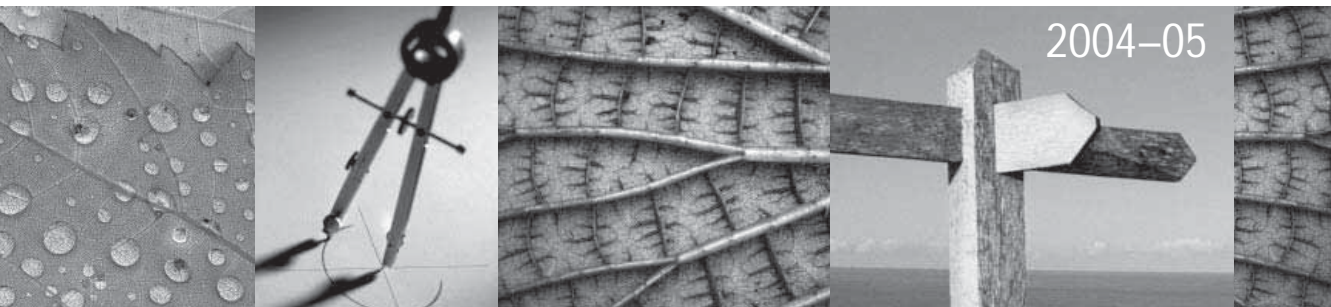




**Australian Government**  
**Australian Public Service Commission**

# State of the Service Report

2004-05



State of the Service Series 2004-05



# Workplace diversity

The APS is likely to face increasing difficulty in meeting its demands for skilled employees as the labour force ages and the proportion of new entrants to the labour market declines. Drawing on the breadth and diversity of the labour market is a key to meeting this challenge. The business case for workplace diversity becomes even more important in a tightening labour market.

Workplace diversity involves recognising the value of individual differences and managing them in the workplace. The concept of workplace diversity also includes the principle of equal employment opportunity (EEO). Policies based on this principle address disadvantage experienced by particular groups of people in the workplace, including women, Indigenous Australians, people with a disability and those who suffer disadvantage on the basis of race or ethnicity. These policies remain an important foundation for workplace diversity policy.<sup>1</sup>

Considering workplace diversity within the broader context of the Values and organisational capability in the APS can make a positive difference where agencies want to ensure that a range of perspectives and ideas are being brought to bear on issues where it is important that there is effective consultation with stakeholders, or an understanding of community agendas, or where service delivery mechanisms need to be established on the ground.

In addition to the strong business case for a diverse workforce, the legislative framework makes it clear that diversity in the APS also encompasses equity in employment. Agencies are required to take measures to ensure that, among other things, employment related disadvantage on the basis of sex, Indigenous status, disability, race and ethnicity is eliminated. While employment related disadvantage is not defined in the legislation, it includes access to employment opportunities, salary, promotions, and management positions.

<sup>1</sup> Australian Public Service Commission, *Guidelines on Workplace Diversity—Working Together No.2*, January 2001, <<http://www.apsc.gov.au/publications01/diversityguidelines.htm>>

As Chapter 8, 'Managing, Sustaining and Engaging the APS Workforce', indicates, agencies are putting more effort into workforce planning for corporate and business outcomes. Recognising the contribution workplace diversity can make to achieve those outcomes is an important part of this process. A strategic approach to workforce planning that takes account of the diversity of the Australian community will ensure that agencies are better placed to attract and retain the skills they need to achieve their goals in the context of a competitive and ageing labour market.

This is the third year that the Commissioner's report on diversity in the APS (as required under clause 3.5(2) of the Commissioner's Directions) has been included in the State of the Service report.

This chapter draws on APSED data and on responses to the agency and employee surveys. It also incorporates, where appropriate, conclusions, case studies and other material from an evaluation of agencies' written workplace diversity programmes that was carried out by the Commission this year.

The chapter begins by briefly outlining the legislative framework for workplace diversity in the APS, and presents the key findings of the evaluation of written workplace diversity programmes. Key issues in collecting and analysing diversity data in the APS are then examined, as are employment disadvantage in the four EEO areas specified in the Commissioner's Directions, together with age diversity and work-life balance issues for the APS.

## Legislative framework

The legislative provisions relating to workplace diversity in the APS are part of a wider framework of Commonwealth laws that, among other things, support and promote equal opportunity and equity in employment. They include the:

- *Racial Discrimination Act 1975*
- *Sex Discrimination Act 1984*
- *Human Rights and Equal Opportunity Commission Act 1986*
- *Disability Discrimination Act 1992*
- *Workplace Relations Act 1996*
- *Age Discrimination Act 2004.*

### *The Public Service Act 1999*

Section 18 of the Act requires agency heads to establish workplace diversity programmes to assist in giving effect to the Values. Section 12 of the Act provides that agency heads must promote and uphold the Values. A number of the Values are particularly relevant to workplace diversity. These include:

- s. 10(1)(b)—the APS is a public service in which employment decisions are based on merit
- s. 10(1)(c)—the APS provides a workplace that is free from discrimination and recognises and utilises the diversity of the Australian community it serves

- s. 10(1)(j)—the APS provides a fair, flexible, safe and rewarding workplace
- s. 10(1)(l)—the APS promotes equity in employment.

## Public Service Commissioner's Directions

The Values relevant to workplace diversity are supported by the Commissioner's Directions<sup>2</sup>—in particular Directions 2.4, 2.13 and 3.1–3.6. These Directions set out the measures that agencies must take in relation to workplace diversity and include requirements for establishing, reviewing and evaluating workplace diversity programmes. A more detailed description of the legal framework within which workplace diversity programmes operate is set out in the Commission's publication, *Guidelines on Workplace Diversity—Working Together No.2*.<sup>3</sup>

## Workplace diversity programmes

As noted above, the Act requires that agency heads establish workplace diversity programmes to assist in giving effect to the Values. This year in response to the agency survey 78 agencies (95%) indicated that they had a workplace diversity programme in place. Those agencies without a programme were all small agencies. Twenty-eight per cent of workplace diversity programmes are currently being reviewed and 23% were reviewed during 2004–05. An audit of agency workplace diversity programmes in early 2005 found that 79% of the eighty programmes held by the Commission were current.

During 2005, the Commission carried out the second of its rolling evaluations of APS agencies' written workplace diversity programmes. The evaluation looked at how effectively the requirements set out in the Commissioner's Directions have been incorporated into a sample (24) of APS agencies' written programmes. The methodology used was similar to that used in 2004, and can be found in Appendix 3 of the report.

### Evaluation of written workplace diversity programmes

The evaluation found that most agencies in the sample had taken substantial and positive steps towards meeting the requirements for workplace diversity programmes, though room for improvement remained. The key findings are as follows:

#### Workplace diversity programmes—General

The overall quality of written workplace diversity programmes in the sample was inconsistent, with only a few programmes taking a consistently high-quality approach to all measures required to be included under the Commissioner's Directions. However, the majority of agencies addressed most of the measures required to be included in workplace diversity programmes to some extent. Some have invested considerable effort into articulating the measures required under the Commissioner's Directions to reflect their own organisational context.

<sup>2</sup> The Commissioner's Directions are available at <<http://scaleplus.law.gov.au>>

<sup>3</sup> Australian Public Service Commission, *Guidelines on Workplace Diversity*.

Large agencies consistently presented more comprehensive workplace diversity programmes than did small and medium agencies. As a group small agencies' workplace diversity programmes were generally of a similar quality; there was a much bigger range among workplace diversity programmes for medium and large agencies.

In some cases agencies' workplace diversity programmes consisted of a range of documents, rather than one comprehensive document. Diversity strategies were included in agencies' Indigenous employment strategies, disability action plans, certified agreements and/or agencies' people management strategies. This adds an additional level of complexity to the evaluation of agencies' written workplace diversity programmes.

Often, there were few cross-references between the documents that sit under the workplace diversity banner. This may limit the value of such workplace diversity programmes as planning, monitoring, evaluation and promotional tools.

### **Commitment to diversity**

Nearly all agencies in the sample had made some links to their corporate documentation in their workplace diversity programmes, although in some cases workplace diversity programmes only referred to the relevant documentation, while in others cross references were more extensive. The most commonly-linked documents were the agencies' certified agreements followed by their HR policies and then their corporate plans.

Linkages to other corporate documentation such as workforce plans and business plans could be further developed, bringing about stronger integration of workplace diversity into the agency's business.

Most agencies have adopted a broad and inclusive definition of diversity.

Most workplace diversity programmes sought to demonstrate a commitment to workplace diversity and recognised the link between diversity and agency performance.

Half of the agencies in the sample outlined what they saw as 'workplace diversity principles'.

### **Quality of overall measures and performance indicators**

Most agencies were identified as having 'excellent' or 'high quality' measures in their workplace diversity programmes—that is, they had made or sought to make links between workplace diversity objectives and specific measures, though there was still room for improvement.

The quality of performance indicators was generally much poorer than the quality of measures (a similar finding was in last year's evaluation). Most workplace diversity programmes in the sample included some performance indicators designed to measure the effectiveness of workplace diversity programmes, but the quality of these indicators varied considerably.

Agencies need to place a stronger focus on better articulating performance indicators for the success of workplace diversity objectives to ensure that they are measurable.

### Reporting on the effectiveness of workplace diversity programmes

The Commissioner's Directions provide that an agency head must evaluate and report annually on the effectiveness of its workplace diversity programme, although they do not specify where this reporting should occur. Few agencies indicate in their workplace diversity programmes where they report on the effectiveness of workplace diversity measures; the annual report appears to have become the default vehicle.

There is limited reporting on diversity outcomes in many agencies' annual reports, even though most agencies mention workplace diversity in their reports. In many cases, for example, the reporting is confined to a simple statement that a workplace diversity programme exists.

Internal reporting of diversity within agencies was not assessed by the evaluation. Some agencies mention internal reporting in their workplace diversity programmes. This could be assessed through future State of the Service agency surveys.

### Impact of quality of workplace diversity programmes

There is a strong link between the quality of workplace diversity programmes and EEO representation, with high-quality workplace diversity programmes more likely to be associated with above average representation of EEO groups. However, other factors may also contribute, making direct causal links difficult to determine.

Unlike last year, there was no clear link between employees' views of their agencies' commitment to workplace diversity and workplace diversity programmes rated as being of higher quality.

evaluation

## APSED and the quality of EEO data

The provision of EEO data by APS employees to their agency is voluntary. Therefore, as with any large voluntary data collection, APSED tends to under-represent the actual number of employees in those groups.

Last year's employee survey results showed that 10% of those employees who were offered the opportunity to provide EEO data actively chose not to do so. Yet, of the data supplied to APSED at 30 June 2005, only one-third of employees actually had comprehensive EEO data: Indigenous status was provided for only 48% of employees, while data on disability was provided for 47%. The quality of data on race or ethnicity was somewhat better. There was no improvement on last year but there has been a slight improvement on data provided in 2003.

To ensure robust analysis, it is important that agencies place a strong emphasis on encouraging employees to provide complete data where possible, as well as ensuring that HR systems can effectively capture this information and report it accurately to APSED.

Employees for whom no data is available are included in the population for calculating percentages. Therefore, the percentages provided on representation of EEO groups in the APS may under-estimate the actual proportions in agency and APS populations.

In examining diversity, available data from State jurisdictions (WA, SA, Vic) was analysed to gauge the views of APS employees compared to those in State public sectors. However, caution is required with these comparisons because of methodological differences. The WA data is only representative of the views of employees in two WA departments; the Victorian and SA surveys were conducted in 2004; and there were differences in the wording of some questions in the SA survey.<sup>4</sup> Over time, as the number of jurisdictions participating and the number of comparable data items increases, and the comparability of the data improves, it is envisaged that benchmarking will become more indicative.

## Representation of EEO groups

At June 2005, women accounted for 54.2% of ongoing staff. This was a relatively large increase over the previous year (53.1% at June 2004). For people from a NESB<sup>5</sup>, there was growth in both actual and proportional representation (up from 5.2% at June 2004 to 5.3% at June 2005).

The proportion of Indigenous Australians continued to fall this year to 2.2% of ongoing staff, down from 2.4% in 2004. Last year we reported that 2.3% of ongoing employees at June 2004 were Indigenous. The proportion for last year has been revised upwards, due to an improvement in the quality of historical data on Indigenous status. Representation of people with a disability fell from 3.9% to 3.8% over the year. Both these groups declined in actual numbers as well, despite an increase in overall ongoing staff numbers.

The proportional representation of each of these groups is presented in Table 9.1.

**Table 9.1: Representation of EEO groups among ongoing employees, 1996 to 2005<sup>6</sup>**

	1996 (%)	1997 (%)	1998 (%)	1999 (%)	2000 (%)	2001 (%)	2002 (%)	2003 (%)	2004 (%)	2005 (%)
Women	47.7	48.1	48.6	49.0	49.9	51.4	51.9	52.8	53.1	54.2
Indigenous Australians	2.6	2.6	2.7	2.7	2.6	2.6	2.6	2.5	2.4	2.2
People with a disability	5.4	5.3	5.1	4.8	4.5	4.2	4.0	4.0	3.9	3.8
NESB1	5.5	5.5	5.4	5.3	5.3	5.3	5.3	5.1	5.2	5.3

Source: APSED

<sup>4</sup> The data for WA for 2004–05 represents two non-metropolitan Departments of Education and two non-metropolitan Departments of Health. This is not representative of the WA jurisdiction for comparative purposes. The SA survey was conducted in September 2004 across public sector agencies employing people under the *Public Sector Management Act 1995*. The SA data is reported as a percentage of respondents who answered the questions, with the exception of responses to questions where respondents were given multiple options to respond to and allowed to make more than one response.

<sup>5</sup> In the absence of alternative measures, the concept ‘NESB’, representing people from a non-English speaking background, is used with APSED. This captures information about first language spoken, place of birth and parents’ language. NESB1, the measure used here, includes people born overseas whose first language was not English. NESB2 has previously been reported in addition to NESB1 and includes children of migrants, including those who were born overseas and arrived in Australia before the age of five and did not speak English as a first language, those who were Australian born but did not speak English as a first language and had at least one NESB1 parent, and neither of whose parents spoke English as a first language. Analysis of APSED data has found that this group does not have a substantial disadvantage compared to other workers, and it is therefore not reported on here.

<sup>6</sup> Due to improvements in the quality of historical data, proportions in this table may differ from those published in previous years: for example, last year we reported that 2.3% of ongoing employees were Indigenous Australians. NESB1 data has also increased due to a revision in the calculation of this group’s representation.

Trends in representation for each of these groups are discussed in the following sections.

## Agency commitment to workplace diversity

This year the employee survey asked respondents about their organisation's commitment to creating a diverse workforce. Sixty-one per cent of employees agreed that their agency was committed to building a diverse workforce.

Some State jurisdictions report a much higher response rate compared to the APS rate in relation to agencies' commitment to creating a diverse workforce. The WA Public Service also asked employees in two non-metropolitan departments about their organisation's commitment to creating a diverse workforce. Seventy-eight per cent of these respondents, agreed that their organisation was committed to creating a diverse workforce.<sup>7</sup> Results for the Victorian Public Service were even higher with 80% of employees participating in their People Matter Survey agreeing that their agency is committed to creating a diverse workforce.<sup>8</sup>

Of the EEO groups, women were the only group that was significantly more positive than employees not from these groups about their agency's commitment to creating a diverse workforce. Younger workers (25 years and under) were also more positive than workers over 25 years of age. However, older workers (45 years and over) were less positive than workers under 45 years of age.

### Evaluation of workplace diversity programmes

As with last year's evaluation, there was some indication that a broad approach to workplace diversity may be adopted at the expense of implementing specific strategies to remove employment-disadvantage for the specified EEO groups. No workplace diversity programmes contained specific measures for all four EEO groups and five agencies had no specific measures at all.

Indigenous Australians and people with a disability were the most frequently addressed EEO groups in workplace diversity programmes, with specific measures included to address the employment and retention of these groups. However, there was no clear correlation between the inclusion of specific measures for Indigenous Australians and people with disabilities and increased representation for these groups (although there was a link between the overall quality of the workplace diversity programme and EEO representation).

Only one workplace diversity programme contained initiatives designed to address employment related disadvantage for employees from NESB.

evaluation

Employees in medium agencies (57%) were less likely to agree that their agency was committed to creating a diverse workforce compared to small agencies (66%). Sixty-one per cent of employees in large agencies agreed that their agency was committed to creating a diverse workforce.

<sup>7</sup> Office of the Public Sector Standards Commissioner, Western Australia, *Public Sector Climate Survey, 2004-05*. 'The data for Western Australia for 2004-05 represents 2 non-metropolitan Departments of Education and 2 non-metropolitan Departments of Health'.

<sup>8</sup> Office for the Commissioner for Public Employment, Victoria, *People Matter Survey 2004*, <<http://www.opec.vic.gov.au>>

Of the 21 large agencies, employee agreement ranged from a low of 38% to a high of 75%, with the highest scoring agencies being DEST, DFAT and DIMIA.

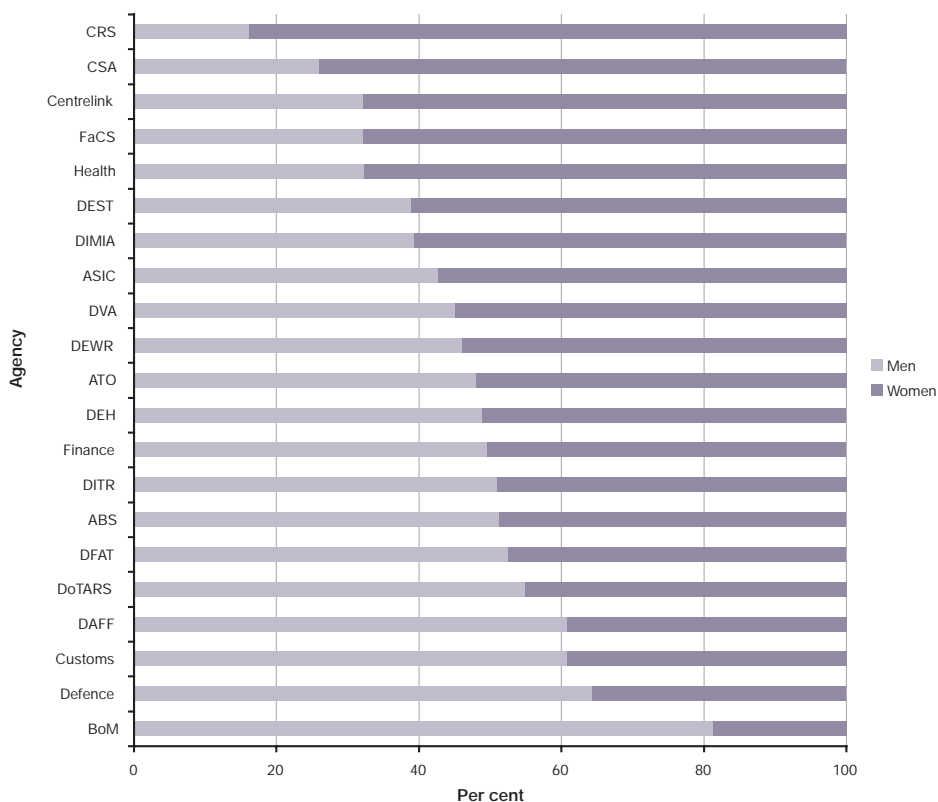
## Women in the APS

The representation of women in the APS continued to rise this year, indeed, at a faster rate than in the past. At 30 June 2005, women represented 54.2% of all ongoing staff, up from 53.1% the previous year.

Women represented 58.0% of engagements in 2004–05, compared with 46.3% of separations. If this trend continues, it will lead to an increase in the feminisation of the APS.

The proportional representation of men and women varies strongly between agencies. Of agencies with more than 1000 ongoing employees, BoM had the highest proportion of men (81.3%), followed by Defence (64.4%), while CRS (83.8%) and CSA (74.0%) had the highest proportion of women (see Figure 9.1).

**Figure 9.1: Representation of women and men in agencies with more than 1000 ongoing employees, June 2005**



Source: APSED

As Table 9.2 shows, women continue to be under-represented at higher classifications, although there have been significant gains over time.

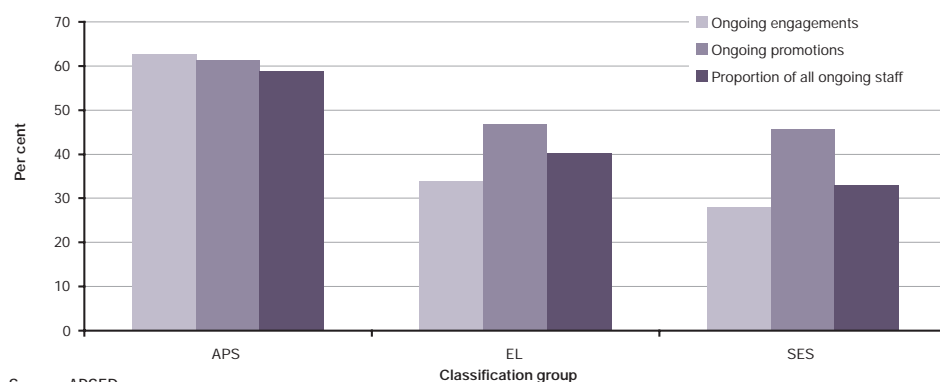
Table 9.2: Ongoing staff: proportion of women by classification group, June 2005

	1996 (%)	2004 (%)	2005 (%)
Trainee & Grad APS	51.4	50.7	52.0
APS 1-2	55.4	52.8	62.0
APS 3-4	58.9	64.3	65.0
APS 5-6	41.6	50.8	51.8
Executive	27.5	39.3	40.3
SES	19.3	31.5	33.0
Total	47.7	53.1	54.2

Source: APSED

Women represented 40.3% of EL employees at June 2005 (up from 39.3% in 2004). As Figure 9.2 shows, while women comprised only 33.8% of engagements to EL classifications, they represented 46.8% of promotions to these classifications. In addition, women made up only 34.7% of separations, so further increases in the representation of women in these classifications can be expected.

Figure 9.2: Ongoing staff: Engagement and promotion rates for women, June 2005



Source: APSED

At June 2005, women represented 33.0% of the SES (up from 31.5% in 2004). This increase in representation can be expected to continue, given that 28.0% of engagements and 45.7% of promotions to, and within, the SES were women compared to 23.9% of separations.

Table 9.3 shows that women's representation in both the EL and SES classification groups is higher for younger age groups, adding further to the evidence that the representation of women at these levels will continue to increase over time.

Table 9.3: Ongoing staff: Proportion of women by age group in EL and SES classifications, June 2005

	Under 40 (%)	40-44 (%)	45-49 (%)	50 & over (%)
EL	50.4	42.6	36.2	29.9
SES	39.5	43.4	33.6	26.8

Source: APSED

Overall, the positive trend towards increased representation of women at higher levels of the APS is continuing, or possibly accelerating, with no sign of stalling. However, despite the appointment of several women to the role of agency head in the last year, there is still room for improvement in the representation of women at this level. More broadly, the variation in the representation of women at higher levels across agencies suggests that quite a few agencies could be more pro-active in encouraging women to apply for more senior positions.

## Agency support for the employment of women

The employee survey asked about employees' perceptions of whether their agency supported the employment, development and promotion of women, Indigenous employees, people with a disability and employees from a NESB1. Employees were most likely to have agreed that their agency supported the employment, development and promotion of women and people from all cultural backgrounds.

The majority of employees (79%) agreed that their agency actively supported the employment, development and promotion of women, and only four per cent disagreed. Of the 21 large agencies, only one large agency had a particularly low level of agreement (59%). The level of agreement for all other large agencies varied from 72% to 87%.

The majority of women responding to the employee survey (74%) agreed that their agency actively supported the employment, development and promotion of women. However, women were less likely to have agreed than men (74% compared to 84%) and more likely to have disagreed (6% compared to 2% for men). Some employees commented on their agency's support for women.

*My agency consists mainly of women yet there is a huge under-representation of women in management.*

*I don't believe women should be classed as a minority or a group requiring special consideration.*

*The agency needs to do more to support the employment of women, this is really about the erosion of entitlements such as carer's leave, part-time employment and home based work.*

*The women who are groomed for promotion do not seem to have the family responsibilities of a lot of women in the workplace.*

employee survey

This year the survey also asked whether employees thought that their agency needed to do more or less to support women. Only one-fifth of employees felt that their agency needed to do more (16%) or much more (4%) to support the employment, development and promotion of women. Of interest are the results for large agencies with low representations of women, which do not show significant differences from other agencies with respect to the need to provide more support for women. The majority of employees (69%) were satisfied with the level of support provided to women. Twenty-seven per cent of women, however, felt that their agency needed to do more to support them, compared with 12% of men.

## Job satisfaction and other employee indicators—women

The employee survey asked respondents to choose the five workplace factors (out of a list of 15) that impacted most on how satisfied they were with their job. Respondents were then asked to indicate their level of satisfaction with their top five factors using a five point scale (from 'very satisfied' to 'very dissatisfied').

A summary index was created from the results of the job satisfaction question in the employee survey. The index ranges from zero (respondent was very dissatisfied with all of the factors nominated) to 10 (respondent was very satisfied with all factors). An index of five translates to a respondent being, on average, neither satisfied nor dissatisfied with their nominated factors.

The APS-wide results on job satisfaction are discussed in Chapter 8. Results on job satisfaction in this chapter are limited to discussion of results in relation to EEO and age groups.<sup>9</sup>

As in 2003–04, women reported similar levels of overall job satisfaction to men; 72% were, on average, satisfied with the factors they nominated as important, compared to 70% of men.<sup>10</sup> Table 9.4 shows the most important job satisfaction factors for women and men. This year all of the most important factors were common to women and men except for 'opportunities to develop my skills' (rated as a top five factor only by women) and 'opportunities to utilise my skills' (rated as a top five factor only by men). However, Table 9.4 shows that the relative rankings of these factors differ between men and women. The most important factor for women was 'good working relationships' with 57% of women rating this in their top five factors and 84% of women being satisfied with this factor. Men ranked this factor second, and only 46% of men rated this in their top five factors, although they were equally satisfied with the factor. Interesting results are also evident for the factor 'salary' which women ranked equal fifth, with 42% of women including 'salary' as one of their top five factors and 56% of women being satisfied with this factor. By comparison, men ranked 'salary' as their most important factor, with 50% of men rating it among their top five, yet only 42% of men were satisfied with this factor. These differences perhaps reflect different motivators for men and women.

Many of the top five factors common to women and men were also likely to be in the top five factors for other EEO groups and younger and older workers examined later in this chapter.

<sup>9</sup> It is important to note that discussion of job satisfaction in this chapter is based on analysis of results for, at times, small populations and is indicative only. The five most important factors chosen and rated by respondents have been highlighted as a useful point of comparison, including across the four EEO groups (i.e. women, Indigenous Australians, people with a disability and people from NESB).

<sup>10</sup> In this context the results were not statistically significant at the 95% Confidence Interval (see Appendix 2 for more information on confidence intervals).

Table 9.4: Most important job satisfaction factors, by sex, 2004–05

Females				Males			
Rank	Factor	% rating in top 5	% satisfied	Rank	Factor	% rating in top 5	% satisfied
1	Good working relationships	57	84	1	Salary	50	42
=2	Flexible working arrangements	49	83	2	Good working relationships	46	84
=2	Regular feedback/ recognition for effort	49	51	3	Opportunities to utilise my skills	45	61
4	Good manager	46	68	4	Good manager	42	61
=5	Opportunities to develop my skills	42	55	=5	Flexible working arrangements	41	83
=5	Salary	42	56	=5	Regular feedback/ recognition for effort	41	44

Note: The 'per cent satisfied' includes only those respondents who selected the factor and then rated their satisfaction.

Source: Employee survey

Table 9.4 also shows the proportion of each group satisfied with the factors they had identified as important. The majority of women were satisfied with each of the six job satisfaction factors they identified as most important, and the majority of men were satisfied with four (out of six) of their most important job satisfaction factors. Of the top factors, both women and men were least satisfied with 'salary' and 'regular feedback/ recognition for effort'. A higher proportion of women were more satisfied than men with 'salary', and a higher proportion of men were dissatisfied with this factor (34%) than women (22%). Women were more satisfied than men with 'regular feedback/recognition for effort'; the proportion of women and men dissatisfied with this factor was similar.

Women were less likely than men to regard themselves as 'a career public servant' (19% and 27%, respectively) than 'a member of their profession' (15% compared to 20%). Women were also more likely to agree that they were proud to work in the APS (75% compared to 67% of men).

In other responses to the employee survey men (19%) were more likely than women (13%) to indicate that they intended to leave the APS in the next three years. While many of the reasons for leaving were similar for both women and men, men were more likely than women to report that they intended to leave due to limited career development opportunities (30% compared to 22% of relevant women).

As with the job satisfaction index reported above, a summary index<sup>11</sup> was created from the results of the leadership capability question in the employee survey.<sup>12</sup> Women and men, overall, provided similar ratings of their immediate supervisor's leadership

<sup>11</sup> The index ranges from zero (respondent rated their immediate supervisor as very low on all five capabilities) to 10 (rated their immediate supervisor as very high on all five capabilities). An index of five translates to a respondent rating their supervisor, on average, 'medium' on all five leadership capabilities.

<sup>12</sup> These capabilities reflect the five capabilities in the Senior Executive Leadership Capability Framework (the SELC framework).

capability, with about two-thirds of women and men rating their immediate supervisor's overall leadership capability above average. A similar proportion of women and men (about 50%) rated their immediate supervisor as highly effective at managing people.

## Indigenous employment

The representation of Indigenous employees has fallen steadily, from a high of 2.7% in 1998 and 1999, after increasing for some years before that.

The decline in employment for Indigenous Australians has continued this year. The proportion of Indigenous employees fell even more sharply this year to 2.2% of ongoing employees, down from 2.4% in 2004.<sup>13</sup> The number of ongoing Indigenous employees fell from 2946 to 2770—a fall of 6.0%. This decline included 48 Indigenous employees who were transferred out of coverage of the Act, but who remained in Commonwealth employment. If these 48 Indigenous employees had not moved out of coverage of the Act, the representation rate for Indigenous employees would have been 2.3% at June 2005, rather than 2.2%. This compares unfavourably with the slight increase in total ongoing employee numbers of 0.8% over the year.

Despite this decline, the representation of Indigenous Australians in the APS still compares favourably with that in the broader Australian workforce, in which 1.9% of all Australians aged 15–64 and 1.4% of the Australian labour force identified themselves as Indigenous.<sup>14</sup>

Indigenous representation varies between agencies. Those that predominantly deliver services to, or work with, Indigenous communities generally had a higher proportion of Indigenous employees. As Table 9.5 shows, the agencies with the highest proportion of Indigenous employees in their workforce (i.e. more than 10% of total ongoing employees) at 30 June 2005 were Aboriginal Hostels Limited (AHL), the Torres Strait Regional Authority (TSRA), AIATSIS, the National Native Title Tribunal (NNTT) and DEST.

**Table 9.5: Agencies with the highest proportion of ongoing Indigenous employees, June 2005**

Agency	Indigenous ongoing staff	Total ongoing staff	Indigenous (%)
AHL	269	330	81.5
TSRA	24	33	72.7
AIATSIS	10	56	17.9
NNTT	29	215	13.5
DEST	183	1776	10.3

Source: APSED

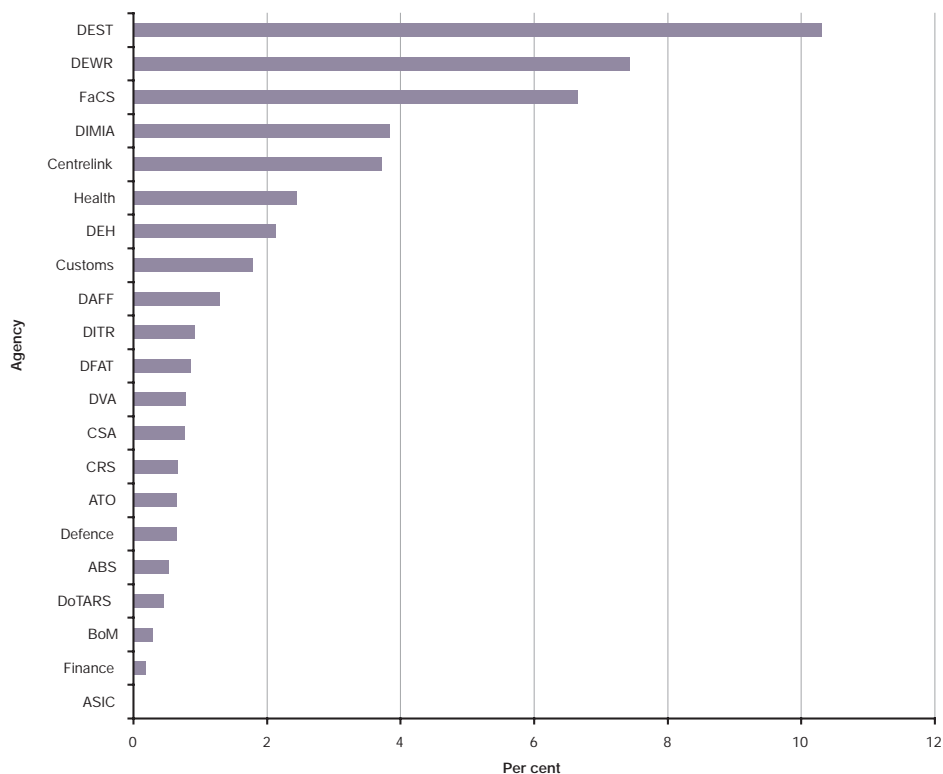
At 30 June 2005, however, four agencies employed over half of all ongoing Indigenous employees (57.9%). These agencies were Centrelink (908 or 32.8%), AHL (269 or 9.7%), DEWR (217 or 7.8%) and DIMIA (209 or 7.5%). With the exception of AHL, Indigenous employees make up between three and eight per cent of employees in these agencies.

<sup>13</sup> Last year we reported that 2.3% of ongoing employees at June 2004 were Indigenous. The proportion for last year has been revised upwards, due to an improvement in the quality of historical data on Indigenous status.

<sup>14</sup> ABS 2002, *Census of Population and Housing 2001*, ABS, Canberra.

These four agencies accounted for 26.7% of all ongoing APS employees. Twenty-eight agencies reported that none of their ongoing employees had identified themselves as Indigenous.<sup>15</sup> These agencies were all small, except for one large (ASIC) and one medium agency, the Australian Crime Commission (ACC).

**Figure 9.3: Representation of Indigenous employees in agencies with more than 1000 ongoing staff, June 2005**



Source: APSED

The agencies with the largest increases in Indigenous staff during the year were DIMIA (156) and DEWR (121). ATSI employees moved to both of these agencies during the year following machinery of government changes. Agencies in which Indigenous employee numbers decreased were Centrelink (56) and Defence (8).

Table 9.6 shows that Indigenous representation fell at most classification levels this year. The exceptions were the APS 1–2 classifications, where representation rose from 3.9% to 4.4% over the year (due to a large decrease in total APS 1–2 employee numbers), and EL classifications, which remained steady at 1.1%, although the actual number of Indigenous employees at EL classifications rose from 277 to 293.

Representation in trainee classifications declined only slightly (from 53 to 52), but fell proportionally, due to the large overall increase in employee numbers in these classifications. There was a rise in the number of Indigenous graduate trainees (from 9 to 13) but a decline in that of other Indigenous trainees (from 44 to 39).

<sup>15</sup> This data is not directly comparable with that published in last year's State of the Service report.

Indigenous employees are much less likely to have graduate qualifications than are other employees—at June 2005, only one-quarter (25.5%) of Indigenous employees had a bachelor's degree or higher, compared with the APS average of 49.9%.<sup>16</sup>

There was a net decrease of four Indigenous SES employees during the year, down from 24 to 20. This net decrease comprised six separations—four former ATSIS employees, one each from the Aboriginal and Torres Strait Islander Commission (ATSIC) and the Attorney-General's Department (AGD), and two new Indigenous SES employees, one each in DEWR and PM&C.

**Table 9.6: Ongoing representation of Indigenous employees by classification, 1996, 2004 and 2005**

	1996			2004			2005		
	No.	% of class'n who are Indigenous	% of Indigenous employees	No.	% of class'n who are Indigenous	% of Indigenous employees	No.	% of class'n who are Indigenous	% of Indigenous employees
APS 1–2	995	3.9	30.0	300	3.9	10.2	280	4.4	10.1
APS 3–4	1411	3.3	42.5	1428	3.2	48.5	1289	2.9	46.5
APS 5–6	623	1.7	18.8	864	2.1	29.3	836	2.0	30.2
EL	142	0.7	4.3	277	1.1	9.4	293	1.1	10.6
SES	18	1.0	0.5	24	1.3	0.8	20	1.0	0.7
Trainee	100	12.9	3.0	44	16.2	1.5	39	10.3	1.4
Grad trainee	26	3.2	0.8	9	1.7	0.3	13	1.7	0.5
Other	4	0.9	0.1	–	–	–	–	–	–
Total	3319	2.6	100.0	2946	2.4	100.0	2770	2.2	100.0

Source: APSED

Looking at longer-term trends, over the past ten years, Indigenous representation has risen in the APS 1–2, APS 5–6 and EL classifications, remained steady in the SES, and fallen in the APS 3–4, trainee and graduate trainee classification levels. Indigenous employees are less concentrated in the APS 1–2 classifications, and have actually increased their absolute numbers at the APS 5–6 levels, and among EL and SES employees.

The total number of Indigenous employees also declined over the last ten years, although numbers rose in 2002 and 2003, before falling for the past two years.

Engagements of Indigenous employees have followed a similar fluctuating pattern. These trends are shown in Table 9.7. As a proportion of total engagements, Indigenous representation has generally fallen over the past ten years, despite a rise in 2003–04 when Indigenous employees accounted for 3.0% of all engagements. During 2004–05, they accounted for only 2.3% of engagements. Both these percentages are much lower

<sup>16</sup> The method used to calculate the proportion of employees with graduate or tertiary qualifications includes those with qualifications at bachelor degree and above. It excludes from the denominator those for whom no data was provided by agencies, and those who chose not to provide details of their highest educational qualification.

than they were ten years ago (4.3% in 1995–96). The number of Indigenous employees engaged in the APS during 2004–05 was 261. This was a decline of 6.8% from the number engaged during 2003–04. In contrast, total engagements in the APS overall rose by 22.6%.

Indigenous separations can be looked at in two ways—either as a proportion of Indigenous employees, or as a proportion of total separations. Using the first method, 15.3% of all ongoing Indigenous employees separated during 2004–05. As noted above, during 2004–05 48 ongoing Indigenous employees were transferred out of coverage of the Act. Excluding these employees, the separation rate was 13.6%. The comparable separation rate for the APS overall was 8.5%. Separations of Indigenous employees are considerably higher, both in proportional and absolute terms, than they were ten years ago. The absolute decline in the number of Indigenous employees this year resulted from both the decline in engagements and the increase in separations.

Table 9.7 looks at Indigenous separations using the second method described above. As a proportion of all ongoing separations, Indigenous separations fell this year, from 4.9% to 4.2% of all separations. The number of Indigenous separations actually rose, from 356 to 437, but the increase was proportionally less than for the APS overall.

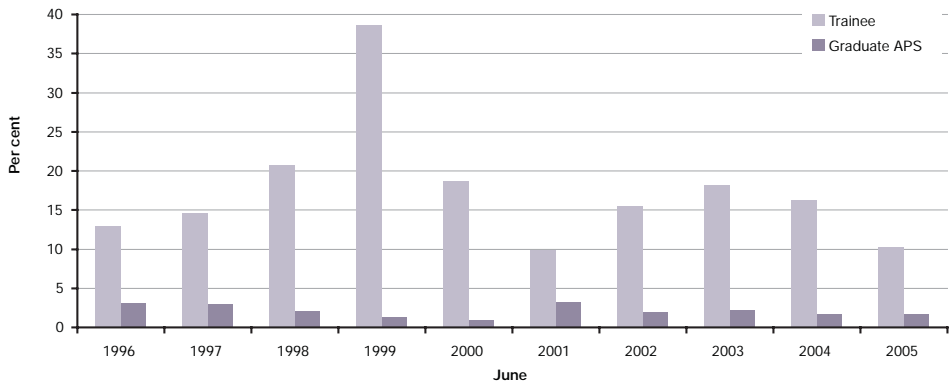
**Table 9.7: Indigenous representation in engagements and separations of ongoing employees, 1995–96 to 2004–05**

	1995–96	1996–97	1997–98	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05
Engagements No.	347	256	255	260	276	382	394	405	280	261
(% of engagements)	4.3	4.5	4.1	3.3	2.3	2.8	3.2	2.7	3.0	2.3
Separations No.	309	454	417	434	395	262	270	291	356	437
(% of separations)	3.3	2.9	2.5	3.0	3.6	3.2	3.2	4.1	4.9	4.2

Source: APSED

In percentage terms, trainee programmes have represented an important source of engagements for Indigenous employees, as shown in Figure 9.4. The use of traineeships and graduate trainee programmes to recruit Indigenous Australians has varied over time, though Indigenous employees remain more highly represented in traineeships than in graduate trainee programmes (1.7% of graduate trainees at June 2005 were Indigenous compared to 10.3% of other trainees). Overall, the number of both graduate and other trainees rose substantially during 2004–05. While Indigenous graduate trainees maintained their representation in the increased intake, Indigenous representation fell for other trainees (down from 16.2% in 2004).

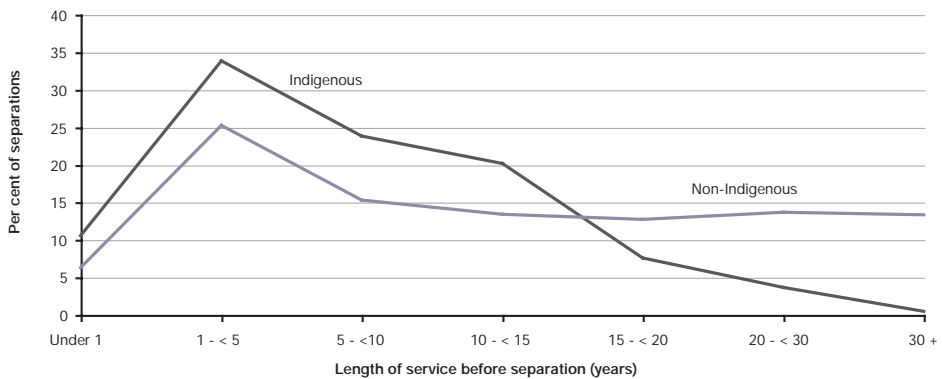
Figure 9.4: Representation of ongoing Indigenous employees in trainee classifications, 1996 to 2005



Source: APSED

Figure 9.5 compares the length of service in the APS by Indigenous status, for those employees who separated during 2004–05. It shows the proportion of separations that occurred at different lengths of service for both Indigenous and non-Indigenous employees. Results have not changed substantially for the past three years—Indigenous employees are much more likely to have considerably shorter service before leaving the APS. During 2004–05, 44.4% of Indigenous employees who separated had less than five years service, compared with 31.6% of non-Indigenous employees.

Figure 9.5: Ongoing separations by Indigenous status and length of service, 2004–05



Source: APSED

## Impact of ATSIC and ATSIS changes

On 15 April 2004, the Minister for Immigration and Multicultural and Indigenous Affairs announced the abolition of ATSIC and ATSIS with effect from 1 July 2004.

Most programmes managed by ATSIS have been allocated to mainstream portfolio agencies. An Office of Indigenous Policy Coordination (OIPC) has been established within DIMIA to provide policy advice and monitor the performance of mainstream agencies. Multi-agency Indigenous Coordination Centres (ICCs) have been established in 30 regions across the country to coordinate the administration and delivery of Indigenous services and programmes. More information on the whole of government governance initiatives for Indigenous Affairs can be found in Chapter 11, 'Whole of Government'.

ATSIS employees were 'mainstreamed' into various Commonwealth agencies and co-located regionally within these ICCs. The majority of Indigenous employees and managers previously employed in ATSIS are now managing Indigenous programmes across several government agencies (e.g. FaCS, DEWR and DCITA, as well as OIPC in DIMIA).

One-quarter (278 or 25.2%) of ongoing employees who had been employed in ATSIS at 30 June 2004 separated from the APS during 2004–05. Of this group, 103 were retrenched, and 91 were transferred out of coverage of the Act but remained in Commonwealth employment. Excluding those who transferred out of coverage, 50.3% of those who separated were Indigenous. This compares with an Indigenous representation rate of 44.3% in ATSIS at 30 June 2004.

## Challenges regarding Indigenous employment

This year agencies were asked if they were facing a range of challenges regarding the attraction and retention of Indigenous Australians. Agencies predominantly identified challenges relating to recruitment rather than retention. Twenty-eight agencies have been identified as having no ongoing Indigenous employees,<sup>17</sup> roughly the number of agencies to state that retention challenges are not applicable. However, of concern is the number of agencies indicating that challenges relating to the employment of Indigenous employees are not applicable to them.

The two most difficult challenges facing all agencies with respect to the employment of Indigenous Australians were the difficulty in recruiting Indigenous Australians with the required skills and the difficulty in recruiting Indigenous graduates (34% and 28% of agencies, respectively). These proportions increase to 54% and 62%, respectively, if agencies that indicated these challenges were not applicable to them are excluded.

Almost a quarter of agencies (that answered 'yes' that they had faced a challenge or 'no' that they had not faced a challenge) indicated that they had lost valued Indigenous employees.

<sup>17</sup> This data is not directly comparable with that published in last year's State of the Service report.

Table 9.8 sets out the frequency of challenges faced by agencies in the employment of Indigenous Australians.

**Table 9.8: Agency challenges in relation to Indigenous employment, 2004–05**

Challenges faced by agencies	Number of agencies (N=82)		
	Yes	No	Not applicable
Loss of valued Indigenous employees	14	41	27
Difficulty recruiting Indigenous graduates with required skills as part of a formal graduate programme	23	14	45
Difficulty recruiting Indigenous Australians (other than for a formal graduate programme) with required skills	28	24	30
Difficulty in managing underperforming Indigenous employees	11	41	30
Difficulty providing mentors with appropriate experience for Indigenous employees	10	33	39
Difficulty in accessing assistance and/or training on cross cultural issues	3	43	36
Difficulty in managing Indigenous employees' cultural and community obligations within the framework of your current certified agreement	1	56	25
Difficulty in integrating Indigenous ex-ATSIS employees into your agency	2	16	64
Other	1	19	62

Note: Not applicable results include agencies that did not respond to the question relating to the particular strategy.

Source: Agency survey

## Addressing the decline in employment of Indigenous Australians in the APS

The employment of Aboriginal and Torres Strait Islander employees within the APS is important to achieving government policy development, service delivery, and employment and equity outcomes. At the 'Ministerial Conversations' seminar<sup>18</sup> on 12 August 2005, the Prime Minister noted that 'we are as I say in the early stages of a major reform in the management of Indigenous affairs and this requires in my view as many Indigenous people as possible skilled in doing whole of government business and it is vital that Indigenous Australians are among the highly-skilled public servants who implement this important agenda.'<sup>19</sup>

The APS Employment and Capability Strategy for Aboriginal and Torres Strait Islanders<sup>20</sup> has been developed in response to challenges arising from emerging demographic and social trends, the new arrangements for the administration of Indigenous affairs and the continuing decline in Indigenous representation in the APS. The Strategy aims to:

- stabilise numbers over the next two years, and then increase Aboriginal and Torres Strait Islander employment in the mainstream APS

<sup>18</sup> The 'Ministerial Conversations' seminar series is being conducted for the SES by the Commission, <<http://www.apsc.gov.au/seslearn/index.html>>

<sup>19</sup> Hon John Howard MP, 'Ministerial Conversations' seminar, 12 August 2005, <<http://www.pm.gov.au/news/speeches/speech1505.html>>

<sup>20</sup> See the Commission's website <<http://www.apsc.gov.au/indigenousemployment/index.html>>

- contribute to increased social equity by improving Indigenous people's income levels and employment opportunities in the wider Australian employment market
- increase the extent to which government agencies are able to use the existing and potential skills and capacity of Aboriginal and Torres Strait Islander employees in order to meet their business needs for skilled employees, including in areas of specific skill shortage and recruitment difficulty
- build the capacity of the APS generally to provide more effective service delivery to Indigenous people.

The strategy seeks to address these national interest concerns through initiatives directed at:

- Assisting agencies to address key barriers to the employment of Aboriginal and Torres Strait Islander employees, by identifying pathways to employment that allow Indigenous people to develop the required skills and capacity to work within the APS. The Commission is currently running pilot traineeship and school-to-work programmes and an APS-wide Indigenous graduate programme. Proposed initiatives include promoting the APS as an employer of choice and identifying and promoting existing pathways for Aboriginal and Torres Strait Islander employees.
- Supporting Indigenous employees to develop relevant skills that allow them to contribute to business goals and build successful long-term careers within the APS. Existing initiatives include targeted development programmes for APS and EL Indigenous employees, Indigenous employee networks and an Indigenous exchange programme in WA. New strategies will include the extension of Indigenous employee networks; the provision of coaching and mentoring services for individual agencies; the establishment of a central agencies' Indigenous exposure programme to provide short-term secondments; and further research (including through a survey of all APS employees identifying as Aboriginal or Torres Strait Islanders to be conducted in mid-November 2005) into the nature of existing Indigenous employment in the APS.
- Supporting agencies to align strategies that promote Aboriginal and Torres Strait Islander employment with their broader strategies for achieving business outcomes through workforce planning and capability development. New strategies will include encouraging more agencies to develop Indigenous employment strategies and the development of specific recruitment strategies that focus on attracting Indigenous employees at more senior levels into the ICC network and the wider APS.
- Encouraging partnerships with other jurisdictions and organisations (including Job Network members) to develop innovative employment solutions that meet agency skill requirements. The Commission will establish an Indigenous Liaison Officer to provide advice to agencies on the development of their Indigenous employment strategies, and support to agencies seeking to participate in the other recruitment and retention programmes. An employer recognition framework that will reward innovation and commitment to these principles will also be developed to provide valuable recognition for the APS as an employer of choice for Indigenous Australians.
- Ensuring that employees working in whole of government service delivery to Indigenous Australians have the skills they need to deliver effective outcomes; for example, the Commission is coordinating the delivery of training in working in a whole of government context to all ICCs and identifying additional training and

development requirements to support the new whole of government operating environment.

The strategy concentrates on recruiting Aboriginal and Torres Strait Islander employees to the APS and developing existing Indigenous employees so that they have broadly-based APS skills that will equip them to gain jobs anywhere, and providing a supportive work environment.

## Agency support for the employment of Indigenous Australians

Support for the recruitment and retention of Indigenous Australians is essential if agencies are committed to reversing the current trend of decline in the representation of Indigenous employees in the APS. A number of agencies have implemented strategies to address Indigenous employment in their agency, and others have incorporated recruitment and retention initiatives into their workplace diversity programmes, resulting in some positive outcomes at local levels. These are discussed in more detail below.

### Indigenous employment strategies

The agency survey asked agencies whether they currently have a formal Indigenous Employment Strategy (IES) in place. Only 19 agencies indicated that they had such a strategy. The majority of these agencies provided a copy of their strategy to the Commission. Several strategies, however, were out-of-date, and six are due for review this year.

Centrelink, DEWR, and DFAT have new strategies in place to take them forward to 2007 or later. The development of an agency IES is a positive step towards addressing the declining Indigenous representation; however, the effectiveness of these strategies is significantly more important. An agency IES must be able bring about a positive and measurable outcome for Indigenous recruitment and retention. Following is a précis of two of these new strategies:

Centrelink's National Indigenous Employees' Plan 2005–08 (NIEP) was launched this year, replacing their earlier Indigenous Employee Action Plan (2000–04). The NIEP builds on the earlier plan with a strong focus on improving the employment circumstances of, and future prospects for, Aboriginal and Torres Strait Islander people in Centrelink. In partnership with Indigenous employees, Centrelink will develop practical solutions in the area of Indigenous employment. Key features of the NIEP are employment, learning, career pathways and support.

Centrelink recognises that its presence in most towns and cities in Australia puts it in a unique position to improve Indigenous employment outcomes. Centrelink is committed to five per cent Indigenous representation in its workforce and to developing Indigenous representation across all staffing levels. It also recognises the importance of support for, and recognition of, Indigenous staff if this is to be achieved.

Centrelink recognises that education, training and development opportunities are crucial to ongoing job satisfaction and career advancement and will provide appropriate learning outcomes for Indigenous employees. Centrelink will also continue to foster and support the Indigenous leadership capability of its Indigenous employees.

DEWR's new Indigenous Australian Recruitment and Career Development Strategy 2005–07 recognises the richness in culture of Indigenous Australians and the unique skills and knowledge that Indigenous employees bring to the department. The primary focus of this strategy is to impart a working knowledge and appreciation of cultural awareness to all employees, by raising the understanding of Indigenous Australian culture within DEWR. The strategy also supports a range of recruitment, retention and development initiatives that are specifically targeted at meeting the department's business needs. These initiatives ensure that employment opportunities are available for Indigenous Australians at all levels and that support and access to assistance programmes are provided to Indigenous employees. The strategy recognises the need to develop career pathways and progression for Indigenous Australians in DEWR and to achieve departmental outcomes through best practice human resource management.

agency case study

## Indigenous recruitment

There has been little change during 2004–05 in the frequency of strategies used (across all agencies) to recruit Indigenous Australians, compared to 2003–04. Only two strategies saw any growth—the use of identified positions (23 agencies, up from 19 last year) and providing opportunities for Indigenous people to gain skills and experience under an agency-based Indigenous employment scheme (12 agencies, up from 10 last year).

Table 9.9 sets out the overall frequency of strategies used by agencies to recruit Indigenous Australians in 2004–05.

**Table 9.9: Agency strategies to recruit Indigenous Australians, 2004–05**

Recruitment Strategies	Number of agencies (N=82)		
	In place	Being developed	Not in place
Special employment measures limiting employment opportunities only to Indigenous applicants	14	3	65
Identified positions <sup>21</sup>	23	1	58
Participation in the National Indigenous Cadetship Programme run by DEWR	23	2	57
Providing opportunities for Indigenous people to gain skills and experience under an agency-based Indigenous employment scheme	12	4	66
Advertising employment opportunities in Indigenous media	29	3	50
Own recruitment strategy	16	8	58

Note: Not in place results include agencies that did not respond to the question relating to the particular strategy.

Source: Agency survey

<sup>21</sup> An identified position is one in which part or all of the duties involve the development of policy or programmes relating to Aboriginal and Torres Strait Islander people, and/or interaction with Aboriginal and Torres Strait Islander communities, including service delivery. In order to perform these duties efficiently and effectively, applicants need to demonstrate a knowledge and understanding of Aboriginal and Torres Strait Islander societies and cultures, and an ability to communicate sensitively and effectively with Aboriginal and Torres Strait Islander people.

While it would not be appropriate, given the variation between agencies, to suggest that they should use a particular strategy or mix of strategies, it is concerning that a sizeable proportion of agencies (46%), including 24 small agencies, 11 medium and three large agencies, report that they do not use any specific strategies to recruit Indigenous Australians and only four of these agencies indicated that they are developing one or more strategies.

This year the agency survey also asked agencies if they collected data on the number of Indigenous Australians who applied for employment opportunities in their agency. Thirty-two percent of all agencies were collecting data on Indigenous applicants. This increases to forty-five per cent if those agencies that indicated that this strategy was not applicable are excluded. Two per cent of all agencies indicated they were developing the capacity to collect data on Indigenous applicants applying for employment opportunities in their agency.

Work undertaken by MAC for *Managing and Sustaining the APS Workforce*<sup>22</sup> found that the factors attracting Indigenous employees to the APS were similar to those that attracted other groups, with the exception of 'the opportunity to work with a particular individual' and 'the ability to work on the ground with Indigenous communities'.

MAC also found that Indigenous participants knew very little about the APS before joining it, suggesting a strong need to promote the APS as an employer of choice to Indigenous Australians.

### Retention of Indigenous employees

Specific measures to retain Indigenous employees were more common than measures to recruit Indigenous employees. Two-thirds of all agencies (67%) reported using strategies to retain Indigenous employees. The most common strategy was provision of special leave (for example, ceremonial leave (77%)), followed by encouragement to participate in the Indigenous APS Employees' Network (IAPSEN) (59%). These proportions exclude those agencies that indicated these retention strategies were not applicable to them, as they had no Indigenous employees.

Since last year there has been an increase in the number of agencies having various retention strategies with the exception of special leave provisions (48 agencies down from 56 last year).

Nineteen agencies (23%) do not use any specific strategies to retain Indigenous employees, and none of those agencies report that they are developing strategies. This group comprises mostly small agencies, and two medium agencies. Of these, four have Indigenous employees, and could reasonably be expected to have strategies for retaining them.

Table 9.10 sets out the frequency of retention strategies used across all agencies.

<sup>22</sup> Management Advisory Committee 2005, *Managing and Sustaining the APS Workforce*, Commonwealth of Australia, Canberra

Table 9.10: Agency strategies to retain Indigenous employees, 2004–05

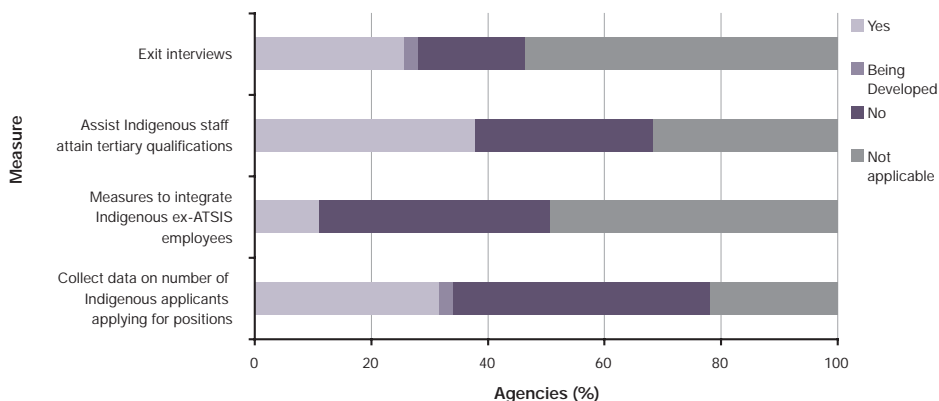
Retention strategies	Number of agencies (N = 82)			
	In place	Being developed	Not in place	Not applicable (no Indigenous employees)
Encourage participation in the Indigenous APS Employees' Network	34	4	20	24
Support another Indigenous employees' network (e.g. internal network)	26	0	32	24
Provide study awards	20	0	37	25
Provide culturally specific training programmes	14	6	38	24
Provide Indigenous cultural awareness training for all employees	16	9	33	24
Provide special leave provisions (e.g. ceremonial leave)	48	0	14	20
Provide targeted leadership development opportunities	15	1	41	25
Other retention strategies	17	0	30	35

Note: Not applicable results include agencies that did not respond to the question relating to the particular strategy.

Source: Agency survey

Agencies were also asked a range of additional questions about the retention of Indigenous employees (see Figure 9.6). These questions sought information on whether agencies were conducting exit interviews with Indigenous employees leaving their agency, were assisting Indigenous employees in attaining tertiary qualifications, or had put any measures in place to integrate Indigenous ex-ATSIS employees into their workforce.

Figure 9.6: Other measures used to retain Indigenous employees, 2004–05



Source: Agency Survey

Of those agencies that indicated that these measures were applicable to them 55% of agencies stated they undertook exit interviews with Indigenous employees when they left the organisation. This declines to 26% if all agencies are included, highlighting the likelihood that there is a gap in understanding in many agencies as to why their Indigenous employees are leaving. Of concern is the 54% of agencies that state that this is not applicable to them.

Fifty-five per cent of agencies that indicated that retention measures were applicable to them had strategies in place to assist Indigenous employees to attain tertiary qualifications during 2004–05.

The abolition of ATSiS saw ex-ATSiS employees move to other agencies as part of the Government's strategy of having Indigenous affairs managed through a whole of government approach. These employees were transferred to eight portfolio agencies. All of these agencies indicated that they had implemented measures to integrate Indigenous ex-ATSiS employees into the workforce.

*Managing and Sustaining the APS Workforce* highlights a range of factors that encourage Indigenous Australians to remain in the APS. These include: attraction to the type of work they are undertaking; the opportunity for learning and development; a feeling of being valued; and the opportunity to use their individual knowledge and skills. Many participants also considered that being a role model for other Indigenous employees was a source of great personal motivation.

Other factors that participants identified included: mentoring programmes; improved career advice and planning; stronger alignment between business, personal development and performance assessment; greater investment in current staff, especially around support for tertiary education; and assistance with mobility.

### **Agency Initiatives pertaining to Indigenous employment**

The 2005 agency survey asked agencies to outline their major workplace diversity achievements for 2004–05. The following agency achievements were achieved in relation to Indigenous employment:

- The Great Barrier Reef Marine Park Authority (GBRMPA) made their Indigenous cultural liaison unit a part of a critical issue group for the agency. They also created a number of Indigenous identified positions including a graduate position.
- TSRA maintained a high representation of Indigenous employees (76% of employees) many of whom are locally recruited within the region.
- At AHL, all positions are identified and 80% of employees identify as Indigenous Australians. All vacancies are advertised in the Indigenous press. AHL employed 32 full-time and 15 part-time ongoing employees under the Structured Training and Employment Project.
- The Federal Court continued its Indigenous research associate programme, employing three Indigenous associates this year.
- Customs recruited three trainees under the Indigenous entry-level recruitment initiative, which provides accredited training qualifications. It also participated in the National Indigenous Cadetship Programme (NICP) and assisted 10 cadets in 2004–05.

- The ATO released an Indigenous Recruitment and Career Development Programme and engaged an Indigenous Liaison Officer (ILO). The ILO will look at raising the profile of the ATO as a possible employer of Indigenous Australians. The ATO is also participating in the Commission's school to work programme and will sponsor five Indigenous students in 2006 and five each year between 2007 and 2011.
- BoM supported two Indigenous cadets to complete their tertiary courses, although neither ultimately took up a position with BoM, which also took on an Indigenous trainee.
- CSA developed an Indigenous support network in one of its regions.
- CRS participated in the NICP and has committed to the Indigenous graduate programme for 2006.
- DAFF continued to offer Indigenous cultural awareness training to central office employees and also participated in the NICP, taking on four cadets in 2005.
- DEST maintained its high level of Indigenous representation (10%). DEST also appointed an Indigenous leader to report to the Secretary on issues related to Indigenous leadership. Three Indigenous graduates were recruited in 2005, and seven cadets under the NICP.
- Finance recruited two cadets under the NICP. One cadet has completed their studies and is now a Finance employee, the other is expected to join Finance in 2006. Finance is also participating in the Indigenous graduate programme and is expecting to take on five graduates.
- In DIMIA, the certified agreement negotiated for OIPC employees includes Indigenous-specific provisions in recognition of the particular circumstances of Indigenous employees.
- DEH developed improved and flexible recruitment practices for Parks Australia North (Kakadu and Uluru - Kata Tjuta National Parks).
- Health will be contracting the services of a professional coach to work directly with Indigenous employees who feel that their careers have stalled. Team leaders will also be consulted to maximise support for participating employees. Health has also developed and implemented the 'Growing our Own' programme for Aboriginal and Torres Strait Islander employees.

### **Employee perceptions**

The employee survey asked respondents to rate their level of agreement with the statement 'my agency actively supports the employment, development and promotion of Indigenous employees'. Overall, 58% of respondents across the APS agreed with the statement, with results for the 21 large agencies ranging from 20% to a high of 81% at DEST. The APS result was much lower than for similar questions in relation to women and people from all cultural backgrounds, but similar to the level of agreement about agency support for people with a disability. Not surprisingly, the level of agreement, especially in those agencies with the highest responses, is correlated with the proportion of Indigenous employees in the agency.

This result may explain the higher level of agreement among Indigenous employees concentrated in a small number of agencies with above average Indigenous

employment, that their agency supported the employment, development and promotion of Indigenous employees (63% compared to 58% of non-Indigenous employees). Non-Indigenous employees who did not agree with the statement were more likely to have chosen 'don't know' (12% compared to 2%).

At least a third of respondents (ranging from 33% to 63%) from 14 of the 21 large agencies included in the survey chose 'neither agree nor disagree' or 'don't know' in relation to their agency's support for Indigenous employees. This suggests that some agencies need to better develop, or more clearly articulate, their commitment to employees about agency support for the employment, development and promotion of Indigenous Australians.

This year the survey also asked whether employees thought that their agency needed to do more or less to support Indigenous employees. Only 29% of employees felt that their agency needed to do more (22% nominated more and 7% much more) to support the employment, development and promotion of Indigenous employees. The majority of employees (60%) were satisfied with the level of support provided to Indigenous employees. However, 81% of Indigenous employees feel that their agency needed to do more to support them, compared with 28% of non-Indigenous respondents.

Following are some employee comments about their agency's support for Indigenous Australians.

*Many of the social policy challenges currently facing Australian society relate to Indigenous people, and it would be very useful to have more employees from an Indigenous background to help us best meet these challenges in ways that are meaningful within their cultural context.*

*A greater number of Indigenous employees based in Canberra could contribute greatly to the 'pointy end' policy development work.*

*We employed the first Aboriginal person in March 2005, since the agency commenced in about 1990.*

*I believe that many Aboriginal people are employed because [agency] seems to require a certain percentage of Aboriginal people.*

*Employment of Indigenous employees is core business of my agency.*

*As an Indigenous organisation it is disheartening that our Indigenous staff make up only around 20% and mainly at lower levels. No real career paths and educational/training opportunities are offered to engage and retain Indigenous staff. The usual excuse is that there are no Indigenous people available who are qualified for certain roles. Well, train them—create a skilled Indigenous workforce.*

*I have observed that the behaviour of many members of management and staff appears to be patronising and insensitive to Indigenous staff.*

employee survey

## Job satisfaction and other employee indicators— Indigenous employees

As was the case last year, this year there was no significant difference between Indigenous and non-Indigenous employees' level of overall job satisfaction based on the job satisfaction index.<sup>23</sup> This year 73% of Indigenous employees were, on average, satisfied with the factors they nominated as important, compared to 71% of non-Indigenous employees.<sup>24</sup> Table 9.11 shows the differences in the most important job satisfaction factors for Indigenous and non-Indigenous employees. 'Duties/expectations made clear', 'chance to make a useful contribution to society', 'seeing tangible results from my work' and 'opportunities for career development' were all more likely to be included in the top five most important job satisfaction for Indigenous employees.

**Table 9.11: Most important job satisfaction factors, by Indigenous status, 2004–05**

Indigenous employees			Non-Indigenous employees		
Rank	Factor	% rating in top 5	Rank	Factor	% rating in top 5
1	Duties/expectations made clear	58	1	Good working relationships	52
2	Salary	53	2	Salary	46
3	Regular feedback/recognition for effort	45	=3	Regular feedback/recognition for effort	45
4	Chance to make a useful contribution to society	37	=3	Flexible working arrangements	45
=5	Seeing tangible results from my work	36	5	Good manager	44
=5	Opportunities for career development	36			

Source: Employee survey

Unfortunately, there was insufficient data to accurately assess satisfaction levels with individual factors.

In response to a series of questions exploring employee identity and levels of pride, some differences were evident between Indigenous and non-Indigenous employees. When asked to choose between whether they considered themselves to be primarily an APS employee or an employee of their agency, Indigenous employees were more likely than non-Indigenous employees to consider themselves an APS employee (70% and 39%, respectively). In response to a separate question, Indigenous employees were more likely than non-Indigenous employees to regard themselves as 'someone who is satisfied with their current job and does not envisage moving to another job in the foreseeable future' (41% and 25%, respectively), but less likely to regard themselves as 'a career public servant' (12% and 23%, respectively). Indigenous employees also reported higher levels of pride—they were more likely than non-Indigenous employees to agree that they were proud to work in their current agency (81% and 65%, respectively) and in the APS (84% and 71%, respectively).

<sup>23</sup> Background information on the job satisfaction and other employee indicator questions in the employee survey is found above at the section 'Job satisfaction and other employee indicators—women'.

<sup>24</sup> In this context the results were not statistically significant at the 95% Confidence Interval (see Appendix 2 for more information on confidence intervals).

When employees' perceptions of their immediate supervisors' leadership and management capability were examined, the views of Indigenous and non-Indigenous employees differed markedly in terms of leadership capability. Based on the supervisor capability index, Indigenous employees rated their immediate supervisor's leadership capability lower than non-Indigenous employees did. Only half of Indigenous employees rated their immediate supervisor's overall leadership capability above average, compared to 68% of non-Indigenous employees. However, a similar proportion of Indigenous and non-Indigenous employees (about 50%) rated their immediate supervisor as highly effective at managing people.

In addition to the different views held by Indigenous and non-Indigenous employees highlighted above, other noteworthy differences included:

- Indigenous employees were less likely to agree that senior managers in their organisation led by example in ethical behaviour (33% compared to 52% of non-Indigenous employees)
- Indigenous employees were more likely to disagree that they were confident in the processes used by their agency to resolve employee grievances (42% compared to 26% of non-Indigenous employees)
- Indigenous employees were more likely to disagree that recruitment and promotion decisions in their organisation were fair (46% compared to 30% of non-Indigenous employees).

## People with a disability

There is no consistent APS-wide definition of what constitutes disability for the purpose of EEO data collected by agencies. Some agencies use a specific definition, based on the impact of the disability on how the person works, for example, while others leave it to individuals to decide whether they consider that they have a disability for the purpose of EEO data. Different types of disability are also likely to have different effects on employment in different ways, for example:

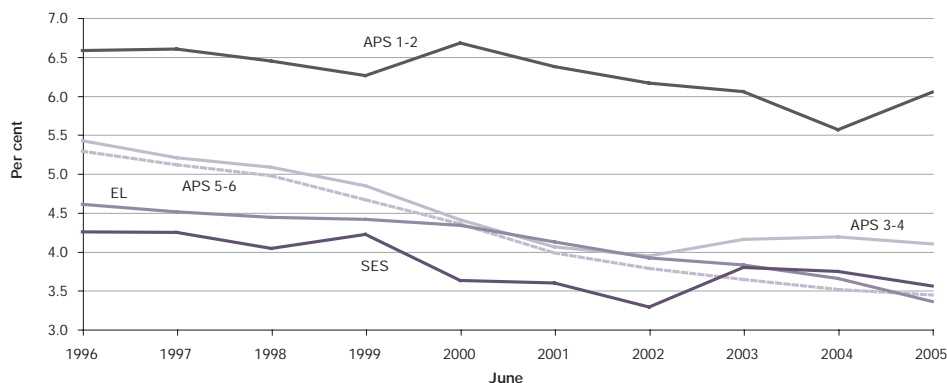
- sensory, physical, psychological, and medical
- disabilities of different severity
- episodic, continuous, short-term, and degenerative disabilities
- disabilities that are acquired pre- or post-employment.

In addition to these definitional issues, it needs to be stressed that reporting of data on disability, like reporting on other EEO data, is voluntary. It is important, therefore, when considering the data relating to people with a disability, to understand that it is an approximation only of the incidence of disability, however defined, across the APS.

Over the past decade, the data shows a consistent decline in the employment of people reporting a disability as a proportion of APS employees. In absolute terms, the number of employees fell each year, before recovering slightly in 2002–03, and then declining again for the past two years. At June 2005, people with a disability represented 3.8% of ongoing APS employees, down from 3.9% last year, and from 5.4% in 1996. While the decline can be partly explained by a reduction in the number of positions at APS

1–2 levels, where people with a disability were historically over-represented, the past 10 years has seen a decline in the representation of people with a disability at all classification levels.

**Figure 9.7: Proportion of ongoing staff with a disability by classification, 1996 to 2005**



Source: APSED

During 2004–05, representation of people with a disability fell in all classification groups except for APS 1–2s, where representation rose from 5.6% to 6.0% (although the number of people with a disability in this classification group fell).

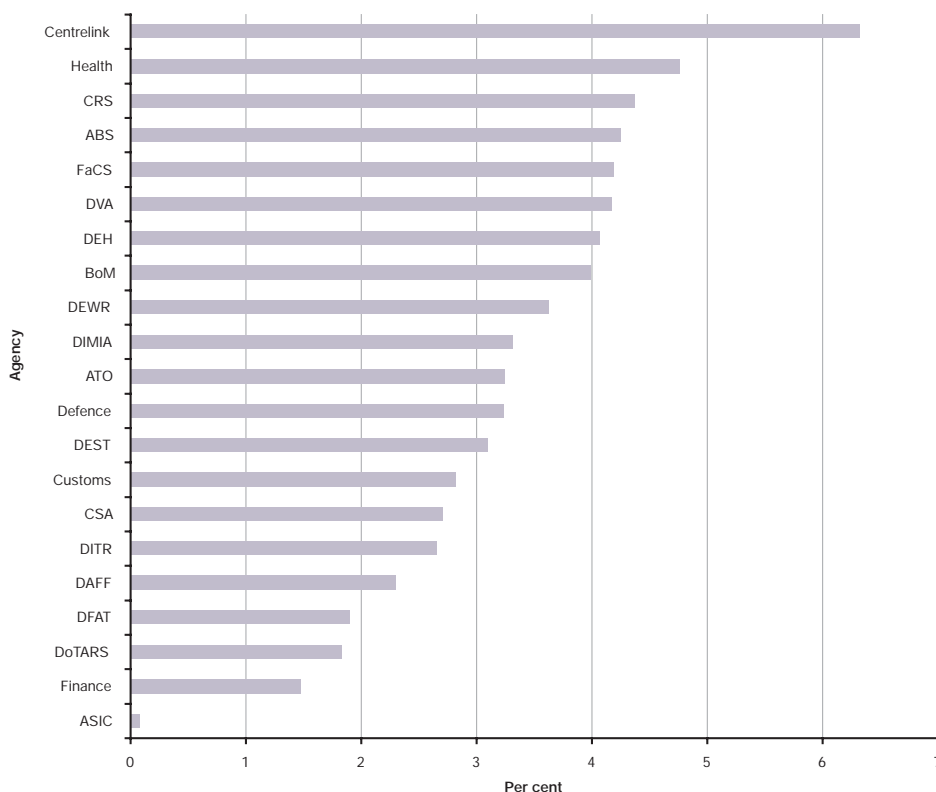
Employees with a disability are somewhat less likely to have graduate qualifications than other employees—at June 2005, 41.5% of employees with a disability had a bachelor’s degree or higher, compared with the APS average of 49.9%.<sup>25</sup>

Agencies with relatively high proportions of people with a disability are the Commission (11.1%), EOWA (9.1%), the National Water Commission (NWC) and DHS (each 8.3%). These are small agencies, so the actual number of people with a disability they employ is relatively low. Nine agencies reported that they had no ongoing employees with a disability.<sup>26</sup> All were small agencies. Figure 9.8 shows the proportion of people reporting a disability in agencies with more than 1000 ongoing employees.

<sup>25</sup> The method used to calculate the proportion of employees with graduate or tertiary qualifications includes those with qualifications at bachelor degree and above. It excludes from the denominator those for whom no data was provided by agencies, and those who chose not to provide details of their highest educational qualification.

<sup>26</sup> This data is not directly comparable with that published in last year’s State of the Service report.

Figure 9.8: Proportion of people with a disability in agencies with more than 1000 ongoing employees, June 2005



Source: APSED

Overall engagement and separation rates for people with a disability both fell this year. However, the number of engagements and separations actually rose, but not at the same rate as overall engagements and separations, resulting in an overall decline in engagement and separation rates. Compared with 10 years earlier, both engagement and separation rates have fallen—a positive result for separation rates. These trends are shown in Table 9.12.

Table 9.12: Representation of people with a disability in engagements and separations of ongoing employees, 1995–96 to 2004–05

	1995–96	1996–97	1997–98	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04	2004–05
Engagements No.	247	174	166	156	172	166	244	497	216	245
(% of engagements)	3.0	3.1	2.7	2.0	1.4	1.2	2.0	3.3	2.3	2.1
Separations No.	517	901	882	783	509	344	361	315	352	430
(% of separations)	5.6	5.9	5.3	5.4	4.7	4.2	4.2	4.4	4.8	4.1

Source: APSED

## Challenges in relation to the employment of people with a disability

This year agencies were asked if they were facing a range of challenges regarding the employment of people with a disability. Most agencies did not report facing a challenge. Only nine agencies have been identified as having no ongoing employees with a disability.<sup>27</sup> However, many more agencies have indicated that these challenges are not applicable to them, which is a concern, in particular, those relating to the recruitment of people with a disability.

One quarter of agencies reported facing at least one challenge with regard to the employment of people with a disability (16 large agencies, 4 medium and 5 small agencies). The frequency of challenges increased with agency size, with only large agencies noting more than one challenge. The proportion of agencies facing challenges in relation to the employment of people with a disability was lower than for those facing a challenge relating to Indigenous employment.

Table 9.15 sets out the frequency of challenges faced by agencies in relation to the employment of people with a disability.

**Table 9.15: Agency challenges in relation to employment of people with a disability, 2004–05**

Challenges faced by agencies	Number of agencies (N=82)		
	Yes	No	Not applicable
Loss of valued employees with a disability	8	56	18
Difficulty recruiting graduates with a disability with required skills as part of a formal graduate programme	7	26	49
Difficulty recruiting people with a disability (other than for a formal graduate programme) with required skills	13	40	29
Difficulty in managing underperforming employees with a disability	9	51	22
Difficulty providing mentors with appropriate experience for employees with a disability	4	47	31
Managing the cost of providing reasonable adjustment	10	51	21
Difficulty in accessing information and/or assistance on reasonable adjustment	5	57	20
Other	3	29	50

Note: Not Applicable results in this table include those agencies that did not respond to the question about the particular challenge.

Source: Agency survey

<sup>27</sup> This data is not directly comparable with that published in last year's State of the Service report.

The Hon Kevin Andrews, MP, Minister for Employment and Workplace Relations, announced the formation of an Employer Roundtable for People with a Disability in early 2005. The Inaugural meeting was held on 13 May 2005.

The Roundtable is made up of employers and peak bodies, and the Commissioner is one of only two APS representatives on the Roundtable. The engagement of employers in this reform is seen as critical, and will provide a crucial base for the development and implementation of employment initiatives. The Roundtable is to focus on the employment of people with disabilities and has been established to provide high-level advice to the Government, by November 2005, on ways of increasing workforce participation for people with a disability through increased employer demand. The advice will be provided in the form of a Disability Action Plan, which was presented to the Minister on 26 October 2005.

committee case study

Agencies were asked what practical initiatives could be undertaken to increase the number of people with a disability in their agency. Most agencies suggested that they should develop disability plans or build upon their existing workplace diversity programmes or disability plans. Other suggestions revolved around marketing and assistance initiatives. A number of agencies also expressed concern over the lack of an accepted definition of 'disability' and the need for improved systems for identifying and reporting people with a disability.

Agencies suggested that one major way to attract people with a disability was to better market and target employment opportunities available in agencies. Specific strategies identified included:

- ensuring that practices covering merit and non-discrimination are observed
- identifying or creating suitable duties and tasks
- working with organisations representing people with a disability to raise the profile of agencies and make them an employer of 'choice'
- using the experience of existing employees to identify any barriers to employment of people with disabilities
- providing good practice examples on how reasonable adjustment works
- educating managers and employees about the benefits of recruiting people with disabilities
- providing greater support to employees with a disability through initiatives such as flexible job design.

Agencies also suggested the use of special employment measures, including internships or traineeships, special programmes and financial incentives from central agencies. One agency suggested amendments to the limitations to the length of non-ongoing employment in the Regulations to make it easier to engage non-ongoing employees with a disability. The non-ongoing provisions are being examined as part of the Commission's review of the Act in 2005–06.

## Agency support for the employment of people with a disability

The agency survey asked agencies about their strategies to recruit and retain people with a disability and the particular challenges they faced in relation to the employment of people with a disability. The employee survey asked about employees' perceptions of whether their agency supports the employment, development and promotion of people with a disability.

### Recruitment of people with a disability

The use of measures to facilitate the recruitment of people with a disability was more common than for Indigenous employees, with 80% of agencies using at least one measure (compared to 85% in 2003–04). Most agencies reported using a combination of strategies to facilitate the recruitment of people with a disability. Seventeen agencies did not have any strategies in place.

Table 9.13 sets out the number and types of strategies agencies use to facilitate the recruitment of people with a disability.

**Table 9.13: Agency strategies to recruit people with a disability, 2004–05**

Recruitment Strategy	Number of agencies (N = 82)		
	In place	Being developed	Not in place
Special employment measures limiting employment opportunities only to persons with an intellectual disability	1	0	81
Working with organisations that specialise in placing people with a disability in employment	21	3	58
Providing opportunities for people with a disability to gain skills and experience under an agency-based employment scheme	5	3	74
Providing assistance during the application process	48	3	31
Appropriate accommodation made to any testing situation	40	0	42
Training of selection panels in appropriate interviewing methods for people with a disability	20	7	55
Providing information and/or access to advice on reasonable adjustment measures in the workplace	53	0	29
Seeking expert assessments on reasonable adjustment in relation to specific cases	38	0	44
Other	6	0	76

Note: Not in place results in this table include those agencies that did not respond to the question about the particular strategy.

Source: Agency survey

There is a relationship between agency size and the number of strategies used, with larger agencies more likely to have used multiple strategies.

The most common strategies used to facilitate the employment of people with a disability regardless of agency size continue to be 'providing assistance during the application process', 'appropriate accommodation made to any testing situation', 'providing information and/or access to advice on reasonable adjustment measures in

the workplace' and 'seeking expert assessments on reasonable adjustment in relation to specific cases'.

This year, agencies were asked whether they used contractors (e.g. Koomarri Jobmatch, the Disability Employment Action Centre, Break Thru, Employment Solutions, and Direct Employment) that specifically employ people with an intellectual disability. While 11% of agencies used such contractors, their use was greatest in large agencies with nearly one in five large agencies reporting usage.

Some of the practical measures undertaken by agencies this year to assist people with a disability have been:

- providing reasonable adjustment training for managers
- participation in mentoring programmes or networks
- deafness awareness training and general awareness of disability training for employees
- facilitating placements for people referred by CRS
- developing better recruitment strategies
- developing and implementing disability strategies, either as a management strategy or as part of a wider diversity programme.

### **Retention of people with a disability**

The 2005 agency survey expanded the response options relating to retention strategies, giving agencies a choice between 'no measures' and 'not applicable—no people with a disability in the agency'. Seventeen agencies (21%) indicated that retention strategies were not applicable (16 small agencies and one medium agency), although three of these small agencies reported use of some measures which would be available to all employees such as access to flexible working arrangements. An additional two medium agencies had no measures in place. Overall, 80% of agencies report that they had at least one measure to retain people with a disability (a fall of 11 percentage points since 2003–04). More agencies had retention strategies in place for people with a disability than for Indigenous employees (67%).

Table 9.14 sets out the frequency of strategies used by agencies to retain people with a disability.

Table 9.14: Agency strategies to retain people with a disability, 2004–05

Retention Strategy	Number of agencies (N = 82)			
	In place	Being developed	Not in place	Not applicable (no people with a disability)
Encourage participation in a network for people with a disability	14	3	48	17
Disability awareness training programme for employees generally	13	8	45	16
Access to adaptive technology or other practical support such as signers or parking spaces	58	0	8	16
Access to contact officers who assist with issues such as discrimination	63	0	4	15
Access to part-time or other flexible working arrangements	65	0	2	15
Access to skills development	63	0	4	15
Provide targeted leadership development opportunities	4	3	59	16
Other retention strategies	11	0	37	34

Note: Not applicable results in this table include those agencies that did not respond to the question in relation to the particular strategy.

Source: Agency survey

Compared to 2003–04, there has been a general fall in the number of agencies reporting use of these measures—the only exception being a slight increase (two agencies) in ‘encouraging participation in networks’. ‘Flexible working arrangements’ (94%), ‘access to skills development’ (94%) and ‘access to contact officers’ (94%) remain the most commonly used strategies. These proportions exclude those agencies that indicated these retention strategies were not applicable to them, as they have no Indigenous employees.

Fifty-eight agencies indicated that they had strategies in place around adaptive technology and other practical support for people with a disability, for example, physical access. However, people with a disability still report the lack of workplace adjustment as a factor in preventing them from applying for certain jobs. MAC found that environmental factors had played a part in limiting career choices in the APS for people with physical disabilities. In many cases the reason cited for why they had not sought job opportunities was access—that is, they had been unable to enter and/or exit the workplace. As required under legislation which has been in place for some time, agencies need to be more focused on how they can make workplace adjustments to meet issues of access and adjustment for potential and existing employees.

## Employee perceptions

The 2005 employee survey asked respondents to indicate their level of agreement with the statement, 'my agency actively supports the employment, development and promotion of people with a disability'. Fifty-seven per cent of all respondents agreed with the statement. This result was much lower than for similar questions in relation to women and people from all cultural backgrounds, but similar to the level of agreement about agency support for Indigenous employees.

The proportion of employees that agreed with this statement in large agencies ranged widely (from 24% to 75%), with the highest agreement rates at ATO, BoM, CRS, Centrelink, Defence and DFAT.

The APS result compares unfavourably with those reported recently by the Victorian Government. The Victorian Government's People Matter Survey 2004<sup>28</sup> in relation to employee perceptions of disability issues in employment found that 73% of employees agreed that 'disability is not a barrier to success in my workgroup'. This was 14 percentage points lower than for a similar statement in relation to gender, and another about cultural background. This mirrors the APS experience that agencies are seen to be more supportive of the employment of women and people from NESB1 than people with a disability.<sup>29</sup>

Only 47% of people with a disability agreed that their agency actively supports the employment, development and promotion of people with a disability, significantly lower than the 57% of people who did not have a disability.

The following represents a sample of the comments employees made about their agency's support for people with a disability.

*I believe the [agency] is at present addressing what has seemed like a lack of support for the disabled.*

*There should be a return to more APS 1-2 [positions] to get these people [people with a disability] started in a supported environment and opportunities to further their careers.*

*I have two staff members with special needs... but there is no departmental support or funding to assist [them].*

employee survey

This year the survey also asked whether employees thought that their agency needed to do more or less to support people with disabilities. Fifty-one per cent of people with disabilities felt that their agency needed to do more to support them, compared with 31% of people without a disability.

<sup>28</sup> See <[www.ope.vic.gov.au](http://www.ope.vic.gov.au)>. Caution should be exercised in comparing the results because of the differences in wording of the questions, and differences in methodologies between the two surveys.

<sup>29</sup> For the purposes of the employee survey, a disability was defined as any physical, intellectual or psychological restriction or lack of ability (resulting from an impairment) to perform an activity in the manner or within the range considered normal. Impairment can include people suffering from ongoing illness or injury.

## Job satisfaction and other employee indicators—people with a disability

Based on the job satisfaction index,<sup>30</sup> people with a disability reported lower levels of overall job satisfaction than people without a disability; 65% were, on average, satisfied with the factors they nominated as important, compared to 71% of people without a disability (although this difference is not statistically significant). This was in contrast to last year’s result, when people with a disability had significantly lower levels of overall job satisfaction compared to people without a disability.<sup>31</sup> Over time there has been an upwards trend in levels of overall job satisfaction for people with a disability, rising from 50% in 2002–03 to 65% in 2004–05.

Table 9.16 shows that for 2004–05 four of the top five job satisfaction factors were common to both people with a disability and people without a disability. ‘Duties/ expectations made clear’ was included only in the top five factors for people with a disability, whilst ‘salary’ was included only in the top five factors for people without a disability.

While ‘salary’ was not among the top five most important job satisfaction factors for people with a disability, it was ranked just outside the factors included in Table 9.16.

**Table 9.16: Most important job satisfaction factors, by disability status, 2004–05**

People with a disability				People without a disability			
Rank	Factor	% rating in top 5	% satisfied	Rank	Factor	% rating in top 5	% satisfied
1	Good working relationships	61	73	1	Good working relationships	51	85
2	Good manager	47	57	2	Salary	47	50
=3	Regular feedback/ recognition for effort	46	39	=3	Regular feedback/ recognition for effort	45	48
=3	Duties/ expectations made clear	46	69	=3	Flexible working arrangements	45	83
5	Flexible working arrangements	44	83	5	Good manager	44	66

Note: The ‘per cent satisfied’ includes only those respondents who selected the factor and then rated their satisfaction.

Source: Employee survey

<sup>30</sup> Background information on the job satisfaction and other employee indicator questions in the employee survey is found above at the section ‘Job satisfaction and other employee indicators—women’.

<sup>31</sup> The difference between the 2004–05 and the 2003–04 results for people with a disability was not statistically significant at the 95% Confidence Interval (see Appendix 2 for more information on confidence intervals).

Table 9.16 also shows the proportion of each group satisfied with the factors they had identified as important. The majority of people with a disability were satisfied with four (out of five) of their most important job satisfaction factors, while a majority of people without a disability were also satisfied with four (out of five) of their most important factors.

In addition to the different views held by people with, and people without, a disability highlighted above, other noteworthy differences included:

- People with a disability were less likely to agree that their workplace culture supports people to achieve a good work-life balance (57% compared to 68% of people without a disability).
- People with a disability were more likely to disagree that recruitment and promotion decisions in their organisation were fair (42% compared to 30% of people without a disability).

## Non-English speaking background

As indicated above, the term 'NESB', representing people from a non-English speaking background, is used in APSED. In the absence of an alternative, the measure used to analyse data for this purpose is NESB1, which includes people born overseas whose first language was not English. NESB2 data, which includes children of certain migrants, has not been included as there is little evidence of employment disadvantage having occurred.

The proportion of people in the APS who identified themselves as being from a NESB1 rose a little during the past year, from 5.2% in 2004 to 5.3% in 2005. Representation for this group has been particularly stable over the past decade, varying by less than half of one percentage point over the period.

The 20 most common countries of origin for APS employees born overseas, beginning with the most common, were: England, India, New Zealand, Sri Lanka, Malaysia, Vietnam, Philippines, Scotland, Hong Kong, China, Germany, the USA, Italy, Poland, South Africa, Papua New Guinea, Fiji, Canada, Mauritius, and the Netherlands.

The 10 most common first languages, other than English, spoken by APS employees (again, beginning with the most common) were: Chinese (including Cantonese and Mandarin), Italian, Greek, German, Vietnamese, Polish, Spanish, Croatian, and Dutch.

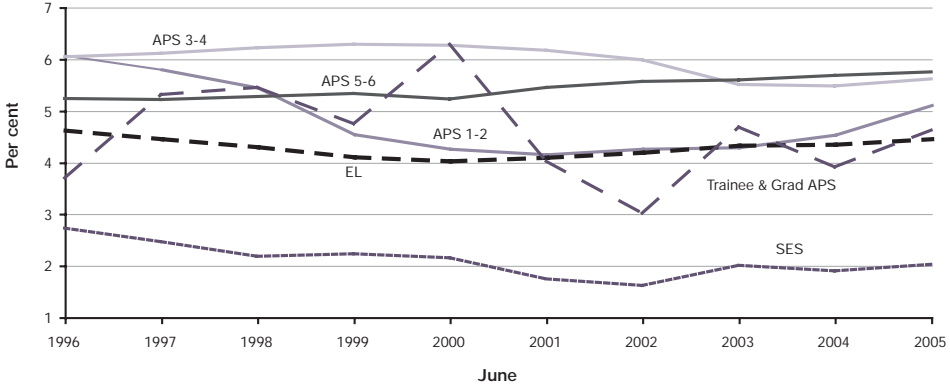
Figure 9.9 shows the representation of NESB1 employees by classification from 1996 to 2005. Representation rose or remained steady for NESB1 employees at all classification levels this year. NESB1 employees who entered the APS through trainee classifications are much more likely to do so via graduate programmes than through other training opportunities. At June 2005, 5.9% of graduate trainees were NESB1, compared with only 2.1% of other trainees.

NESB1 employees are much more likely to have graduate qualifications than are other employees—at June 2005, over two-thirds (71.5%) of NESB1 employees had a bachelor's degree or higher, compared with the APS average of 49.9%.<sup>32</sup>

<sup>32</sup> The method used to calculate the proportion of employees with graduate or tertiary qualifications includes those with qualifications at bachelor degree and above. It excludes from the denominator those for whom no data was provided by agencies, and those who chose not to provide details of their highest educational qualification.

The classification profile of NESB1 employees is higher than that of other diversity groups, and closer to that of the overall APS. NESB1s have lower representation only at the EL classifications (18.9% compared to 22.5% of total APS) and in the SES (0.6% compared to 1.6% of total APS). This group’s high representation in the graduate trainee classification—seen as a feeder group to these higher classification groups—suggests that their representation should improve at the EL and SES classifications over time.

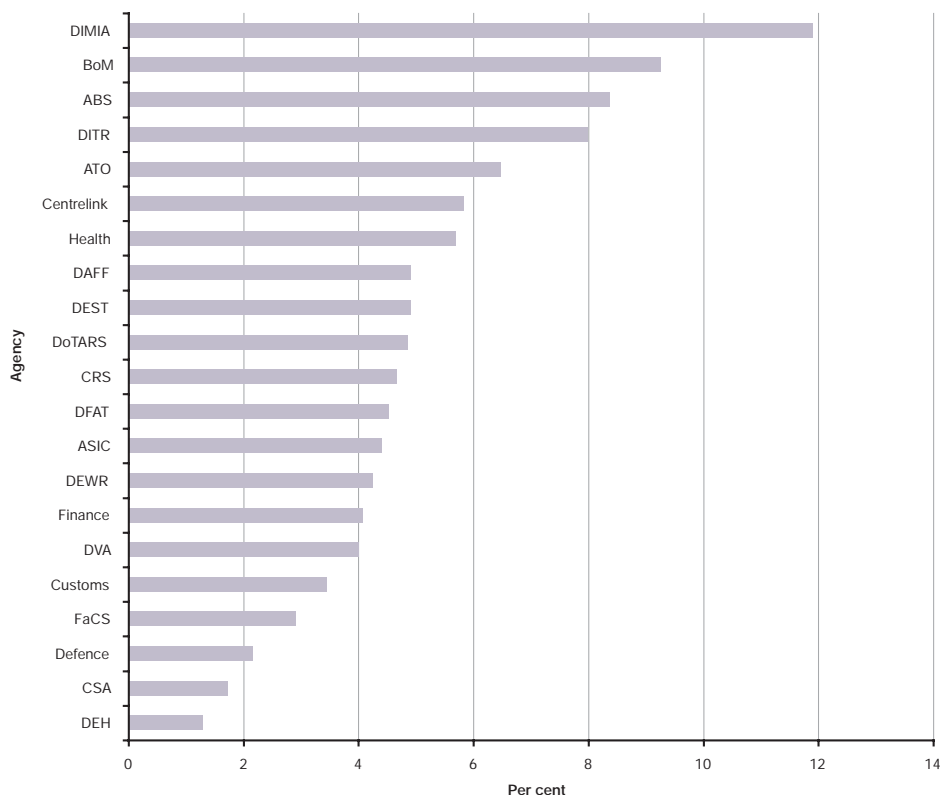
**Figure 9.9: Proportion of ongoing staff by classification who are NESB1 1996 to 2005**



Source: APSED

Representation of NESB1 employees varies between agencies, with the Royal Australian Mint (29.9%), National Library of Australia (NLA) (16.1%), IP Australia (15.0%) and the Australian Research Council (14.5%) being the highest. Figure 9.9 shows representation for those agencies with more than 1000 ongoing employees.

**Figure 9.10: Representation of NESB1 employees in agencies with more than 1000 ongoing employees, June 2005**



Source: APSED

## Agency support for the employment of people from a non-English speaking background

Few agencies have specific initiatives for NESB employees and, while there is little evidence of employment disadvantage for NESB2 employees, the representation of NESB1 employees in the APS has remained relatively stable over the last decade, with a slight increase in 2005 to 5.3%.<sup>33</sup> In some agencies there has been a move towards a ‘productive diversity’ model—capitalising on the talents of language and cultural diversity in the workplace for business benefits—rather than one of perceived deficit (disadvantaged groups). Centrelink, for example, reports on the number of employees who speak a language other than English and/or English and another language. A number of agencies are using the skills of bilingual employees to better meet the needs of their clients.

<sup>33</sup> The representation of NESB1 employees has increased compared with the level reported last year. This is due to a revision in the calculation of this group’s representation. Previous years’ data has also been revised, so any longitudinal movement is not due to the change in methodology.

The ATO is active in educating non-English speaking taxpayers about their tax obligations and entitlements and has established a Special Audiences Unit that makes the most of in-house language resources to help and support ethnic businesses and communities. Employees in this unit cover 14 languages and receive a language entitlement to encourage them to study and maintain their language skills.

Bilingual Centrelink employees, speaking a total of 22 languages, field about 40,000 calls a month through its multicultural call centre. A call-back service is also provided for languages not spoken at the centre. This is one example of Centrelink's commitment to effectively delivering services to the agency's more than one million clients who were born overseas (representing 18% of Centrelink's customers). While selection is merit-based, the agency encourages the recruitment of employees from a range of cultural backgrounds. In addition, bilingual employees can be paid a language allowance to encourage them to maintain their language skills; they are also encouraged to honour their religious beliefs and observe their own religious holidays.

agency case study

### Employee perceptions

The 2005 employee survey asked respondents to indicate their level of agreement with the statement, 'my agency actively supports the employment, development and promotion of people from all cultural backgrounds', as it applies in their agency. Eighty-one per cent of all respondents agreed with the statement. This result was similar to employees' level of agreement that their agency supports the employment of women, and is higher than comparable results for Indigenous Australians and people with a disability. The range among large agencies was the narrowest of all four EEO groups, extending from a low of 55% to a high of 87%, with the highest results being at ABS, ATO, BoM, Centrelink, CRS, Defence, DAFF, DEST, DFAT, and DIMIA.

Eighty-two per cent of non-NESB1 respondents agreed with the statement that their agency actively supports the employment, development and promotion of people from all cultural backgrounds, compared to 73% of respondents who identified themselves as being from a NESB1.

The APS result is consistent with positive results in the Victorian public sector from the Victorian Government's People Matter Survey 2004 in relation to employees' perceptions of cultural background issues. The Victorian Government found that agreement that cultural background is not a barrier to success is only marginally lower among employees who speak a language other than English at home (85%) compared to employees who speak English at home (88%).<sup>34</sup>

This year the employee survey also asked whether employees thought that their agency needed to do more or less to support people from NESB1. Just under a quarter of employees felt that their agency needed to do either more (18%) or much more (5%) to support the employment, development and promotion of people from NESB1. Forty-eight per cent of people from NESB1, however, felt that their agency needed to do more to support them, compared with 19% of non-NESB1 respondents.

<sup>34</sup> See <[www.ope.vic.gov.au](http://www.ope.vic.gov.au)>. Caution should be exercised in comparing the results because of the differences in wording of the questions, and differences in methodologies between the two surveys.

The generally high level of agreement that agencies support the employment of people from all cultural backgrounds was reflected in the limited number of comments made by employees about NESB employees in the APS.

*Very few people of cultural diversity are appointed in the EL2 level or above. Senior management's general attitude is that people from NESB are not professional because they speak with an accent!*

*My impression is that the agency selects the top quality applicants. This has resulted in a high number of women and non-English speaking background younger employees.*

employee survey

## Job satisfaction and other employee indicators—people from a non-English speaking background

Based on the job satisfaction index,<sup>35</sup> NESB1 employees reported similar levels of overall job satisfaction to non-NESB1 employees; 71% of both groups were, on average, satisfied with the factors they nominated as important. Table 9.17 shows that four of the top five job satisfaction factors were common to both NESB1 and non-NESB1 employees. 'Opportunities to utilise my skills' was included only in the top five factors for NESB1 employees, whilst 'regular feedback/recognition for effort' was included only in the top five factors for non-NESB1 employees.

Table 9.17: Most important job satisfaction factors, by NESB1 status, 2004–05

NESB1				Non-NESB1			
Rank	Factor	% rating in top 5	% satisfied	Rank	Factor	% rating in top 5	% satisfied
1	Good working relationships	58	82	1	Good working relationships	51	84
2	Opportunities to utilise my skills	52	65	=2	Regular feedback/recognition for effort	45	47
=3	Salary	51	39	=2	Salary	45	51
=3	Good manager	51	61	=2	Flexible working arrangements	45	82
5	Flexible working arrangements	48	91	5	Good manager	43	65

Note: The 'per cent satisfied' includes only those respondents who selected the factor and then rated their satisfaction.

Source: Employee survey

Table 9.17 also shows the proportion of each group satisfied with the factors they had identified as important. The majority of NESB1 employees were satisfied with four (out of five) of their most important job satisfaction factors, with only 39% of NESB1 employees

<sup>35</sup> Background information on the job satisfaction and other employee indicator questions in the employee survey is found above at the section 'Job satisfaction and other employee indicators—women'.

who selected the factor 'salary' actually satisfied with this factor (this compares to 51% of relevant non-NESB1 employees being satisfied with this factor). The majority of non-NESB1 employees were also satisfied with four (out of five) of their most important factors.

When employees' perceptions of their immediate supervisors' leadership and management capabilities were examined, the views of NESB1 and non-NESB1 employees differed. Based on the supervisor capability index, NESB1 employees rated their immediate supervisor's leadership capability lower than that of non-NESB1 employees. Only 57% of NESB1 employees rated their immediate supervisor's overall leadership capability above average, compared to 69% of non-NESB1 employees. NESB1 employees were also less likely to rate their immediate supervisor as highly effective at managing people (46% compared to 51% of non-NESB1 employees).

## Age diversity

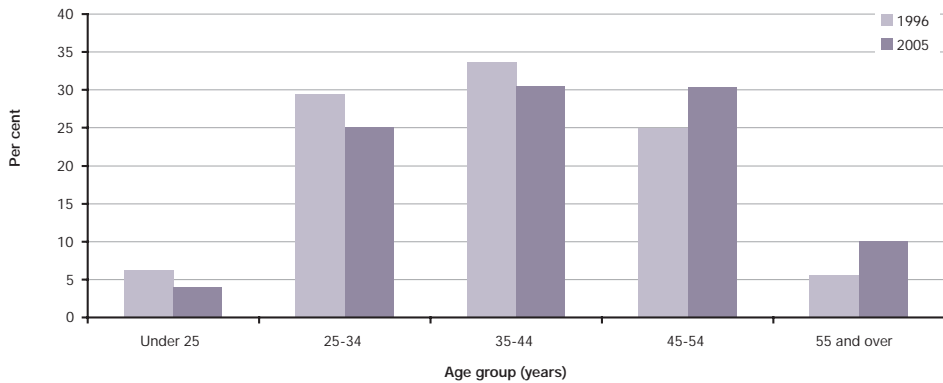
The 2003 MAC report, *Organisational Renewal*, and the 2005 MAC report, *Managing and Sustaining the APS Workforce*, address the challenges APS agencies face in maintaining and improving their capability in a changing environment.<sup>36</sup> The ageing profile of the APS workforce and the contraction of the labour market are already affecting particular skill areas. Against this background, engaging and retaining employees at both ends of the age profile will be critical to ongoing effectiveness at an agency and service-wide level.

The statistical snapshot of the APS in Chapter 2 'Statistical snapshot' of this report highlighted the ageing of the APS over the last decade, which continued during 2004–05. The decline in the employment of young people noted in previous State of the Service reports has also continued this year. The implications of demographic changes for workplace planning, succession management and capability building are discussed in Chapter 8 'Managing, sustaining and engaging the APS workforce'. These chapters highlight the stresses at both ends of the age spectrum: the need to adapt workplace practices to retain the skills of mature-aged workers in the APS; and the need to accelerate the development of those who will replace them in line management positions.

As foreseen, there has been a significant increase in the proportion of APS employees aged over 45 years (both 45–54 and 55 and over) over the last decade, from 30.5% in 1996 to 40.4% in 2005. If the current trend continues, next year there will be more employees in the 45–54 age group than in the 35–44 age group. Over the same period, employees aged under 25 years has fallen as a percentage of the APS workforce, from 6.3% to 4.0%. The changing age profile of the APS is shown in Figure 9.11.

<sup>36</sup> Management Advisory Committee 2003, *Organisational Renewal*, Commonwealth of Australia, Canberra; *Managing and Sustaining the APS Workforce*, Commonwealth of Australia, Canberra.

Figure 9.11: Ongoing staff—Age profile, 1996 and 2005



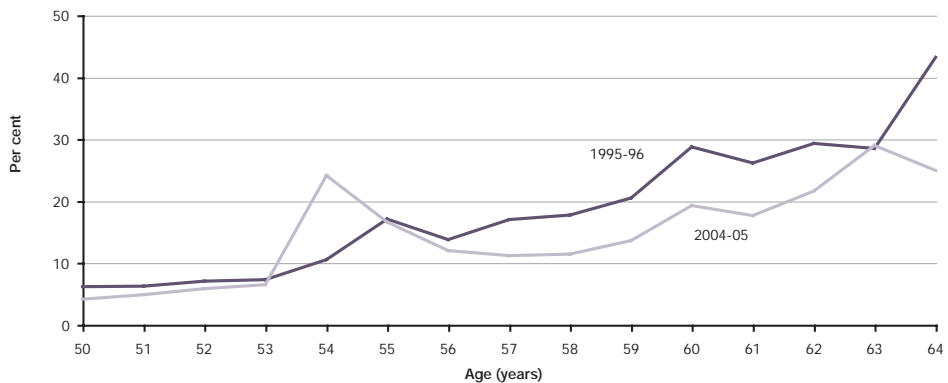
Source: APSED

## Mature-aged employees

The APS is increasingly reliant on mature-aged employees (45 years and over) who now represent 40.4% of its ongoing workforce.

Figure 9.12 below displays the separation trends for APS employees in the 50–64 age group in 1995–96 and 2004–05. It shows that in the earlier period there was a steady rise in the separation rate for older workers, while current data points to a smaller proportion of employees aged 56 and over leaving each year. The ‘54/11’ effect is nevertheless evident in this year’s data, as it has been since 1997–98. This year, in fact, 54/11 resignations rose after having fallen in the two previous years (perhaps reflecting some peaking in baby boomer retirements), as did retirements among 55 year-old employees. Yet, despite this peak in departures between the ages of 53 and 55, the proportion of ongoing APS employees over 55 increased from 5.6% in 1996 to 10.1% in 2005.

Figure 9.12: Separation rates for ongoing employees aged 50 to 64, 1995–96 and 2004–05<sup>37</sup>



Source: APSED

<sup>37</sup> The separation rate is calculated as the proportion of employees separating at a particular age during the year, divided by the average number of employees at that age at the beginning and end of the financial year. The separation rate for those aged 64 and over in 1995–96 was inflated due to compulsory age retirement at that time. This meant that the number of separations was artificially high, and the number of employees at the beginning and end of the financial year (used in calculating the separation rate) was lower than is the case now.

There are a number of factors affecting separation rates for mature-aged employees. These include access to flexible working arrangements and the earning rates of the superannuation funds, which affect the benefits available to those who resign before age 55, referred to above. Other factors are related to job satisfaction.

### Job satisfaction and other employee indicators—mature-age workers

Table 9.18 shows the differences in the most important job satisfaction factors for mature-aged employees and employees aged under 45 years. 'Opportunities to utilise my skills', 'seeing tangible results from my work' and 'good manager' were all more likely to be included in the top five most important job satisfaction factors for mature-aged employees. The areas of difference between mature-aged and younger employees are likely to be, to some extent, related to life stage; for example, mature-aged employees chose 'opportunities to utilise my skills' among their five most important job satisfaction factors, while younger employees chose 'opportunities to develop my skills'.

Based on the job satisfaction index, mature-aged employees reported slightly higher levels of overall job satisfaction than those employees aged under 45; 73% were, on average, satisfied with the factors they nominated as important, compared to 70% of employees aged under 45 years.

**Table 9.18: Most important job satisfaction factors, by 45 years and over and under 45 years, 2004–05**

Mature-aged employees (45 years and over)				Employees under 45 years			
Rank	Factor	% rating in top 5	% satisfied	Rank	Factor	% rating in top 5	% satisfied
1	Good working relationships	56	83	=1	Good working relationships	48	84
2	Opportunities to utilise my skills	47	62	=1	Salary	48	48
=3	Seeing tangible results from my work	44	74	=1	Flexible working arrangements	48	85
=3	Salary	44	51	=4	Regular feedback/recognition for effort	46	50
=3	Good manager	44	62	=4	Opportunities to develop my skills	46	54

Note: The 'per cent satisfied' includes only those respondents who selected the factor and then rated their satisfaction.

Source: Employee survey

Mature-aged employees were more likely than younger employees to regard themselves as 'satisfied with their current job', and there was no difference between mature-aged and younger workers in their levels of pride in working in their agency or in the APS.

Not surprisingly, mature-aged employees (22%) were more likely than younger employees (11%) to indicate that they intend to leave the APS in the next three years. Relevant mature-aged employees were more likely to report that they intended to

leave to retire (67% compared to 0% of relevant younger employees). Otherwise, their reasons for departure were the same as those of other employees, except that they were less likely to intend to leave due to an under-use of knowledge, skills and/or qualifications. However, based on the supervisor capability index, mature-aged employees were more likely than younger employees to rate their immediate supervisor's leadership capability as low. Mature-aged employees were also less likely to rate their immediate supervisor as highly effective at managing people (46% compared to 54% of younger employees).

Despite relatively higher levels of scepticism about their managers' capabilities, older workers appear to be willing to remain in the workforce for longer periods of time—though previous survey work undertaken by MAC in *Managing and Sustaining the APS Workforce* indicated that this is likely to be contingent on increased flexibility and other initiatives being adopted by agencies as part of their broader workforce planning strategies. While agency workforces are ageing at different rates (see Figure 2.13 in Chapter 2, 'Statistical Snapshot'), many APS agencies—including FaCS, DITR, Centrelink and DEWR—are developing mature-aged employment strategies that feature such initiatives as:

- introducing more flexible employment arrangements for mature-aged workers focusing on job design and hours of work
- developing career end and succession planning to facilitate phased retirement
- promoting establishment of alumni associations to maintain contact with retired employees
- conducting surveys of older employees to ascertain their career and retirement plans
- developing information kits for mature-aged workers
- introducing registers of former employees interested in further employment
- helping mature-aged workers to maintain and improve their health and fitness.

*Managing and Sustaining the APS Workforce* should have the effect of extending this activity. It calls upon all APS agencies to develop mature-aged workforce strategies and report back to MAC on their progress. Such strategies should be developed with an eye to the reasons given by this group of employees for leaving the APS, and job satisfaction factors, canvassed in Table 9.18 above.

## Younger workers

Last year's State of the Service report noted a decline in the number of employees aged less than 25 years. In 2004–05, numbers fell further to 4967, or 4.0% of the APS workforce overall. This year, as in 2003–04, there were decreases in both the under 20 and 20–24 age groups. For the latter group, representation is lower than it has been since regular data collection began in 1995–96.

The reduction in 2004–05 has occurred despite growth in the number of graduates from 522 in 2004 to 769 in 2005, and in trainees from 271 in 2004 to 379 in 2005, and irrespective of the average age of graduates and trainees, which is 24 years and 23 years, respectively.

Four per cent of ongoing employees were aged under 25 years, compared to 19.7% of non-ongoing employees. Of ongoing employees aged under 25 years, 12.1% separated in 2004–05. This is the highest separation rate for this group since regular data collection began, and may indicate greater job mobility among generation Y employees.

Younger employees were more likely to be working inside the ACT (46.2% compared to 31.9% of older employees) and could be indicative of graduates joining the APS—predominantly in Canberra.

The impact of declining numbers of younger workers in the APS is discussed in Chapter 8. The MAC Report, *Managing and Sustaining the APS Workforce* identifies a number of actions aimed at increasing levels of both recruitment and retention of younger employees—while at the same time noting that lateral recruitment of graduates over 25 years is making a significant contribution to the APS workforce.

### Job satisfaction and other employee indicators—younger workers

Based on the job satisfaction index, employees aged under 25 years reported similar levels of overall job satisfaction to employees aged 25 years and over; 69%, on average, were satisfied with the factors they nominated as important, compared to 71% of employees aged 25 years and over. Table 9.19 shows the differences in the most important job satisfaction factors for employees aged under 25 years and for those aged 25 years and over. ‘Opportunities for career development’ and ‘opportunities to develop my skills’ were more likely to be included in the top five most important job satisfaction factors for employees aged less than 25 years.

**Table 9.19: Most important job satisfaction factors, by under 25 years and 25 years and over, 2004–05**

Employees under 25 years				Employees 25 years and over			
Rank	Factor	% rating in top 5	% satisfied	Rank	Factor	% rating in top 5	% satisfied
1	Opportunities for career development	61	56	1	Good working relationships	52	84
2	Salary	58	45	2	Salary	46	49
3	Opportunities to develop my skills	50	61	=3	Regular feedback/recognition for effort	45	48
4	Good working relationships	49	80	=3	Flexible working arrangements	45	83
5	Regular feedback/recognition for effort	48	57	5	Good manager	44	65

Note: The ‘per cent satisfied’ includes only those respondents who selected the factor and then rated their level of satisfaction.

Source: Employee survey

When employees’ perceptions of their immediate supervisor’s leadership and management capabilities were examined, the views of employees aged under 25 years

were much more positive than the views of employees aged 25 years and over. The large majority (86%) of younger employees rated their immediate supervisor's overall leadership capability above average, compared to 67% of older employees. Younger employees were also more likely to rate their immediate supervisor as highly effective at managing people (65% compared to 50% of older employees).

There was no difference between employees aged under 25 years and employees aged 25 years and over with respect to their intentions to leave the APS. About 16% of both groups indicated that they intended to leave the APS in the next three years. It is noteworthy that younger employees were more likely than older employees to regard themselves as 'an APS employee in the short-term future' (27% and 7%, respectively) and 'someone who has or is likely to work in several APS agencies during their career' (30% and 16%, respectively).

Unfortunately, there was insufficient data to accurately assess the reasons why younger employees were intending to leave the APS; however, the data suggests that the factors shaping their intentions differ between younger and older employees; for example, the most common reason for leaving reported by relevant younger employees was 'to leave to pursue job opportunities outside the APS'. At the same time, younger employees were more likely than older employees to agree that they were proud to work in their current agency (75% and 65%, respectively) and in the APS (80% and 71%, respectively).

## Work-life balance

Work-life balance in its broadest sense can be defined as a person's satisfaction with their level of involvement in the multiple roles in their life. The broader adoption of work-life balance as distinct from work-family balance recognises both a broader concept of family and the recognition that care of dependent children is not the only important non-work function that employees struggle to balance. In addition to the care of dependent children, other life activities that need to be balanced with employment may include caring for ageing parents or extended family members, volunteer work, sport and exercise, study and hobbies. Research has shown that the benefits for organisations providing work-life balance initiatives include increased productivity, organisational commitment, improved morale and job satisfaction, reduced absenteeism, and reduced turnover.<sup>38</sup>

Despite widespread commitment to the principles of work-life balance, the reality for many employees is not always consistent with the rhetoric. The availability of work-life policies does not always result in employee uptake of these initiatives. Managerial support is seen as the key to either encouraging or discouraging employees' efforts to achieve work-life balance. The perception of negative career consequences can also influence access to work-life balance, including the need to be seen to be at work and the degree of co-worker support.<sup>39</sup>

<sup>38</sup> Hudson, 20:20 Series/The Case for Work/Life Balance: Closing the gap between policy and practice, <[www.hudson.com.au](http://www.hudson.com.au)>

<sup>39</sup> *ibid.*

In March 2005, Senator the Hon Helen Coonan announced the formation of the Australian Telework Advisory Committee (ATAC). Telework refers to activities that contractors and employees perform away from an employer's primary site; it is facilitated by information and communications technology. Telework has been shown to provide a more harmonious balance between family and workplace responsibilities and to contribute to a positive work-life balance. The Commission is represented on the Committee along with peak industry bodies, large and small business and other government agencies. DCITA provides the secretariat for ATAC.

ATAC's first meeting was held on 31 March 2005 and it is to report to Government by February 2006. It has undertaken wide consultation, including throughout rural and remote areas of Australia. A significant focus of ATAC's work includes consideration of flexible work practices that are supported by broadband connectivity. The final report will: analyse the current status of telework in Australia; advise on options and impediments to the development of telework for employees and businesses; and make recommendations designed to promote the effective adoption of telework arrangements.

committee case study

## Legislative framework relating to work-life balance

The Commissioner's Directions require agency heads to:

- put in place measures directed at ensuring that employment and workplace arrangements take appropriate account of employees who are seeking to balance individual needs and the achievement of organisational goals
- assist employees to balance their work, family and other caring responsibilities effectively by encouraging the development of mutually beneficial work practices in the agency.<sup>40</sup>

In addition, agency workplace diversity programmes are required to include measures aimed at ensuring that 'workplace structures, systems and procedures assist employees in balancing their work, family and other caring responsibilities'.<sup>41</sup>

<sup>40</sup> Clauses 2.11(1) and 3.2(2), PS Commissioner's Directions.

<sup>41</sup> Clause 3.3(b), PS Commissioner's Directions.

### Evaluation of workplace diversity programmes

Work-life balance initiatives were not addressed extensively in workplace diversity programmes. This may be because they were included in certified agreements rather than in workplace diversity programmes. Two-thirds of agencies mentioned their certified agreements and/or HR policies in relation to work-life initiatives.

The most commonly mentioned cluster of work-life initiatives was centred on flexible working arrangements. In many cases this mention was no more than a brief reference to the fact that the agency had flexible working arrangements.

Agency size appears to play a part in relation to flexible leave options and family support initiatives, with less than half of small and medium agencies referring to these initiatives in their workplace diversity programmes. In contrast, more than three quarters of large agencies included initiatives relating to flexible leave options and family support initiatives.

evaluation

## Agency support for work-life balance

The 2005 agency survey asked about measures used in agencies to promote work-life balance for employees. Table 9.20 sets out the overall frequency of strategies used by agencies to promote work-life balance in 2004–05. The strategies most frequently used by agencies were maternity leave at half pay, with over 95% of agencies providing this option; purchased leave arrangements, with 83% of agencies providing 48/52 leave arrangements; automatic rights to work part-time on return from maternity leave, provided by 77% of agencies; time off in lieu arrangements for EL employees, with 73% of agencies providing this option; and paid paternity leave, provided by 61% of agencies.

Other work-life strategies included: family care and/or nursing mothers' rooms; a prayer room; a health and wellbeing payment of up to \$200 for health-related activities and equipment to promote a healthy lifestyle; reimbursement of reasonable expenses arising from additional dependent care arrangements incurred because of business travel; working from home arrangements; and in some agencies computer drives and email accounts available via a remote dial-in facility. Some agencies also provided a school holiday care allowance; holiday care programmes run during school holidays; dependent care referral services; employee assistance programmes; annual leave buy back options; and flexbank provisions allowing staff to bank flex for a period of 16 weeks each year during times of high workload.

Table 9.20: Work/life balance strategies available in agencies, 2004–05

Work/Life Balance Strategies	Number of agencies (N = 82)			
	Yes	Being developed	No	No, but measure provided on an informal basis
Flex-time arrangements for non-APS level employees (e.g. for ELs)	36	1	27	18
Time off in lieu arrangements for ELs	60	0	7	15
Time off in lieu arrangements for the SES	34	0	21	25
Purchased leave arrangements (e.g. 48/52)	68	3	11	N/A
Recreation leave entitlement available at half pay	45	2	35	N/A
Maternity leave entitlement available at half pay	78	1	3	N/A
Paid paternity leave	50	3	28	N/A
Paid adoption leave	58	1	23	N/A
More than 12 weeks paid 'maternity' leave	30	3	49	N/A
Paid 'parental' leave other than those specified (e.g. maternity, paternity, adoption)	21	0	60	N/A
Job share arrangements	49	2	19	11
Automatic right to part-time work on return from maternity leave	63	0	9	9
Access to workplace child care facilities	6	2	71	2
Financial assistance with child care	17	1	63	0
Aged care referral/information service	12	1	66	3
Other	39	0	17	0

Note: Results do not include agencies that did not respond to the question relating to the particular strategy.

Source: Agency Survey

## Maternity leave, and adoption and paternity leave

One of the measures that help women with young children balance their work and family responsibilities in the APS is access to maternity leave, both paid and unpaid. This measure is a key one for agencies in encouraging the retention of their female employees.

There has been a slight decline in the total number of women commencing a period of maternity leave (from 2468 in 2003–04 to 2402 in 2004–05), but still a higher number than was reported five years ago (1608 in 2000–01). This equates to 3.6% of the total number of ongoing women in the APS.

Of the women who commenced maternity leave in 2003–04, 11.7% had separated from the APS by 30 June 2005.

The *Workplace Relations Act 1996* provides a minimum entitlement to 52 weeks of unpaid parental leave following the birth or adoption of a child. This also includes one week unpaid paternity leave around the birth of a child and up to three weeks of unpaid leave as a couple when adopting. However, as mentioned above, both paid and unpaid maternity leave are provided to women in the APS.

Some agencies are providing more than the mandatory 12 weeks paid maternity leave as provided for under the *Maternity Leave (Commonwealth Employees) Act 1973*.

Agencies were asked about a number of work-life strategies relating to the birth and/or adoption of a child. Frequency results for these strategies can be found at Figure 9.13. Thirty-seven per cent of agencies indicated that they provide more than 12 weeks paid maternity leave. This additional maternity leave ranges from 1–24 additional weeks, with most agencies providing an additional two weeks. It is more prevalent in small (46%) and medium (35%) agencies than in large agencies (24%).

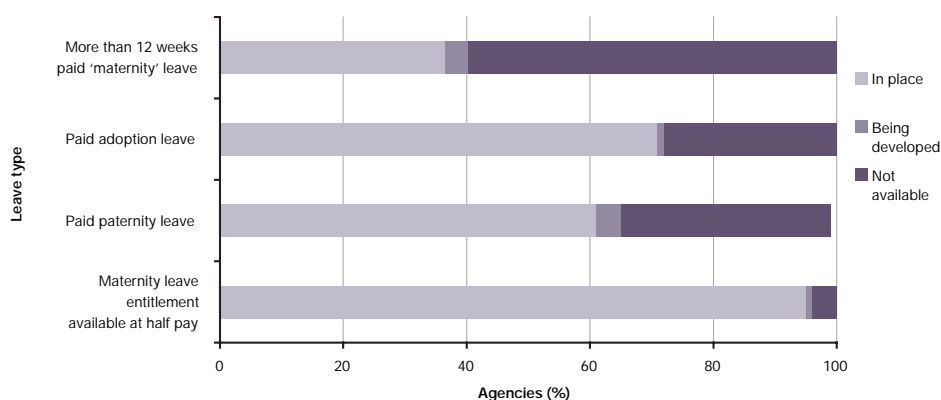
Some agencies are also providing paid adoption and paternity leave to employees. These entitlements are generally covered in agency CAs.

Paid adoption leave from 1–14 weeks is available in 71% of agencies, with 22 agencies providing more than 10 weeks. Adoption leave is more prevalent in large (90%) than in small (69%) and medium (58%) agencies.

Paid paternity leave is provided by 61% of agencies and is prevalent in two-thirds of small and large agencies and half of medium agencies. Most paid paternity leave is one or two weeks in length with only five agencies providing more than two weeks paid paternity leave.

Providing the maternity leave entitlement at half pay has proved to be a popular strategy, with 95% of agencies making it available.

Figure 9.13: Work-life strategies related to the birth or adoption of a child, 2004–05



Source: Agency Survey

## Carer responsibilities

The 2005 employee survey asked respondents about their carer responsibilities. Thirty-nine per cent of employees said that they had carer responsibilities, up slightly from last year's result (36%). Carers were most likely to care for children between five and 16 years of age (61% of carers), followed by children under five years old (29%), dependent children over 16 years of age (19%) and aged parents (15%). Carers were much less likely to care for disabled dependants (2%). Five per cent of employees indicated they had other carer responsibilities. The most common 'other' response was a spouse and/or partner with acute and/or long-term health problems, and/or a disability or mental illness. There was a variety of other responses, including aged relatives (other than parents) and other extended family members.

As was the case last year, more women than men had carer responsibilities (45% compared to 33%). Women and men were equally likely to care for children, although men were more likely to report having a responsibility to care for children under five years old (32% compared to 26%). Last year women were identified as being more likely to care for aged parents; this year men were as likely as women to report having a responsibility to care for this group.

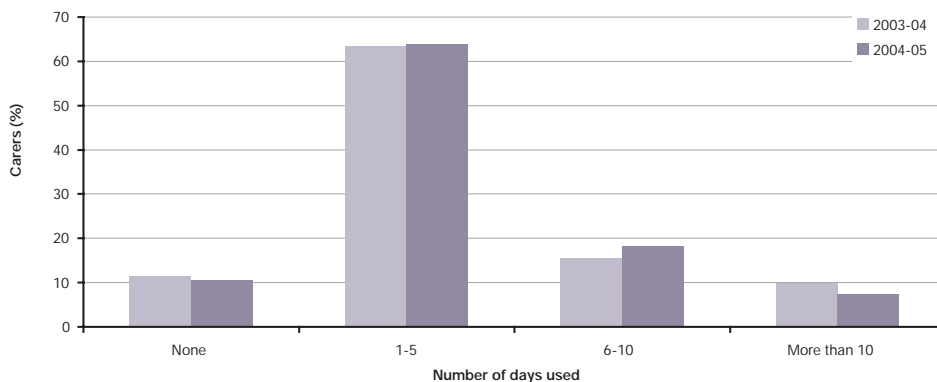
Caring responsibilities were associated with:

- employment status, with ongoing employees more likely to have carer responsibilities than non-ongoing employees (40% compared to 13%)
- working hours, with part-time workers more likely to have carer responsibilities than full-time employees (69% compared to 36%).

Most carers had only one form of carer responsibility (72%). This was lower than last year's result (83%). Twenty-eight per cent of carers had two or more different types of caring responsibility; this was an increase on last year's findings (17%).

Carers were asked how often over the last 12 months they had personally used leave or some other arrangement at short notice to care for those for whom they are responsible. The results are shown at Figure 9.14. Carers were most likely (64%) to take between one and five days of carer's leave (or similar arrangement) with only 11% taking no such leave. This was similar to last year's results.

**Figure 9.14: Proportion of carers reporting days used for carer's leave or similar arrangements, 2003-04 and 2004-05**



Source: Employee survey

There were no statistically significant differences for use of carers leave based on the EEO groups.<sup>42</sup>

## Part-time employment

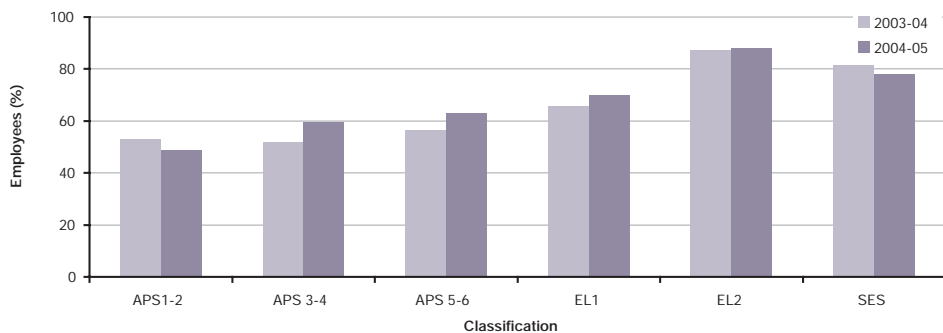
Data on part-time work from APSED, presented in Chapter 2, shows a substantial increase in part-time work over the last ten years (see Figure 2.6 in Chapter 2). In 2005, the proportion of ongoing employees working part-time increased again to 11.3%, compared to 10.2% in 2004. Women are much more likely to be employed part-time (18.0% of women employed as ongoing employees were working part-time compared with 3.3% of men). Female non-ongoing employees are more likely to work part-time than any other group, with over one quarter of non-ongoing women employees working part-time.

## Average hours worked in the last six months

The high satisfaction rates for support for flexible working arrangements are particularly important for employees in balancing their work and outside work commitments, given that many continue to report working long hours. Sixty-three per cent of employees reported working more (42%) or significantly more (21%) than their 'standard or agreed' hours, or for SES employees a 'reasonable' number of hours, on average over the last six months. This is similar to the proportion for 2003, when 62% of employees reporting working more than 'standard/agreed' or 'reasonable' hours and slightly higher than 2004 (58%).

Not surprisingly, the number of employees who reported working more, or significantly more, than their agreed hours generally increased with classification, with EL (76%) and SES (77%) employees working longer hours than APS 1–6 employees (59%) (see Figure 9.15 for these results by classification).

**Figure 9.15: Proportion of employees working more, or significantly more, than a standard or agreed number of hours on average over the past six months, 2003–04 and 2004–05**



Source: Employee survey

Working more than standard and/or agreed (or reasonable) hours was associated with employment status, with full-time workers more likely to work more hours (65%) than part-time workers (47%). However, this year saw a significant increase in part-time

<sup>42</sup> In this context the results were not statistically significant at the 95% Confidence Interval (see Appendix 2 for more information on confidence intervals).

employees working more than their standard or agreed hours compared to last year's result of 38%.

There was a wide variation among large agencies in the proportion of employees reporting that they had worked significantly more than their standard or agreed hours. The result ranged from a low of 16% to a high of 42%, with the lowest results being at ABS and ATO.

## Satisfaction with agency and supervisor support for the use of flexible work practices

When employees were asked to rate how supportive their workplace culture was in enabling them to achieve work-life balance, 68% of respondents agreed that their workplace was supportive in helping them to achieve work-life balance. Agreement within large agencies ranged from a low of 37% to a high of 85%, with the highest agreement rates at ABS, CRS, Defence, and DEH. Employees of small agencies were more likely to agree that their workplace is supportive of work-life balance (78%) than were the employees of medium (70%) and large (67%) agencies.

By comparison, in WA, 71% of public servants in the health and education sectors who responded to a 2004–05 public sector climate survey agreed that their workplace culture supported them to achieve a good work-life balance.<sup>43</sup>

An important measure of work-life balance is whether employees are satisfied that their supervisor would support their use of flexible work practices. The APS continues to perform well against this measure. Eighty-one per cent of respondents to the employee survey were satisfied that their supervisor would support the use of flexible work practices such as flex-time, personal leave, flexible working hours, and part-time work. The result was similar in 2004. Ten per cent were neither satisfied nor dissatisfied, and a further nine per cent were dissatisfied.

Of those employees who agreed that their workplace culture supports people to achieve a good work-life balance, 92% are satisfied that their supervisor would support their use of flexible work practices. It is noteworthy that of those employees who disagree that their workplace culture supports people to achieve a good work-life balance, 49% are satisfied that their supervisor would support their use of flexible work practices.

The strong satisfaction level in the APS is high (81%) compared to a similar survey conducted in Victoria. The Victorian Government's *People Matter Survey 2004* found that 69% of respondents agreed that their organisation offered practical ways to achieve work-life balance.<sup>44</sup>

The SA Government's *Workplace Perspective Survey 2004* does not have any directly comparable data, but it did find that while employees' overall awareness of flexible working arrangements was high, the use of flexible working arrangements was very low with the exception of flex-time.<sup>45</sup>

<sup>43</sup> Office of the Public Sector Standards Commissioner, Western Australia, *Public Sector Climate Survey, 2004–05*.

<sup>44</sup> See <[www.ope.vic.gov.au](http://www.ope.vic.gov.au)>. Caution should be exercised in comparing the results because of the differences in wording of the questions, and differences in methodologies between the two surveys.

<sup>45</sup> Office for the Commission of Public Employment, SA *Workplace Perspectives Survey 2004*. Results can be found at <<http://www.ocpe.sa.gov.au>>

The 2005 APS employee survey results suggest that satisfaction with support for flexible work practices is related to the type of work undertaken by the employee, and the effectiveness of their supervisor's management skills. In particular:

- APS 1–6 employees (82%) were more likely to report satisfaction with their supervisor's support for flexible work practices than were EL employees (79%), who were again more likely to report satisfaction than SES employees (65%). These findings are similar to last year's.
- Seventy per cent of employees who reported working significantly more than their standard or agreed hours were satisfied with their supervisor's support for flexible work practices compared with 82% of employees working around their standard or agreed number of hours. What is noteworthy is that those reporting they worked more than their standard or agreed number of hours (85%) were more satisfied than either group. Last year's result found that both groups who identified as having worked more hours were less satisfied.<sup>46</sup>
- Ninety-one per cent of employees who gave their supervisor a high rating for effectiveness in managing people, also reported satisfaction with their supervisor's support for flexible work practices, compared to 59% of employees who rated the effectiveness of their supervisor at managing people as low.

Other factors associated with employees' satisfaction with their supervisor's support of flexible practices were:

- employment status, with more full-time employees (80%) less satisfied with their supervisor's support for flexible practices than part-time employees (89%)
- age, with the highest satisfaction among those aged 35–44 years (82%), and the lowest satisfaction among those aged over 55 years (74%)
- employees in small agencies (86%) were much more satisfied than employees in medium or large agencies
- Indigenous heritage, with Indigenous employees much more satisfied (91%) than non-Indigenous employees.

There was no relationship between satisfaction that supervisors would support the use of flexible work practices and people with disabilities or NESB1 status.

Employees made a number of comments about agency support for work-life balance and flexible working arrangements, both positive and negative.

*I am acting as an EL2 and flexitime is not available. I find that difficult to manage and demotivating. It definitely has a negative impact on home life with no perceived positive impact at work.*

*[There] should be greater access to job-share and part-time arrangements for women at the executive level.*

*My organisation has been very supportive of my return to work on a part-time basis from maternity leave twice.*

*The organisation takes the issue of work-life balance seriously. Managers, as well as general staff, make use of flexible working arrangements and are supported in this choice.*

<sup>46</sup> SES employees were asked to report on whether they had worked more than 'a reasonable number of hours'.

*Work-life balance is becoming increasingly difficult to achieve. Management, at least at the director level, may support the use of flexible work practices in theory but not in practice because of impact of excessive workloads, lack of resources, cutbacks, restructures and turnover.*

*As a single person, I feel that the agency could be more equitable in the way it encourages and practices work/life balance for its staff.*

*Work-life balance comes down to a good manager. My current manager is brilliant and it's the busiest area I've worked in.*

*This is one of the areas where the APS should concentrate as it is a valuable attraction/retention strategy that helps make the APS competitive with private employers.*

*There is a perception in this agency that one should be grateful to have a job regardless of excessive hours.*

*I think that supervisors need to recognise extra hours and give appropriate flex-type hours off [EL and above]. This is more of an issue when the extra hours put in are extensive and this occurs for an extended period of time. Otherwise motivation to continue working hard is lost and employees get burnt out.*

employee survey

## Bullying, harassment and discrimination

One element of the Code is the requirement that APS employees, when acting in the course of APS employment, must treat everyone with respect and courtesy and without harassment.<sup>47</sup> This requirement is closely linked to valuing and encouraging diversity in the workplace, which needs to be based on respect for differences between employees. It operates in tandem with protections for employees under federal anti-discrimination legislation, and relevant State legislation, where federal anti-discrimination legislation does not apply.

A detailed analysis of discrimination<sup>48</sup> and bullying and harassment<sup>49</sup> was undertaken in the *State of the Service Report 2003–04*, which found that employees were more likely to report that they had experienced bullying or harassment than discrimination. The 2005 employee survey did not ask about discrimination but did ask if employees had experienced bullying or harassment during the last 12 months. This year, 17% of employees reported that they had been subjected to bullying or harassment in the workplace, while 3% were not sure. This represents a slight increase on last year's result (15%). The slight increase observed this year may be partially affected by not including a question on the related issue of discrimination in the 2005 employee survey.

<sup>47</sup> The Act, s. 13(3).

<sup>48</sup> For the purpose of the employee survey, discrimination was defined as any distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction, social origin or other attributes that removes equality of opportunity of treatment in employment. It does not include any distinction, exclusion or preference in respect of a particular job based on the inherent requirements of the job or any distinction, exclusion or preference which is a special measure to eliminate employment related disadvantage of a particular group.

<sup>49</sup> For the purpose of the employee survey workplace harassment was defined as entailing offensive, belittling or threatening behaviour directed at an individual or group of APS employees. The behaviour was described as unwelcome, unsolicited, usually unreciprocated and usually (but not always) repeated. While the survey noted that there is no standard definition of workplace bullying it stated that it is generally used to describe repeated workplace behaviour that could reasonably be considered to be humiliating, intimidating, threatening or demeaning to an individual or group of individuals. It also stated that it can be covert or overt.

It may be that this year some employees, in considering their responses to bullying and harassment, included behaviour that may have been reported as discrimination last year. These results continue to be unsatisfactory, even though they are lower than the results for some State jurisdictions.

Comparable information is available from Victoria, SA and WA. Twenty-three per cent of public servants who responded to the Victorian Commissioner for Public Employment's *People Matter Survey 2004* said that they had personally experienced harassment or bullying within their organisation within the 12 months prior to the survey.<sup>50</sup> In SA, 26% of public servants who responded to a 2004 survey by the SA Office for the Commissioner of Public Employment said that they had personally experienced bullying and harassment in the workplace in the previous 12 months.<sup>51</sup> In WA, 26% of public servants from the health and education sectors who responded to a 2004–05 public sector climate survey said that they had been subjected to bullying or harassment in the last 12 months.<sup>52</sup> Differences in the questions asked in these surveys and variations in methodology mean that comparisons between these figures should be treated with caution, but the results suggest that concern about APS employee behaviour needs to be tempered. In addition, research conducted internationally by the Beyond Bullying Association<sup>53</sup> indicates that between 25% and 50% of employees will experience bullying at some time in their working lives, and that 4% to 20% of people will have been bullied in the past six to 12 months.

The experience of bullying or harassment appears to be much higher among certain groups—women (20%) were more likely to experience bullying or harassment than men (14%). Indigenous employees (34%), people with a disability (22%), and people from NESB1 (21%), compared to people not from these groups (17%), although the result for people with a disability was not significant.

Women, Indigenous employees and people from NESB1, were significantly more likely to state that they had been subjected to bullying or harassment than were people with a disability compared to other employees. These results differ from last year's results which found that employees with a disability were significantly more likely to believe they had experienced bullying or harassment than other employees (24% compared to 15%), and that there were no statistically significant differences on the basis of the other groups.<sup>54</sup>

Classification level continued to be relevant to the likelihood of reporting bullying or harassment in 2004–05. This year there were statistically significant differences between SES (8%) and non-SES (32%) employees, with higher rates of bullying or harassment reported by APS 1–6 (18%) and EL (14%) employees. It would appear that the higher the classification the less likely it is that an employee will feel that they are being subjected to bullying or harassment (see Figure 9.16).

<sup>50</sup> Office for the Commissioner for Public Employment, Vic, *People Matter Survey 2004*.

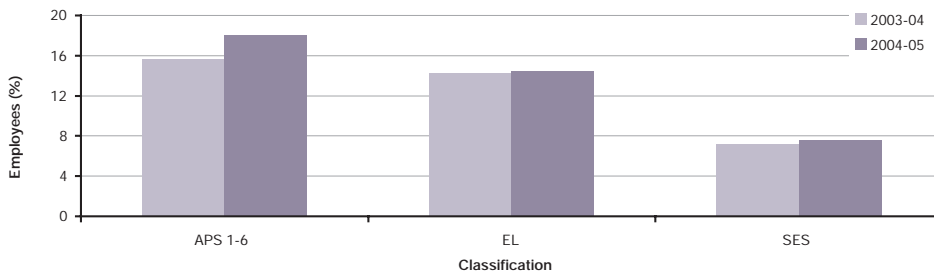
<sup>51</sup> Office for the Commission of Public Employment, *SA Workplace Perspectives Survey 2004*.

<sup>52</sup> Office of the Public Sector Standards Commissioner, Western Australia, *Public Sector Climate Survey, 2004–05*.

<sup>53</sup> Information from the Beyond Bullying Association Inc website, under the heading 'How many experience it?' <<http://www.connectedqld.org.au>>

<sup>54</sup> In this context the results were not statistically significant at the 95% Confidence Interval (see Appendix 2 for more information on confidence intervals).

**Figure 9.16: Proportion of employees reporting bullying or harassment, by classification, 2003–04 and 2004–05**



Source: Employee survey

## Key chapter findings

Diversity trends for the APS continue to show a decline in the representation and number of Indigenous employees and people with a disability, despite an increase in ongoing employee numbers. This is a major concern and agencies and the APS as a whole need to look at how they can reverse this decline. A shrinking labour market will provide an added impetus for drawing on the breadth and diversity of the labour market.

The Government’s APS Employment and Capability Strategy for Aboriginal and Torres Strait Islanders offers one opportunity for the APS to make a significant difference to the employment and retention of Indigenous Australians. Some agencies have made considerable effort to address the subject of Indigenous employment. It is, however, evident that more is still required—results from the agency survey found that there had been little change since last year in the frequency of strategies used by agencies to recruit Indigenous Australians, an essential first step towards building Indigenous representation in the APS. The *Managing and Sustaining the APS Workforce* finding that Indigenous participants knew very little about the APS before joining it, suggests a strong need for agencies to promote themselves as employers of choice to Indigenous Australians.

The use of measures by agencies to retain Indigenous employees has increased since last year and it is promising to see agencies developing retention strategies. It is, however, disquieting that one third of agencies do not use any specific strategies to retain Indigenous employees. Retention strategies that assist Indigenous employees with their careers, support them in feeling valued and in having the opportunity to use their individual knowledge and skills provide a great source of personal motivation for Indigenous employees. Employee survey results suggest that there is a divergence between what agencies are providing and what is important to Indigenous employees, given that 81% of Indigenous employees feel that their agencies need to do more to support them.

The number of people with a disability in the APS is continuing to decline. Agency survey results indicate a fall in the number of agencies using strategies to recruit and retain people with a disability and, although agencies identify more specific measures to recruit

and retain people with a disability than they do in relation to Indigenous employees, these measures are not being reflected in outcomes.

Only 47% of people with a disability feel that their agency actively supports the employment, promotion and development of people with a disability. This group also continues to report higher rates of overall job dissatisfaction, even though over time there has been an upwards trend based on the job satisfaction index in levels of overall job satisfaction for people with a disability, rising from 50% in 2002–03 to 65% in 2004–05.

When asked about practical initiatives to increase the representation of people with a disability, agencies suggested a range of strategies that have been available for some time, for example, developing a disability plan, marketing of recruitment opportunities and initiatives that assist people with a disability to enter the APS workforce. Agencies also raised their concern about the lack of an accepted definition of 'disability'—it is anticipated that this issue will be addressed in the near future.

The representation of women and people from a NESB1 both saw growth this year. Women and people from a NESB1 were also significantly more positive about the support provided by agencies—in employing, promoting and developing them—than were Indigenous employees and people with a disability about agency support provided to them. The overall representation of women among ongoing employees rose again this year, continuing a strong upwards trend. In addition, the proportion of women employed at senior levels is continuing to increase steadily, although the proportion of women at these levels is still well below those for men.

Ninety-five per cent of agencies indicated that they had a workplace diversity programme in place and 61% of employees agreed that their agency was committed to building a diverse workforce. The Commission's rolling evaluation of written workplace diversity programmes in 2004–05 found that most agencies had taken substantial and positive steps towards meeting the requirements for workplace diversity programmes, though it also identified areas for improvement—stronger links to corporate documentation, better articulation of performance indicators, and greater reporting of diversity outcomes.

The employee survey results indicate that the proportion of employees who have experienced bullying or harassment has increased slightly from last year (17% in 2004–05 from 15% in 2003–04) and appears to be much higher among certain groups—women, Indigenous employees and people from NESB1.

The ageing of the APS over the last decade continued during 2004–05, as did the decline in the employment of young people, highlighting the need to adapt workplace practices to retain the skills of mature-aged workers in the APS, and the need to accelerate the development of those who will replace them in management positions.