



Australian Government

Australian Public Service Commission

Australian  
Public Service  
Commissioner  
Annual Report  
2005–06



Incorporating the Annual Report of the Merit Protection Commissioner

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#### **Acknowledgements**

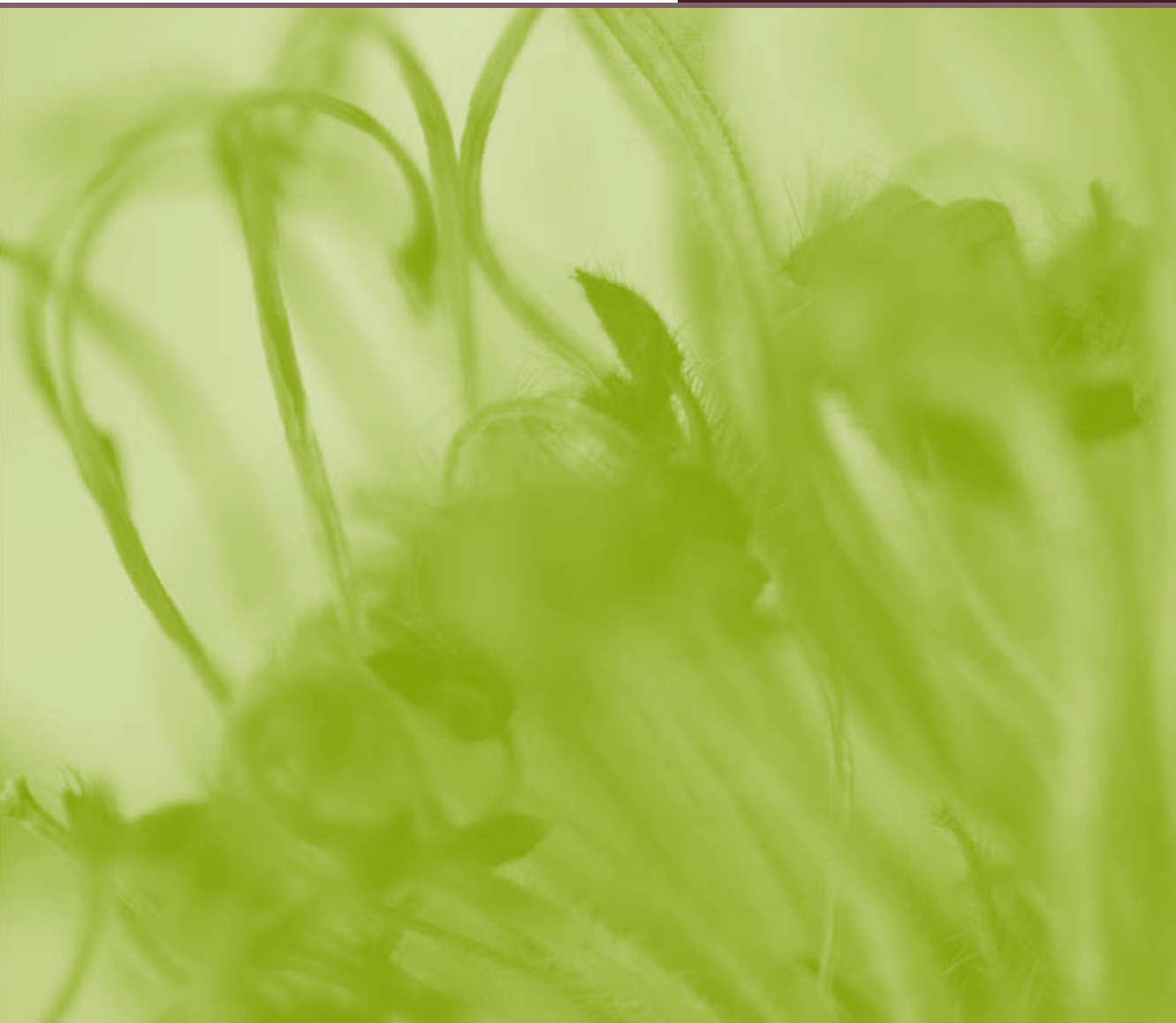
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# Part 1

Overview





# Public Service Commissioner's Review



Lynelle Briggs,  
Public Service  
Commissioner

The fundamental role of the Australian Public Service Commission is to support Australian Public Service (APS) agencies to deliver the priorities set for them by Government. It does this through good practice guidance in managing people; evaluation which is intended to assist continuing public service reform; and by helping agencies to build capability, particularly leadership capability.

The year 2005–06 was again a busy year. The Commission was successful in achieving significant progress with its top priorities which are to:

- foster Aboriginal and Torres Strait Islander employment in the APS through strategies to attract, recruit, develop and retain Indigenous employees
- build the capability of the APS through implementing a new suite of leadership programmes for the Senior Executive Service (SES) and Executive Level (EL) staff and establishing new programmes for APS 1–6 staff based on understanding the business needs of agencies

- ensure a contemporary employment framework for the APS by reviewing the effectiveness and relevance of the *Public Service Act 1999* (the Act) and developing draft legislation.

The Commission also worked in partnership with agencies helping them to respond to their emerging priorities during the year. This included supporting the then Department of Immigration, Multicultural and Indigenous Affairs with its reform and improvement agenda as it managed change following the Palmer and Comrie Reports, and working with agencies new to the APS, such as Medicare Australia, the Australian Sports Anti-Doping Authority and the Australian Trade Commission (Austrade), as they managed new governance arrangements following Uhrig assessment. The Commission responded to concerns raised through the Senate Estimates process around the level of workplace absence in APS agencies by developing two good practice guides to help agencies in managing absence rates and encouraging affected staff to come to work.

During the year the Commission has sought to build relationships and strengthen its communications with agencies and, as a result, have improved our knowledge of their work and the emerging challenges that they face.

## Our achievements

The Commission has made good progress towards achieving the outcome the Government has set for our work: a confident, high quality, values-based and sustainable APS.

During 2005–06 the Commission started a review of the Act and subordinate legislation to ensure that the current legislative framework meets the future needs of agencies. Extensive consultations with agencies occurred in developing options for change. This process has been very productive, with agencies making valuable contributions on all issues.

In August 2005, the *APS Employment and Capability Strategy for Aboriginal and Torres Strait Islander Employees* was announced by the Government. Additional funding of \$6.4 million over three years was also announced by the Prime Minister to improve employment opportunities for Aboriginal and Torres Strait Islanders in the APS. As well as boosting employment opportunities for Aboriginal and Torres Strait Islander people at all levels of the public service, this strategy will invest in skills development and retention, and support the Government's reforms to Indigenous policies and programmes. As part of this strategy the Commission has undertaken a range of initiatives including coordination of Indigenous graduate, cadetship and school-to-work programmes, publications about getting jobs in the APS and a comprehensive census of Aboriginal and Torres Strait Islander APS employees.

The Commission continued to support public sector reform in the Asia–Pacific region. An important part of that support has been new work in Indonesia on civil service reform and capacity building. This work is funded through AusAID and is consistent with its country specific strategies. An integral part of the project was the deployment of a Commission SES officer to Jakarta to work directly with central Indonesian civil service agencies.

In addition, the Commission continued to provide international assistance to Pacific nations through a range of mechanisms including the organisation of two-month long work placements with APS, State and

Territory agencies for five participants under the Pacific Islands Scholarships for Governance Programme. Under AusAID's Enhanced Cooperation Programme, the Commission continued to provide assistance to the Papua New Guinea Government by deploying two Commission SES employees to work in line management positions within the Department of Personnel Management.

As required under section 44(2) of the Act, the Commission evaluated APS performance through the annual State of the Service report to Parliament. The approach has been to focus on contemporary issues confronting the APS while continuing to evaluate the extent to which agencies incorporate and uphold the APS Values (as required by section 41(1)(a) of the Act).

The *State of the Service Report 2004–05* included chapters on managing, sustaining and engaging the APS workforce, agency achievements and whole of government. Coverage also included embedding the APS Values, relations with the Government and Parliament, workplace diversity, and personal behaviour.

The critical workforce challenges identified in the report for the APS as a whole were:

- building trust in the APS
- building the right capability for the future
- attracting and retaining Indigenous employees and people with a disability
- ensuring whole of government capability.

The *State of the Service Report 2005–06* will be released in November 2006.

The Commission has continued to support the work of the Management Advisory Committee (MAC). During 2005–06 the Commission hosted and participated in a MAC project that will provide guidance on the employment of people with disability in the APS. The project examined the factors affecting the recruitment

and retention of people with disability including the identification of barriers to recruitment, retention and structural factors influencing employer attitudes. The report was released in August 2006.

In October 2005, MAC launched its report *Managing and Sustaining the APS Workforce* which highlighted the major changes the APS is experiencing in its structure, demography, governance and core activities, and suggested a range of actions that will help public service agencies to succeed in the 'war for talent'. To accompany the launch of this report, MAC issued a statement, *One APS—One SES*, setting out its expectations of the leadership cadre.

To build and strengthen the capability of the SES, the Commission developed and delivered two new residential leadership programmes. These programmes, offered to SES Band 2 and SES Band 3 employees, are aligned to the core capabilities and behaviours outlined in the *Integrated Leadership System*. Each residential programme has been designed carefully, capturing the varying levels of complexity for each SES level and focusing on their distinctive identity and contribution within the public service.

The Commission also launched Ministerial Conversations, a new series for senior executives. The key theme is connecting Government through working collaboratively across agencies to deliver government policy priorities. This series brings the SES together to hear Ministers' portfolio perspectives, as well as their views on the role of the public service in implementing government policy. This personal series has been very well received and has offered public servants an excellent insight into the views of Government Ministers.

The Commission continued to support actively the Australia and New Zealand School of Government, by encouraging APS agencies to invest in student places in the Executive Fellows

Programme, Executive Masters Programme, specialist short courses and by supporting its research capacity.

In March 2006, I launched the *Supporting Ministers, Upholding the Values* good practice guide. The guide sets out good practice principles around the roles and responsibilities that define interactions between Australian public servants and Ministers and their advisers. It also identifies particular issues that present challenges to APS staff from time to time that might call for more specific guidance at the agency level. To our knowledge, this is the first such guide of its kind for a public service anywhere in the world, and it has raised considerable interest from within Australia and overseas.

The Commission continued to support agencies in raising awareness and understanding of the APS Values and the Code of Conduct. In October 2005 the Commission released a learning and development kit, titled *Being Professional in the APS—Values Resources for Facilitators*. This sophisticated package of resource materials helps agencies make the APS Values and Code of Conduct come alive for employees and convey key messages about building a values-based culture within our workplaces.

## Slippages

As a small organisation with limited resources the Commission tries hard to balance priorities to meet the emerging needs of agencies. As a result there were a number of activities which were not able to be finalised in 2005–06.

The Commission undertook to deliver a plain English guide on bullying and harassment which will now be launched later in 2006.

The Commission has also experienced some delays in finalising a good practice guide drawing on the findings of an evaluation of agency management of suspected breaches of the Code

of Conduct. The guide is also due for release in late 2006.

During 2005–06 work progressed to redevelop the online lodgement process and public search system for the Public Service Gazette. The first stage of this redevelopment was due for release early in 2006, but was completed in July 2006.

Finalisation of a new panel of consultants to deliver tailored leadership, learning and development programmes was delayed pending advice on Government procurement guidelines and as a result of IT system problems. Agencies have been able to access the new panel since June 2006. The delay has also affected our schedule for revamping our programmes for SES and EL staff.

MAC's report on *Managing and Sustaining the APS Workforce* committed the Commission to developing an APS-wide recruitment process for accounting graduates. However, timing did not allow a graduate recruitment campaign to be conducted. The needs of agencies to recruit accountants is being met by providing advice on streamlining processes for employing experienced accountants.

## Governance and culture

Our resourcing for 2005–06 was tight but we have managed to achieve a modest surplus through prudent prioritising of resources through the year. Our dependency on earned income remains high—only 47% of our income in 2005–06 consisted of appropriations from government, the remaining 53% of our budget was earned largely from the provision of development programmes and employment services to APS agencies. These activities are planned to be cost neutral.

The Commission faces some critical IT challenges. IT support service costs have risen sharply and investment has been necessary to keep up to date with improvements in

technology. An IT Strategic Plan, covering the period 2006–09, has been developed and will position the organisation to meet these challenges.

In April 2006 the Commission appointed an external member to the audit committee in line with Australian National Audit Office better practice advice.

There was a large turnover of the Commission's SES Group Managers in 2005–06. We have a proactive new team which is working co-operatively to achieve the Commission's goals.

Our *Corporate Plan 2005–06* made commitments to building the Commission's strategic capability through a planned approach to meeting our future workforce needs. A Workforce Planning Strategy was finalised in September 2005 which describes the Commission's medium to long-term approach to managing workforce issues. Key components of capability development within the Commission are the corporate learning and development calendar, which links Commission, Group and individual capability to organisational performance improvements, and the Commission's study encouragement scheme. In addition, a number of graduates and an Indigenous cadet joined the Commission during 2006.

On 20 June 2006, staff voted for the Commission's *Collective Agreement 2006–09*, with 90.8% of votes cast being 'yes'. It is a comprehensive agreement made directly with staff under section 327 of the *Workplace Relations Act 1996*. The agreement was developed in conjunction with the Commission's Workplace Relations Committee and specially formed working groups looking at particular issues.

The Commission fosters an inclusive values-based workplace culture through a variety of approaches. For example, all staff were encouraged to attend a development programme on the APS Values and Code of Conduct

tailored to their level of responsibility within the organisation. The organisation recognised the work and personal contribution of 11 employees by presenting them with Australia Day awards at a special ceremony to mark the event. A Harmony Day morning tea to celebrate Australia's culturally diverse community took place, and the abilities and achievements of people living with disability were celebrated on the International Day of People with Disability. In partnership with the Department of Agriculture, Fisheries and Forestry, the Commission also organised a series of NAIDOC Week activities. Additionally, another highly successful Health Week programme was conducted, which raised the health awareness levels of staff and actively encouraged a variety of fitness activities.

## Outlook

The Commission's corporate plan identifies five top priorities for the Commission in 2006–07. The organisation is continuing to drive its three priorities from 2005–06, and building on significant progress. Two new priorities for 2006–07 are:

- generating active dialogue on, and a supportive environment for, the next stages of public sector reform and performance improvement
- promoting a leadership culture and a professional senior executive cadre in the APS.

I hope that the Commission will add significantly to the intellectual debate and practical skills base surrounding these priorities.

In October 2006 the Australian Government and the Commonwealth Association for Public Administration and Management (CAPAM) Board will jointly host the CAPAM Biennial Conference in Sydney. As Vice President of the CAPAM Board of Directors, I am actively involved in the arrangements for that conference. The theme of the conference is *Rising to the*

*Challenge: Enhancing Public Sector Capability, with a particular focus on Advancing Good Governance, Fashions and Fads in Public Sector Reform and Delivering Better Services to Citizens.*

Immediately following the CAPAM conference is the inaugural Commonwealth Public Service Ministers' Forum for Ministers and senior officials responsible for the public service in Commonwealth countries.

Early in 2007 the Commission will be moving the Canberra office to a modern, effective and attractive work environment in Woden. The new premises will not only offer a versatile, environmentally sustainable and energy efficient design, but also the capacity for high quality and professional in-sourced training facilities. We are entering a new and exciting phase for the Commission.



Lynelle Briggs  
October 2006



# Commission Overview

The Australian Public Service Commission (the Commission) is part of the Prime Minister's portfolio. The Commission supports two statutory office holders, the Public Service Commissioner (who is also agency head) and the Merit Protection Commissioner.

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

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

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

1. APS policy and employment services
2. Development programmes
3. Better practice and evaluation.

The Commission's activities are funded through a combination of budget appropriation and revenue generated through the sale of services. Much of this revenue is earned in an open market where agencies have choices about where they source services and the levels of services acquired. In 2005–06 the Commission received \$18.1 million in appropriation funding, with the balance of its income (\$20.1 million) coming from non-appropriation sources.

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

## Commission structure

The Commission is led by a three-person Executive (the Public Service Commissioner, the Deputy Public Service Commissioner and the Merit Protection Commissioner) and has six groups. With the retirement of Ms Pat Turner AM in April 2006 her role as Aboriginal and

Torres Strait Islander Employment Coordinator has ceased. Despite the discontinuation of the role, Aboriginal and Torres Strait Islander employment continues to be a priority for the Commission and the invaluable work performed by Ms Turner will be advanced through other avenues.

The Commission’s structure is based on six groups, each led by a Group Manager, with four groups mapping to the three output groups, a regional group with responsibilities across all three output groups, and a corporate group. The Commission’s organisational chart, with the names of senior staff as at 30 June 2006, is at Figure 1.

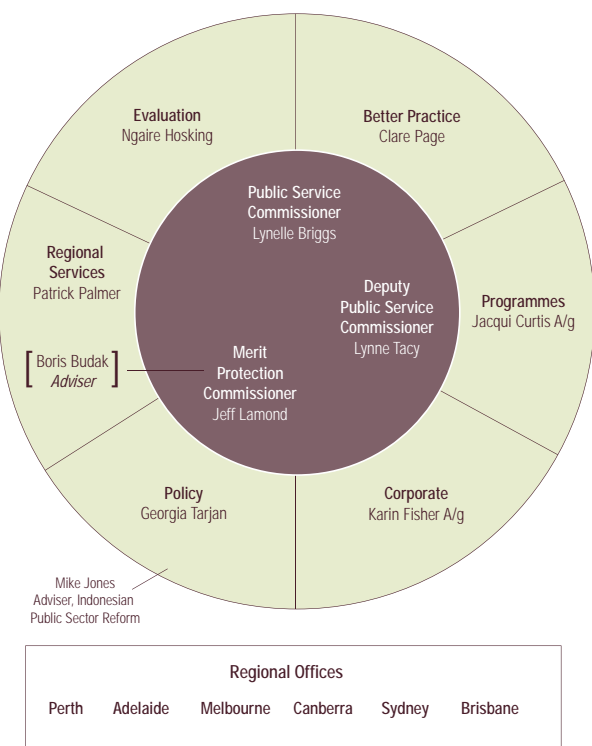
The Policy Group provides advice to government and agencies on the policy and legislative aspects of public administration, people management and employment frameworks within the APS Values and Code of Conduct. It is also responsible for international matters.

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

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

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

Figure 1: Commission organisational chart at 30 June 2006



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

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

### Output structure

For 2005–06, adjustments were made to the Commission’s output structure to simplify the delineation between our three main business lines:

- APS policy and employment services
- development programmes
- better practice and evaluation.

The new structure reduces the output framework from five output groups to three. This change simplified the presentation of the Commission's activities, providing for better reporting and better quality information. Any short term effect on year-on-year consistency is expected to be outweighed by this improvement.

This report reflects the changes made to the output framework.

## Commission reports and publications

The Commission issues a range of information in a variety of formats each year relating to its functions. Commission publications and circulars, as well as speeches given by the Public Service Commissioner, are available on the Commission's web site at [www.apsc.gov.au](http://www.apsc.gov.au).

## Commission locations

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

Office locations and contact details are:

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Darwin is serviced through Adelaide