supporting the Executive Fellow Programme, Executive Masters Programmes and executive short courses. ANZSOG is a first-tier professional school established

collaboratively by a consortium of Australian and New Zealand governments, universities and business schools. It aims to provide world-class education and development to emerging public sector leaders.

I represent the Australian Government on the Foundation Board. The Government announced in May 2005 the provision of a \$10 million grant to ANZSOG. The school's research programme is making a considerable contribution to the study of public administration and management in Australia.

In June, in conjunction with the Secretary to the Department of the Prime Minister and Cabinet, Dr Peter Shergold, we launched a ground-breaking information resource for agency heads and senior managers titled *Foundations of Governance in the Australian Public Service*. This resource draws together agency head obligations that are spread through a range of legislation and policy documents across many portfolios. It includes accountability requirements, financial management framework, employment and workplace relations frameworks and management of government information.

Our regional offices maintained a strong role in providing learning and development and employment related services to the 66% of public servants working outside Canberra. They also undertake important work in supporting the Merit Protection Commissioner in his statutory role.

The Commission continued to support agencies in raising awareness and understanding of the APS Values and the Code of Conduct. We developed a learning and development kit, titled *Being Professional in the APS—Values Resources for Facilitators*, to provide the variety of information, materials and activities that are needed to deliver highly effective training programmes on the APS Values and Code of Conduct.

Slippages

We were unable to move as quickly as planned in developing and implementing our new leadership programmes, due largely to delays in finalising tender arrangements for our new panel of providers. As a result, programmes that specifically target each of the three levels within the SES have been delayed. The SES Band 2 programme will now be available in late 2005 and the Band 3 programme early in 2006.

The SES Band 1 programmes will be developed during 2005–06 and offered during 2006, however, a new SES orientation programme has been operating during 2004–05.

We had hoped to undertake a number of research papers this year. However, due to a change in priorities and tight resources we did not give priority to this work. The programme will be reviewed in 2005–06.

How we work

On commencing as Public Service Commissioner, I consulted with our clients and stakeholders to gain a clear understanding of their views on the role of the Commission in helping them meet their objectives. Overall, the responses were positive about our services and we have incorporated suggested improvements into our new directions of work.

This year we implemented a more streamlined, national approach to our regional services bringing all of the regional offices together in one group. This has enabled us to consolidate our capacity and work more consistently across regions to deliver more efficient services to the Commonwealth public servants working across Australia.

Our resourcing for 2004–05 was tight, having carried over an operating loss from the previous financial year. We were able to carefully manage this by reprioritising our work programme and slightly reducing our staffing through natural attrition. Our dependency on revenue generated from the sale of goods and services has grown significantly in recent years from \$7.35 million (35% of total budget) in 1997–98 to \$15.34 million (47% of total budget) in 2004–05. Accordingly, we need to continue our close management of our work programme and staff numbers to maintain a viable financial position.

In October 2004 we conducted a Commission-wide staff survey. The aim of the survey was to obtain feedback on the Commission's culture, working arrangements and internal policies, and to assess the extent to which staff understand the APS Values. Analysis of the responses showed a generally positive view of the Commission as a satisfying place to work.

Outlook

In moving forward the Commission will continue to:

- take responsibility for the Public Service Act and its provisions
- develop the capability of public servants based on the core business and values of a modern public service
- highlight critical issues of concern to the public service, for example, public sector reform, whole-of-government approaches to working, the aging workforce, leadership and flexible workforce arrangements
- bring agencies together where they have common issues and to draw on the lessons when mistakes are made
- focus on building up the professionalism, identity and reputation of the APS.

In our Corporate Plan, we have identified three top priorities for the Commission in 2005–06. They are to:

- foster Aboriginal and Torres Strait Islander employment in the APS through strategies to attract, recruit, develop and retain Indigenous employees
- build the capability of the APS through implementing a new suite of leadership programmes for the SES and executive level staff and establishing new programmes for APS 1–6 staff based on understanding the business needs of agencies
- ensure a contemporary employment framework for the APS by reviewing the Public Service Act and developing any draft legislation proposals by July 2006.

Our work on the State of the Service Report will be undertaken within a broader public sector reform framework. It will continue to provide an excellent overview of how the APS is progressing against key criteria. However, we also intend to focus on the achievements of the APS. We believe that celebrating our key achievements will encourage more balanced coverage and properly acknowledge the things we do well in the APS.

I am also delighted that we will be hosting the next biennial conference of the Commonwealth Association for Public Administration and Management in October 2006. The conference will provide an excellent opportunity to showcase public administration in Australia and other Commonwealth public sector jurisdictions. The overarching theme for the 2006 conference is 'capability of the public sector'.

I am committed to continuing to develop the capabilities of Commission staff to support our emerging role. We have identified priority areas through workforce planning including strengthening our people management, analytical and research skills and our programme design capability. Given our leadership role in promoting the APS Values, our understanding and modelling of the Values needs to be exemplary.



Overview

COMMISSION OVERVIEW

The Australian Public Service Commission is a central agency within the Prime Minister and Cabinet portfolio. It supports two statutory office holders, the Public Service Commissioner (who is also agency head) and the Merit Protection Commissioner.

Our mission is *to promote, review and evaluate a values-based APS and to foster its capability*. The statutory responsibilities that support our mission are outlined in the *Public Service Act 1999* and include:

- evaluate the extent to which agencies incorporate and uphold the APS Values
- evaluate the adequacy of systems and procedures in agencies for ensuring compliance with the Code of Conduct
- promote the APS Values and the Code of Conduct
- develop, promote, review and evaluate APS employment policies and practices
- facilitate continuous improvement in people management throughout the APS
- coordinate and support APS-wide training and career development
- contribute to, and foster, leadership in the APS
- provide advice and assistance on public service matters to agencies on request
- provide external review of actions by the Merit Protection Commissioner.

The Commission works to achieve an outcome specified by government, namely: 'a confident, high quality, values based and sustainable Australian Public Service'.

To fulfil our statutory responsibilities and deliver on the Government's outcome, we work closely with APS agencies to deliver ongoing services and strategic priorities in five output groups:

1. APS policy and employment services
2. Leadership, learning and development services
3. Organisational performance, promotion and support
4. Evaluation
5. Merit Protection and other services

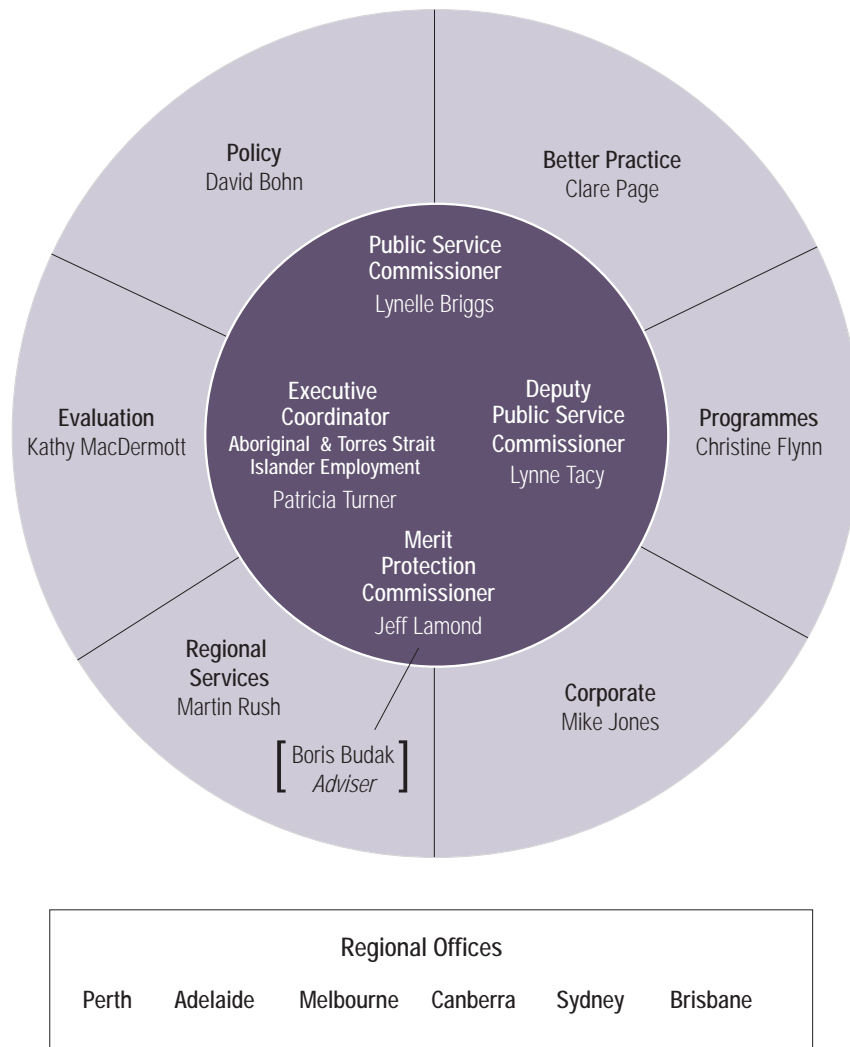
The Commission's activities are funded through a blend of budget appropriation and revenue generated through sale of services. Much of this revenue is earned in an open market where agencies have choices about where they source services and the levels of services acquired. In 2004–05 the Commission received \$17.195 million in appropriation funding with the balance of its resources (\$15.404 million) coming from non-appropriation measures and gazette revenue.

As the agency head, the Public Service Commissioner provides the staff necessary to help the Merit Protection Commissioner perform his functions under the Act. The arrangements for providing staff to the Merit Protection Commissioner are set out in a memorandum of understanding.

Commission structure

The Commission is led by a four-person Executive (the Public Service Commissioner, the Deputy Public Service Commissioner, the Aboriginal and Torres Strait Islander Employment Coordinator and the Merit Protection Commissioner) and has six groups. A group manager, who is individually responsible for the performance of their group, leads each group. The Commission's organisational chart, with the names of senior staff as at 30 June 2005, is at Figure 1.

Figure 1: Commission organisational chart at 30 June 2005



The **Policy Group** provides advice to government and agencies on the policy and legislative aspects of public administration, people management and employment frameworks within the APS Values and Code of Conduct. It is also responsible for international matters.

The **Better Practice Group** promotes Indigenous employment through a range of strategic recruitment and career development initiatives. It advises agencies on good practice on significant issues facing the APS, such as whole-of-government approaches, mature aged workers, workforce planning and performance management.

The **Programmes Group** builds the capability of the APS by providing a wide range of leadership, learning and development activities for all levels of APS staff including senior executives.

The **Evaluation Group** evaluates and provides information on APS performance through the annual State of the Service Report to parliament and through more specific evaluation and research projects. It maintains the APS employment database, monitors trends and publishes key workforce statistics.

The **Regional Services Group** represents the Commission throughout Australia, helping agencies with people management, including learning and development, promoting better practice, staff selection and review of employment-related actions.

The **Corporate Group** provides strategic management, information, financial, library, legal, parliamentary and support services to help the Commission achieve its mission. It also manages production of the Public Service Gazette.

Commission reports/corporate documents

As part of its statutory responsibilities, the Commission produces the State of the Service Report (incorporating the Workplace Diversity Report) and the APS Statistical Bulletin, which comment on the performance, nature and composition of the APS during the year.

Other key corporate documents the Commission produces are its Corporate Plan, budget statements and a booklet called *Introducing the Australian Public Service Commission*.

Information provided in Commission publications and circulars, as well as speeches given by the Public Service Commissioner, are available on the Commission's web site at www.apsc.gov.au.

Commission locations

The Commission's national office is in Canberra and it has regional offices in Sydney, Melbourne, Brisbane, Adelaide and Perth. APS agencies in the Northern Territory and Tasmania are serviced from the Adelaide and Melbourne offices respectively.

Office locations and contact details are:

Australian Capital Territory

Edmund Barton Building
Barton ACT 2600
T: 02 6272 3977
F: 02 6272 3469
Helpline: 02 6272 3609

New South Wales

Level 16
447 Kent Street
Sydney NSW 2000
T: 02 9286 2400
F: 02 9264 8379

Victoria

Level 6
303 Collins Street
Melbourne Vic. 3000
T: 03 8610 1522
F: 03 8610 1594

Queensland

11th floor
300 Ann Street
Brisbane Qld 4000
T: 07 3236 4877
F: 07 3221 0806

Western Australia

Level 1 St Georges Square
225 St Georges Terrace
PERTH WA 6000
T: 08 9226 1977
F: 08 9226 5977

South Australia

3rd Floor
70 Hindmarsh Square
Adelaide SA 5000
T: 08 8224 0955
F: 08 8223 5866

Hobart is serviced through Melbourne

Darwin is serviced through Adelaide