

The Selection and
Development of
Senior Managers in
the Australian
Public Service

Report

202

Joint Committee of
Public Accounts

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

JOINT COMMITTEE OF PUBLIC ACCOUNTS

202nd REPORT

SELECTION AND DEVELOPMENT OF SENIOR MANAGERS IN THE
COMMONWEALTH PUBLIC SERVICE

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Section 8.(1) of the Public Accounts Committee Act 1951 reads as follows:

8.(1) Subject to sub-section (2), the duties of the Committee are:

- (a) to examine the accounts of the receipts and expenditure of the Commonwealth including the financial statements transmitted to the Auditor-General under sub-section (4) of section 50 of the Audit Act 1901;
- (aa) to examine the financial affairs of authorities of the Commonwealth to which this Act applies and of intergovernmental bodies to which this Act applies;
- (ab) to examine all reports of the Auditor-General (including reports of the results of efficiency audits) copies of which have been laid before the Houses of the Parliament;
- (b) to report to both Houses of the Parliament, with such comment as it thinks fit, any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Parliament should be directed;
- (c) to report to both Houses of the Parliament any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them, or in the mode of receipt, control, issue or payment of public moneys; and
- (d) to inquire into any question in connexion with the public accounts which is referred to it by either House of the Parliament, and to report to that House upon that question,

and include such other duties as are assigned to the Committee by Joint Standing Orders approved by both Houses of the Parliament.

PREFACE

This Two Hundred and Second Report of the Joint Committee of Public Accounts is unusual as it has broken new ground by addressing problems of Public Service personnel policy. Six previous inquiries have dealt with aspects of staffing but none have been conducted by Members of Parliament or Parliamentary Committees. Our Parliamentary colleagues in Britain and Canada have been far more diligent in scrutinising this important area of public administration.

In its 1980/81 Annual Report, this Committee pointed to the need for an inquiry into the Selection and Development of Senior Public Servants. The Committee realised then what has become manifest since, that the management of the Public Service is not meeting the demands of government.

The Australian political system is based on the principle of responsible government, in which the government is accountable to Parliament, and ultimately to the people who elect Parliament, for the conduct of public administration. The Commonwealth Constitution vests all legislative power in the Parliament, and the executive power in the Ministry, assisted by Departments. Yet it is a fact of contemporary political life that the government now includes more than the Ministry - it includes the public service, with which the Ministry shares executive power. Under the Australian democratic system, power must not be severed from responsibility. By responsible government, we mean not only that the Ministry is responsible to Parliament, but also that the public service, through senior administrators, are answerable not only to Ministers but also to Parliament for their management of public policies.

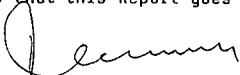
At Federation, the task facing the public service was relatively simple. In addition to the Treasury, only the following Commonwealth departmental responsibilities are mentioned in the Constitution: Posts, telegraphs, and telephones; Naval and military defence; Lighthouses, lightships, beacons and buoys; Quarantine; Customs and excise. Of course, the number of departments has since grown, and each is now greatly more complicated in structure and purpose. Although Ministers remain responsible for their departments, recent events have highlighted how difficult it is for an individual Minister to personally direct all individual activities relating to policy in the department. Consequently there is a pressing need for Parliament to redefine the relative responsibilities for accountability by Ministers and Public Servants.

Under these changed circumstances, improvements have to be made if the political system is to be kept within the spirit of responsible government. One can no longer rely solely upon Ministerial responsibility, either individual or collective. Recent improvements in the legal and parliamentary system recognize the partnership which the senior public service has in executive power.

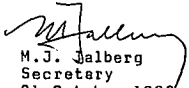
The focus of this report is upon selection and development of senior managers in the Public Service; but it should not be thought that it is only Public Servants that require more careful selection and more thorough training. The Committee notes that Ministers also require managerial skills. The essence of good management is taking responsibility for an organisation, even though the details of directing its activities are delegated to others. The Committee believes that Ministers, and potential Ministers, should have much greater opportunities for training in management and policy skills.

The increased need for accountability of the public service is evident from such legislative innovations as the Freedom of Information Act, the Administrative Appeals Tribunal, the Administrative Decisions (Judicial Review) Act, and other means of protecting the rights of the public and making the administration of government policy more accountable. Parliament has also recognized this new level of responsibility by calling for senior public servants to give an account of their management of public policy before committees of the Parliament.

One must acknowledge that the Ministry and Parliament are legitimately empowered to determine the political parameters within which public policy is to be administered. However, within those parameters, senior public servants exercise a host of management functions relating to the delivery of programs that provide services to the public. The Committee believes that if Parliament is to make them accountable for this management, then Parliament itself has a duty to outline the type of management it considers appropriate. The Committee trusts that this Report goes a long way to performing that duty.



David M. Connolly, MP
Chairman



M.J. Jalberg
Secretary
21 October 1982

SUMMARY OF RECOMMENDATIONS¹

Selection of Department Heads

1. Any new Department Head appointments be made on a fixed-term basis. (2.19)
2. Advantages to 'established candidates' be removed from the Public Service Act 1922. (2.23)
3. A Committee of Senior Officials, comprising the Chairman of the Public Service Board and two Department Heads nominated annually by the Minister Assisting the Prime Minister on Public Service Matters, be established to identify Second and Third Division officers of exceptional potential on the basis of nominations by Departments and suggest assignments to enhance their development. This Committee should report annually to an appropriate Cabinet sub-committee responsible for Public Service matters. (2.28)

Structure of Senior Management

4. The Second Division be abolished and a Senior Executive Group be created. (2.42)
5. Promotion to the Senior Executive Group and within the Group be to a personal grade or level, rather than to specific positions, leaving Department Heads to allocate (and reallocate) specific tasks within a pool of senior executives. (2.44)
6. These promotions be made on the basis of general management, policy and administrative skills, rather than the ability to do a specific job. (2.44)
7. Departments have much greater flexibility to design their top structures to accommodate the strengths and weaknesses of particular senior executives (thus a Department would have freedom to promote an individual to a higher level without necessarily adding to the breadth of his or her responsibilities, and also to reduce the role of an officer with limited abilities). (2.44)
8. Current Public Service Board control over top structure be replaced by limits on the aggregate number of

1 NOTE: References to the Second Division are synonymous with Senior Executive Group throughout this Report.

officers at each level in the Senior Executive Group, together with an active role in advising departments on promotion criteria, top structure design and other aspects of senior management. (2.44)

9. Where serious consideration is being given to recruiting an officer from another department to a senior level, Public Service procedures be altered to allow that officer to be seconded for a trial period of six months before being permanently promoted or transferred. (2.44)
10. Where specialist knowledge is required or where it is necessary to promote talented specialists to avoid losing such skills to the private sector, specialist positions be created with salary levels equivalent to the Senior Executive Group. The holders of those positions would not form part of the Senior Executive Group. (2.45)
11. A limited number of high profile temporary assignment projects be created and be available on contract to Second Division officers or to top managers outside the Public Service. (2.48)

Permanency

12. The concept of permanency implicit in the Public Service Act be re-defined:
 - a. so that senior career officers have permanency within the Public Service but no claim to a specific rank or position indefinitely; and
 - b. the holding of senior rank within the senior executive group depends upon consistent and satisfactory performance of duties together with the needs of the department and the service. (2.51)

External Recruitment

13. To increase inter-departmental mobility and external appointments and to further encourage upward mobility between career streams on the basis of merit, all Senior Executive positions be openly advertised, and be available for candidates from outside the Public Service. (2.54)

Staff Appraisals

14. Written staff appraisals be established for officers at and above Class 9 level (or professional/specialist equivalent positions). The form of written appraisal is to be the responsibility of each department or agency, using broad guidelines to be devised by the Public Service Board. (2.60)

15. The Minister Assisting the Prime Minister in Public Service Matters establish a Task Force of three to investigate selection criteria appropriate for a written senior staff appraisals scheme. The Chairman of the Task Force should be a senior officer nominated by the Public Service Board, preferably a Department Head supported by an expert from a management consultant firm and a Second Division Officer with extensive experience in both policy and management work. The task force should report to the Minister Assisting the Prime Minister in Public Service matters within twelve months of this Report being tabled in Parliament. (2.60)

Senior Selection and Appeals System

16. A single committee to hear and determine all appeals against Senior Executive Group promotions be established. The Chairman should have wide senior management (First and/or Second Division) experience in the Commonwealth Public Service. (2.67)
17. The Chairman to be appointed for no more than three years. It may be appropriate for senior retired officers to be considered. (2.67)
18. Each Departmental representative on the Committee for each separate appeal to be a Second Division officer. (2.67)
19. Each staff representative to be chosen from a panel of Second Division officers. (2.67)
20. Where either or both the promotee and the appellant(s) is a woman, consideration be given to having a woman as a member of the Promotions Appeals Committee. (2.67)

Role of the PSB in Senior Selection

21. The Public Service Board publish a guide which outlines in detail the skills, knowledge and target performance criteria for senior managers in the Public Service against which Department heads would be expected to assess promotees to the Second Division. This guide should be periodically reviewed. (2.72)
22. The Public Service Board undertake and publish an annual survey of senior officers. (2.74)

Women in Senior Management

23. Within twelve months of this Report being tabled in Parliament, the Public Service Board provide a report to

the Public Accounts Committee on progress made on each of the recommendations made by the Equal Employment Opportunity Bureau for improvements in selection and development processes. (2.83)

24. In order to attract more women of senior management potential to the Service consideration be given to advertising a much higher proportion of middle and upper level Third Division jobs outside the Service. (2.85)
25. The Public Service Board establish as soon as possible an implementing committee to co-ordinate the actions necessary to extend permanent part-time opportunities throughout the Australian Public Service. The Committee's report on this matter is to be made available to the Public Accounts Committee within twelve months. (2.87)

On-the-Job Development

26. The Public Service Board provide guidelines to Departments for improving on-the-job development opportunities for potential Second Division officers. (3.15)

Mobility

27. With the exception of some specialist positions within the Board, no officer should remain as a senior officer of the Board for more than seven years consecutively. (3.26)
28. The Public Service Board in consultation with all Department Heads draw up clear guidelines to develop a mobility scheme for senior officers. (3.28)
29. The Interchange and Executive Development Scheme programs continue. The Public Service Board should seek ways to promote and facilitate Interchange more effectively and increase the challenge and worth of its work assignments. (3.36)

Training Courses

30. The following topics be included in Second Division training programs:
 - . the economy and Commonwealth expenditure;
 - . employer function of chief executives;
 - . leadership skills (personal efficiency, ability to set priorities);
 - . general efficiency of public authorities including industrial relations; and
 - . technology and modern tools of management. (3.42)

31. Within twelve months the Public Service Board provide the Public Accounts Committee with proposals for involving senior officers in determining and reviewing management training for senior staff. (3.46)

Development Opportunities for Senior Women

32. The Equal Employment Opportunity Bureau be given full Branch status within the Public Service Board, and the Government be advised to support publicly Equal Opportunity Programs. (3.52)

Departmental Management Development Programs

33. The Public Service Board, ensure that Departments are able to devote more resources than at present to introducing and upgrading internal management development programs. (3.54)

The PSB and Senior Staff Development

34. A Senior Careers Unit be established as a matter of urgency to manage development and Service-wide mobility of officers in preparation for promotion to the Second Division. (3.61)
35. The senior staff of the Careers Unit consist of permanent 'promotion-to-level' positions available for up to five years. No more than one position be occupied by an officer of the Public Service Board and at least one position be occupied by a suitable person from outside the Service. The Senior Careers Unit be available to Department Heads but be attached to the Public Service Board. (3.61)
36. The Public Service Board provides this Committee with a progress report on the work of the Unit within twelve months. (3.61)
37. The Government appoint a Committee of the Parliament or other competent body to undertake a review of the functions of the Public Service Board. (3.64)

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CHAPTER ONE

BACKGROUND TO THE INQUIRY

It is not possible to be a good Minister so long as the Civil Service is allowed complete control over its own recruitment.

The Right Honourable James Hacker MP, Minister for Administrative Affairs from 'Yes Minister'.¹

Summary

1.1 Six out of every ten senior managers in the Commonwealth Public Service will be replaced over the next decade. The post-Second World War recruits to the Service are reaching retirement in increasing numbers, thus providing opportunities for officers in their thirties' and forties' to be promoted to Second Division and senior Third Division positions. Because of the numbers of retirements involved relative to numbers of staff in the feeder levels, selection problems will arise. In any event, intensive staff development activity is likely to be required, particularly to develop the managerial skills of the available, generally well-educated, but relatively inexperienced officers. This activity will be necessary because the Service will depend on this group to manage the machinery of government for the rest of this century.

1.2 Most of the post-Second World War recruits will have left the Commonwealth Public Service by the mid-1980's. In the absence of significant public sector growth, this will mean a reduction of promotional opportunities and a slowing down of career advancement in the late 1980's and beyond. Staff promoted to senior positions between now and then will tend to be younger than their predecessors and career blockages even for the younger officers clustered in the second hump in the age structure will be likely. In these circumstances planned movement of staff to maintain their productivity and job interest will be of even greater importance than in the past.

1.3 The main problem in the near future is to ensure that there will be sufficient numbers of candidates of suitable quality for promotion to Second and senior Third Division vacancies. This provides both a challenge and an opportunity for Department Heads and the Public Service Board. In filling Second Division vacancies, the prospect of attracting many highly qualified candidates from outside the Service is not realistic because of the relative unattractiveness of Public Service pay and conditions at the senior levels.

¹ Lynn and Jay (eds) Yes Minister, British Broadcasting Commission, 1981, p. 159.

1.4 There is also an urgent need to improve public service management. The structures, rules and procedures of the Public Service are increasingly ill-adapted to managing efficiently and effectively an organisation of such size and diversity.

1.5 The old fashioned concept that the Public Service can be managed by the application of common sense by reasonably educated persons ignores the complexity of modern government. The skills of effective management require a good deal of uncommon sense and uncommon knowledge. The Public Service cannot continue to evade a more realistic definition of management skills and their application.

Introduction

1.6 The objectives of this Inquiry are:

- (1) To foster improved selection and development methods for senior public servants (First and Second Division Officers).
- (2) To enhance the productivity and performance of the departments and agencies of the Commonwealth Public Service by improving the standard of senior management.

1.7 In this report, 'selection' refers to procedures and practices for promotion or appointment to First or Second Division positions in the Commonwealth Public Service; 'development' refers to extending the capacity of senior officers (and potential senior officers) through improved mobility, on-the-job training and formal courses; and 'the Commonwealth Public Service' (CPS) refers to permanent staff employed under the Public Service Act.

1.8 The Committee obtained information from the Public Service Board, Commonwealth departments, and a range of Commonwealth instrumentalities on:

- selection and development procedures for potential senior managers;
- internal and external recruiting;
- training and refresher courses for senior managers;
- mobility; and
- suggestions for improving selection and development.

1.9 The Committee sought the views of a cross-section of Department Heads and senior public servants, and heard evidence from union representatives, staff associations, senior women public servants, and academics. In May the Committee held its third Parliamentary Seminar entitled Parliamentary Accountability and Management of the Public Sector: Selection and Development of Senior Public Servants.

In addition, the Committee examined private sector management selection and training, sought the advice of private sector executives, personnel consultants, and considered recent developments in senior public service staff selection and development practices in Canada, the USA, Britain and other OECD countries. Some relevant material from these sources is contained in the appendices to this Report.

Size and Rate of Growth of the Public Service

1.10 Since 1 July 1975 when separate Postal and Telecommunications Commissions were established out of the Post-Master General's Department, the absolute size of the CPS has shrunk considerably from a peak of 277,000 to about 151,000 in June 1982. Marked decreases occurred during 1976/77 and 1978/79 following the imposition of staff ceilings and staff transfers to the Northern Territory Public Service.

1.11 Although the CPS comprises less than 40 per cent of Commonwealth Government employment, this Inquiry has not covered employees in the many statutory authorities, and other agencies of the Commonwealth. However our recommendations do have relevance to all Commonwealth employment. Details of staff employed in Departments and statutory bodies of the Australian Public Service are shown in Appendix 2.

1.12 The pattern of growth of the Commonwealth Public Service since 1945 falls into four periods. The first coincided with post-war expansion from 1945 until 1951 when there was a significant intake of ex-servicemen, and the annual average growth rate of the Service was 12.4 per cent. The second period which lasted until 1962 followed the action taken in 1951 called the '10,000 cut' in employment under the Public Service Act. During this period the average annual growth rate was 1.2 per cent. The third period covered 1962 to 1975, during which staff numbers grew relatively quickly reflecting a rapidly expanding economy and significant extension of Commonwealth activities. Overall the CPS grew at an average annual rate of 5.2 per cent during the third period. The fourth period has been characterised by policy changes introduced by the Fraser Government and the limited growth trends of the economy. There was a reduction of 4.2 per cent in staff numbers during 1975/76, and a further 1.7 per cent in 1976/77 after a significant tightening of staff ceilings. This was followed by a 1.1 per cent increase during 1977/78, and a growth rate of less than one per cent for the three years to 1982.

1.13 The growth rate for the Service during the 1980's is expected to be significantly below the 5.2 per cent of 1962 to 1975. Should an average annual growth rate of one per cent a year apply for the remainder of the 1980's, the CPS would consist of about 176,000 staff by 1990. A two per cent average annual growth rate would result in about 198,000 staff by 1990.

1.14 The growth rates by Division are shown in table 1 below. The annual percentage growth shows that the Second Division has grown each year since 1977/78 and the Fourth has declined. Growth in the size of the Third Division has been more pronounced in senior than junior grades.

TABLE 1: Full-time Staff in the CPS by Divisional Grouping: 1975/1982
(adjusted for changes to PS Act coverage that occurred prior to 30 June 1981 and excludes First Division)

<u>Divisional Group</u>							
Year at 30 June	<u>Second</u>		<u>Third</u>		<u>Fourth</u>		<u>Total</u>
	No.	%	No.	%	No.	%	No.
1975	1141	0.7	61852	39.7	92995	59.6	155988
1976	1231	0.8	60421	40.4	87825	58.8	149477
1977	1203	0.8	59987	40.8	85753	58.4	146943
1978	1241	0.8	61612	41.5	85771	57.7	148628
1979	1301	0.9	63465	42.3	85191	56.8	149957
1980	1343	0.9	65029	43.2	84224	55.9	150596
1981	1374	0.9	66237	43.7	84045	55.4	151656
1982	1304	0.9	66423	44.0	83269	55.1	150996

Annual Percentage Growth in Divisional Group

<u>Year</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>	<u>Total</u>
1975/76	+ 7.9	- 2.3	- 5.6	- 4.2
1976/77	- 2.3	- 0.7	- 2.4	- 1.7
1977/78	+ 3.2	+ 2.7	0.0	+ 1.1
1978/79	+ 4.8	+ 3.0	- 0.7	+ 0.9
1979/80	+ 3.2	+ 2.5	- 1.1	+ 0.4
1980/81	+ 2.3	+ 1.9	- 0.2	+ 0.7
1981/82	- 5.1	+ 0.3	- 0.9	- 0.4

Profile of the Senior Service

1.15 The functions of the Second Division have changed considerably since World War II. Before 1939 the Second Division of the eleven Commonwealth Departments (including the Post-Master General's Department which comprised 75 per cent of staff) had a mainly regulatory and operational role. Immediately post-war the structure of the CPS was changed to allow for many more Second Division officers including an increased number of specialist policy makers. By 1965, following the Boyer Report on Recruitment of 1959 the Public Service Board revamped the Second Division with the aim of producing a 'corps of top administrators and/or managers'. Over the next decade the Second Division grew by 250 per cent from about 500 in 1965 to nearly 1300 in 1975. During the

late 1970's there have been further but much lower increases in Second Division numbers.

1.16 In 1971, at the time of reform and expansion of top management, the then Chairman of the Public Service Board, Sir Frederick Wheeler, saw the Second Division thus:

We believe that top administration and management is a distinct, integrated function and that even where a Second Division position has a professional or technical content the choice of appointees should in high degree be on the basis of administrative and managerial abilities.³

1.17 The Committee regrets that Sir Frederick's description of the Second Division a decade ago does not apply today. This serious deficiency can be remedied by improving selection and development policies and practices.

1.18 A most significant outcome of the Public Service Amendment Bill currently before Parliament could be the creation of a Senior Executive Group, with the explicit identification of general managers in the Public Service. The Committee welcomes the Public Service Amendment Bill as a means of restoring the Senior Executive group.

1.19 Three-quarters of the thirteen-hundred-strong Second Division is Canberra-based, but about 70% of all permanent staff are outside Canberra. Nearly half (45%) have been in the Second Division less than five years, and over half (57%) have been in the Service for more than 20 years. Senior executives are a highly qualified group; over 85% have at least one university degree and nearly 30 per cent have economics, commerce or accountancy degrees. Nearly 1,000, or over 70%, are below division head level. Less than two percent of Second Division officers are women; their selection and development needs are dealt with separately in this Report. Further details, including Second Division distribution by level, age and sex are at Appendix 9.

1.20 Due to the age structure of the Service, a large proportion of senior staff will need to be replaced in the next few years. Nearly half the Second Division are 50 years old or older, and it is likely that 60% of all Second Division officers now serving will have left within ten years. Total Second Division vacancies are expected to continue to increase from 104 in 1980 to about 140 in 1985. This compares with previous peaks in vacancies of about 220 in 1973 and 190 in 1978.

3 Sir Frederick Wheeler, Providing for Future Management Needs in the Commonwealth Service, Australian Journal of Public Administration, Vol. 30, No. 1, 1971, p. 1.

1.21 Second Division vacancies arising from retirements, resignations, deaths etc., have been relatively high since 1976. This coincides with the introduction of revised Commonwealth Superannuation arrangements from 1 July 1976, the influence of the familiar bulge in the age profile of the Service (including the Second Division) and the start of the voluntary early retirement provisions of the Commonwealth Employees (Redeployment and Retirement), Act 1979.

1.22 In 1977 the Public Service Board introduced senior level staff development programs such as the Executive Development Scheme (EDS) and the Interchange Scheme. These should increase the supply of potential promotees and accelerate the development of to the Second Division from within the main feeder pool and from other areas of the Service. However, unless further steps are taken to improve development opportunities and the selection process, this Committee believes that serious problems could develop in maintaining an adequate quality of staff for entry into the Second Division.

Public Service Management

1.23 In the past decade or so in Britain, Canada, the USA, Australia and other OECD countries there have been a number of government commissioned reports analysing public sector management. All have a common theme. Reports like Britain's Fulton Report (1968), Canada's Lambert Report (1979), the current OECD project on Public Management Improvement, and within Australia reports from Coombs on the Commonwealth Administration (1976), Wilenski on the NSW Public Service (1977 and 1982) and similarly Cartland in Tasmania (1981) all pointed out the too few top public servants are skilled managers.

1.24 Yet none of these reports clearly explained what were the attributes of a skilled public sector manager. Although this is a difficult question to answer it is an important one, and the Committee cannot avoid concluding that the absence of empirical and theoretical evidence is partly a reflection of lack of academic interest in the issue and partly a lack of sustained application to the problem by public service management.

1.25 The Committee believes that tasks of senior Commonwealth public servants have changed substantially since the 1959 Boyer Report into Public Service Recruitment. Management performance can no longer be measured by success in the administration of rules and regulations. Traditionally, senior public servants were expected to assist and serve Ministers. They are now being held increasingly accountable for their capacity to manage and direct; more is being expected of them; more attention is being paid to their performance and productivity.

1.26 The Department Head and senior members of his staff have to manage in a system whose cup overflows with rules, regulations, guidelines and directives. As this Inquiry proceeded the Committee became increasingly conscious of the absence of a definition of public service management. As noted in the Introduction, this is compounded by the seeming conflict between the Constitution on one hand, and the Public Service and Audit Acts on the other, on the question of responsibility for departmental management.

1.27 The process of 'managing' can be described as that of initiating, guiding and evaluating. Thus management is decision-making and getting things done by other people. In order to manage successfully there is a need to be able to motivate people, to communicate to them what they should be doing, what results should be achieved, and how to achieve them.

1.28 Senior public service managers should see their mandate as attempting to achieve the policy objectives and priorities established by the political process, developing programs to implement these policies, and seeking adequate resources to implement them effectively with due regard to economy and efficiency.

1.29 The Public Service Board has provided a number of explanations of the role of the public service and the task of senior executives. The present Chairman, Sir William Cole, has described the role of the public service thus:

... to 'administer' legislation, to 'manage' government programs and to assist the government of the day with the development and implementation of 'policy'. In carrying out those roles the Public Service also has to manage its own affairs. All of this occurs in a complex and changing legal/institutional/political environment and the successful senior manager must be able to move with confidence and skill in that environment, with all of its constraints and problems⁴.

1.30 The Committee believes that the Public Service Board should place greater emphasis on management. We also believe that the Board should research in greater depth, through case studies and other methods, the different tasks, responsibilities and problems facing senior managers throughout the Commonwealth Public Service.

1.31 The Committee is aware of the abundance of material on the personal attributes and work experience needed to fulfil the role of a senior manager. For example, the Public

4 Sir William Cole, Options for the Development of the Executive Services, Address to the Australian Institute of Public Administration 9ACT Group) 23 June 1982.

Service Board provides a list of qualities of executives in the public service to participants in its Executive Development Scheme. Also, the management consultants, W.D. Scott and the former Department of Housing and Construction were among several organisations which provided useful descriptions of senior public sector management criteria.

1.32 It is acknowledged within the Commonwealth Public Service and elsewhere that general acceptance of such criteria has not been achieved. In November 1981 the OECD held a meeting of Member Countries on the question of 'The Performance of the Senior Civil Service in a Period of Resource Constraint'. Australia was not represented. While the meeting accepted that it was theoretically possible to draw up a fairly complete list of criteria against which a senior civil servants' performance could be judged, the discussions show that in practice very few Member Countries have attempted such an exercise. Nevertheless, the Committee believes the establishment of performance criteria for senior public servants in the Commonwealth Public Service is a matter of urgency.

Measuring Effectiveness of Senior Management

1.33 Measuring the effectiveness of senior managers is not easy. Tools of analysis, particularly for evaluating effectiveness in achieving political objectives, are not well refined. Public servants may cite this difficulty as a reason for inaction, but the Committee does not accept this excuse. A private consultant, in a submission to the Committee, explained this issue thus:

Many apologists for public sector management emphasise the great difficulty, even the impossibility, of measuring performance at senior levels. There is, they say, no 'bottom line' such as exists in the private sector. Responsibility is often diffuse and one is at the beck and call of Ministers, Parliamentary Committees and bodies established to review administrative action - the winds are always changing direction. To my mind, this merely establishes that public sector management is complex and difficult, not that the quality of management is beyond assessment⁵.

1.34 The Committee acknowledges that managing by objectives and accountability which are essential for private firms seem artificial when introduced to the public service where it has not been easy to establish meaningful measures of output divided by man-hours worked. This is more of a problem at senior levels which highlights the seriousness of this issue because the efficiency of senior public service managers is crucial to overall effectiveness.

5. Chandler & MacLeod Consultants Pty Ltd.

1.35 Formal arrangements for regular appraisal are essential if managerial accountability is to be promoted. The existence of an effective appraisal system can be a considerable stimulus to performance. These appraisals need to be established despite the difficulties and accepted as the responsibility of each department.

CHAPTER TWO

SELECTION

Perhaps it is impossible to stop the Civil Service appointing people in its own likeness, but we politicians ought to try to stop it growing like Frankenstein.¹

2.1 Many of the current procedures and practices for promotion or appointment to the Commonwealth Public Service date from the Bailey Committee Report into Systems of Promotion and Temporary Transfers of 1946 and the adoption of some of the recommendations of the Boyer Committee on Public Service Recruitment of 1959. Adoption of the Boyer Committee's recommendations for the recruitment of graduates through an Administrative Trainee Scheme had a significant effect on improving the quality of the senior public service during the late 1960's and beyond.

2.2 The legislative basis for promotions is contained in Section 50 of the Public Service Act which provides for provisional promotion, the establishment of Promotions Appeal Committees, and the confirmation or cancellation of promotions. Responsibility for selecting staff for provisional promotion to vacant positions in the Second, Third and Fourth Divisions lies totally with the Head of the Department in which the vacancies exist.

2.3 The Act currently provides that in the selection of an officer for promotion, the Department Head shall first consider relative efficiency and then, in the event of equal efficiency between two or more officers, the relative seniority. The Public Service Acts Amendment Bill currently before the Parliament provides for the removal of seniority as a consideration.

2.4 At present, nearly all vacancies in departments are advertised in the Commonwealth Gazette. Departments may advertise outside the Service but the Public Service Board must approve open advertising of a Second Division position. The Committee believes that restrictions on advertising Second Division positions should be removed, and that the Board should explore ways of widely publicising such vacancies.

2.5 The Act requires that all provisional promotions be notified in the Gazette; these are then subject to appeal. A right of appeal is available to any officer who considers he or she is more entitled to promotion to the vacant position than the officer provisionally promoted. Appeals must be lodged within 21 days of the notification of the provisional promotion in the Gazette. Appeals are considered and

1 Lynn and Jay, op. cit.

determined by a Promotions Appeal Committee for Third and Fourth Division positions and the Board considers Second Division appeals, following a report from the Promotions Appeal Committee. Each Committee comprises a full time Chairman appointed by the Board, a nominee from the Department to which the provisional promotion has been made and a nominee from the relevant staff association. When appeals against a provisional promotion have been determined, the promotion is confirmed if all appeals have been disallowed. If an appeal has been allowed, the successful appellant is promoted by the Board to the vacant position.

2.6 The Public Service Board has certain statutory responsibilities under the Public Service Act in relation to promotions and appeals, and under the Commonwealth Employees (Redeployment and Retirement) Act in relation to the placement of surplus staff. The more important powers under the Public Service Act are that the Board may:

- determine conditions of eligibility for promotion or transfer to certain offices;
- cancel provisional promotions in circumstances where the office is unnecessary, or can be filled by the transfer of a surplus officer or where further notification of the vacancy is desirable; and
- determine that promotions which have been made to a Department which is abolished may be effective in another Department.

Although the Board has these powers it very rarely uses them. One of the few areas in which the Board has placed some restriction on Department Heads filling positions on promotion is in relation to the placement of surplus staff following the Review of Commonwealth Functions in 1981.

Reforming Current Senior Selection Practices

2.7 The three areas in which immediate improvements to selection practices need to be made are:

- need for more extensive selection techniques with less emphasis on the formal interview;
- greater mobility within the service; and
- even more emphasis on promotion by merit.

- (1) The formal selection system places too much emphasis on the interview, and on the possession of specific skills and qualifications.

2.8 Evidence to the Committee showed that most private corporations select managers internally and rely little on lateral recruitment; the reason being that management likes staff to share the philosophies and outlook of the corporation. As in the private sector, senior selection in the public service is essentially internal and highly subjective. The system is heavily weighted in favour of inside applicants who are selected because they have substantive knowledge in particular areas, a quality easier to measure and justify in an interview than by other criteria. Also, the selection system ignores management expertise and the broad range of skills required at the appropriate level across the whole Public Service.

2.9 More extensive selection techniques need to supplement current procedures. In that way the process can be more thorough, comprise more publicly acknowledged elements and enable applicants to be assessed in a variety of situations against the specified skills and attributes for a position or level of promotion. Some criteria which may be appropriate to reform selection processes are contained in the submissions from the Second Division Officers' Association and Hay Associates (see Appendices 6 and 8).

2.10 In addition to specific job-related competence, selection Committees take into account broader characteristics such as:

...wide and well-rounded experience, ability to handle policy development and provide advice to the Government, capacity to represent the department on interdepartmental committees and carry out high-level negotiations with other Commonwealth and State Administrations...2

2.11 No one denies the need for these attributes. Nevertheless, we strongly believe that selection procedures and the associated appeals mechanisms do not give sufficient weight to other important criteria such as capacity to select, train and develop staff.

- (2) Top level talent continues to be unevenly distributed between departments because senior selection is essentially an internal, departmentally-based system and because insufficient incentives exist for movement within the Service, including movement between Canberra and the States.

2.12 Adoption of the Committee's recommendations for greater mobility, in the following chapter, would provide some solutions to this problem.

2 Submission of the Department of Social Security.

- (3) The concept of promotion on merit needs to be more fully exploited to permit greater participation of talented men and women with broader backgrounds, and some form of succession planning.

2.13 The Committee supports the view that appointment and recruitment to, and promotion within, the Commonwealth Public Service should be on merit. (The merit principle is explained in Appendix 4).

2.14 The Commonwealth Government has always emphasised equity in dealings with its own employees. One result has been the establishment of uniform conditions of service and patterns of management. Except in regard to women and minority groups, we believe equality and fairness in terms of conditions in the Public Service have largely been achieved. Efficiency and better management are now the challenge.

2.15 A former Chairman of the Board, Sir Frederick Wheeler, said:

...aspiring top managers and administrators within the Service must make the effort to compete vigorously and constantly for promotion³.

2.16 Especially in selecting for the top of the Service, departmental and central management should be doing considerably more than attempting to choose in a fair manner the best candidate from those putting themselves forward. Management must actively ensure it is choosing from the whole field available to it. Promotion by self-nomination reduces the available field.

Selection of Department Heads

2.17 Since August 1977 there have been thirty seven Department Head positions filled, six of them by persons who already had the standing of Department Head. There are currently twenty-eight 'Permanent' Department Heads in the Commonwealth Public Service. Nineteen of these are younger than fifty-five years and only five are more than sixty. Age factors should thus not create any unmanageable pressures to find Department Heads in the near future.

2.18 Department Heads act as the formal link between Ministers and their Departments. Therefore their selection, appraisal and performance is critical to effective government administration. In a special report to the Coombs Royal Commission into Australian Government Administration in 1976, Professor R.N. Spann found that

3 Sir Frederick Wheeler, 'Providing for Future Management Needs in the Commonwealth Service', Australian Journal of Public Administration, Vol. 30, No. 1, 1971, p. 5.

Professor R.N. Spann found that Department Heads mentioned as major shortcomings their lack of background in management and the lack of opportunity for experiences outside the Public Service. They also nominated five to seven years as head of one department as long enough. The Committee believes that too many Department Heads did not receive adequate management experience prior to appointment and have failed to demand the recruitment or retention of staff with expertise in this area.

2.19 Recent machinery of government changes have tended to undermine the 'permanency' aspect of a Department Head's position. In the 'reshuffle' of mid-1982, six out of twenty-six Department Heads were moved from one department to another. This Committee does not oppose such movement at the top, not least because it is impossible for any person to fill a most senior position indefinitely and still retain imagination and drive. Therefore the Committee recommends that:

1. Any new Department Head appointments be made on a fixed-term basis.

2.20 To bring this recommendation into effect will require radical changes to the current terms and conditions and employment of First Division appointees. Currently all departmental heads are permanent public servants. These recommendations would not affect the 'permanency' of such appointees in terms of the Public Service Act but would result in their status as Department Heads being subject to re-appointment, after review, at the end of five years.

2.21 The effect of this recommendation would be to abolish the First Division. The most senior permanent position within the Public Service would then be Deputy Secretary. The Department Head would in most cases be drawn from this level and as such would continue to receive its salary to which would be added appropriate allowance established by the Remuneration Tribunal. Superannuation would remain pegged to the deputy secretary scale. When a Department Head ceases to fill that position he or she would revert to the substantive rank of deputy secretary and be available for appointment at that level throughout the Service.

2.22 The Committee believes that machinery to review the performance of Department Heads could be a committee, comprising the Minister Assisting the Prime Minister in Public Service Matters and the Chairman of the Public Service Board. Other persons could be co-opted. The Minister whose Department Head is under review must be fully consulted, but should not be a member of the Committee.

2.23 In terms of procedures for appointment to Department Head, under Section 54 of the Public Service Act 1922, advantages are given to what are known as 'established

candidates' selected from suitable nominated persons from either inside or outside the Service. Other candidates, also from either inside or outside the Service, are eligible only for renewable five year appointments with possible termination upon a change of government. Non-tenured public servants would normally return to the private sector upon expiry of appointment whereas a permanent officer would become unattached at his former level. The Committee believes that established and other candidates should be considered on equal terms: The Committee therefore recommends that:

2. Advantages to 'established candidates' be removed from the Public Service Act 1922.

Future Department Heads

2.24 A primary objective of this Inquiry must be to ensure the development of an adequate pool of senior managers from which Department Heads may be drawn. The Committee believes a more deliberate effort is needed to identify those Second and Third Division officers with potential to reach Department Head or Deputy Secretary level. More effort is also needed to provide those officers with comprehensive career development opportunities as they progress through the Service.

2.25 A start must be made early in a person's career to provide opportunities for gaining experience in financial and personnel management, administration and in policy analysis. Such aptitudes and dispositions are unlikely to be developed through osmosis merely because a person has had a decade or more in one Department. By then habits have been formed, and the impact of training courses or new experiences may be marginal. The Committee considers such potential senior executives a most valuable Service-wide resource. Consequently their development will be enhanced by working in a range of roles and departments, especially on an understudy basis to outstanding senior staff members with expertise in general management.

2.26 Some Department Heads identify 'high-flyers' and some departments enable such officers to act as assistants to senior officers. Early identification can also happen as a result of the continuous responsibility of all supervisors to develop and counsel staff. However, in most departments self-nomination is the basis of promotion, and processes of identification do not go far enough. Reform appears to have been restrained by concern that the merit principle may be breached by succession planning.

2.27 The Committee agrees that developments in this direction must not lead to favouritism or patronage. There will also be the problems of special pleading from departments claiming the need for independence. These difficulties can be overcome as has been demonstrated by the British Civil Service in Australia's Telecom.

2.28 The Committee believes that it is a fundamental duty of management to search for the best quality candidates for senior posts. Therefore greater emphasis must be placed by the Board on consultation with Department Heads on succession planning. The Committee recommends that:

3. A Committee of Senior Officials, comprising the Chairman of the Public Service Board and two Department Heads nominated annually by the Minister Assisting the Prime Minister on Public Service Matters, be established to identify Second and Third Division officers of exceptional potential on the basis of nominations by Departments and suggest assignments to enhance their development. This Committee should report annually to an appropriate Cabinet sub-committee responsible for Public Service matters.

2.29 It is acknowledged that any workable succession planning system will require an adequate information base and that the establishment of credible and effective systems will involve additional resources. In this respect the Committee believes that comprehensive staff appraisal systems for all officers of Class 9 level and above should be introduced (see later section).

Structure of Senior Management

2.30 As outlined above, what happens below departmental head level affects the pool from which heads of departments are drawn. However, the selection and development of senior managers below departmental head level has a much more direct bearing on the quality of output of the Public Service. In all departments, Second Division officers play a major role in policy advice and in administration, often with direct access to Ministers and, especially in State Offices, substantial autonomy in implementing programs.

2.31 In hearing evidence for this inquiry and in our examination of many specific areas of administration in the course of other inquiries, we have identified a number of problems with the current structure of the Second Division.

2.32 There are major problems in departmental administration, in some cases wasting tens of millions of dollars each year, which are at least partly attributable to inadequate senior management. It is important to avoid blaming the Public Service for all problems that arise in public administration and to design administrative systems which recognise that the Public Service is made up of people with a wide range of abilities. However, in its detailed investigations in a number of areas the Committee has become convinced that a proportion of officers selected for the Second Division are unable to manage effectively.

2.33 In some cases, these officers no doubt appeared competent at the time of their promotion to a specific Second Division job but lacked broader skills, or have remained too long in the one area. The Committee believes that most individuals lose momentum and develop narrow perspectives if they remain in the one area for many years.

2.34 Less competent senior officers sometimes 'block' the promotion of more talented junior officers. This is likely to become more widespread in future decades as those currently being promoted to senior jobs while still in their 30s may burn out long before they reach mandatory retirement age.

2.35 In many departments, although not all, there is the attitude that an individual, once promoted to a specific position, has the right to retain that specific position until death, retirement or a voluntary move. In some cases the attitude is reinforced because the individual would be incapable of holding other positions at that level.

2.36 The Committee notes that, although Section 52(2) of the Public Service Act enables the Board to order any officer to move to another position of equal or higher status, throughout the Act the emphasis is on specific offices or positions. For example, the Act requires promotions appeals to be considered in terms of specific positions, rather than on the basis of general abilities to perform at a higher level.

2.37 This means that specialist officers are often unable to receive sufficient recognition and salary without moving out of their specialty into general administration.

2.38 Some very talented officers are lost to the public sector because the salary they receive is based upon the specifications of their job, without regard to how well they do it, and because they can earn much more outside the Public Service, especially when untaxed fringe benefits are taken into account. For such people, who are often young and are confident they will always have job opportunities open to them, security of tenure and superannuation arrangements are not significant counter-balancing factors.

2.39 The 'loss' of individual officers from the public sector to the private sector, whether they be specialists or generalists, is of course not necessarily a net loss to the nation. Cross fertilisation between public and private sectors is a vital element of staff development, and the Committee has more to say about that later in this report. However, we accept that in a number of areas valuable skills are being lost, without much hope for replacement, given current arrangements.

2.40 There is limited mobility between departments. In general, there is a great reluctance to transfer between departments at the same level, even where the move would be to an area better matched to the individual's interests and skills. Such transfers are seen as signs of an individual's failure.

2.41 Transfer between central departments and others is further inhibited because the former have higher classifications. For example, a branch head in Prime Minister and Cabinet or Finance cannot transfer to a branch head position in most other departments without dropping a level. And in all departments there is a reluctance to recruit from other departments when filling Second Division positions, thus protecting the career structure within Departments. In part this is because the selection process focusses largely on the particular position, rather than on more general management and policy skills.

2.42 The Committee believes that radical change to the senior management structure of the Public Service is required to face the challenges of the next two or three decades. Therefore the Committee recommends that:

4. The Second Division be abolished and a Senior Executive Group be created.

2.43 This Senior Executive Group requires a far more flexible structure than applies at present within the Second Division. For example, there is much to be said for adapting to Australian conditions the Canadian and US practices of promoting senior public servants to a personal grade, rather than to a particular job. Movement towards this is already occurring. Some departments word duty statements for senior positions in the same terms, regardless of which area in the department the position is located. For example, generic duty statements are already used for Foreign Affairs officers, Senior Research Scientists and most Second Division jobs in Prime Minister and Cabinet. Greater flexibility is also needed in the actual structure of departments.

2.44 Accordingly, the Committee recommends that:

5. Promotion to the Senior Executive Group and within the Group be to a personal grade or level, rather than to specific positions, leaving Department Heads to allocate (and reallocate) specific tasks within a pool of senior executives.
6. These promotions be made on the basis of general management, policy and administrative skills, rather than the ability to do a specific job.

7. Departments have much greater flexibility to design their top structures to accommodate the strengths and weaknesses of particular senior executives (thus a Department would have freedom to promote an individual to a higher level without necessarily adding to the breadth of his or her responsibilities, and also to reduce the role of an officer with limited abilities).
8. Current Public Service Board control over top structure be replaced by limits on the aggregate number of officers at each level in the Senior Executive Group, together with an active role in advising departments on promotion criteria, top structure design and other aspects of senior management.
9. Where serious consideration is being given to recruiting an officer from another department to a senior level, Public Service procedures be altered to allow that officer to be seconded for a trial period of six months before being permanently promoted or transferred.

2.45 The Committee recognises that this whole approach emphasises the common management skills required of senior managers and that some senior positions require special expertise, for example in the health area. The Committee therefore recommends that:

10. Where specialist knowledge is required or where it is necessary to promote talented specialists to avoid losing such skills to the private sector, specialist positions be created with salary levels equivalent to the Senior Executive Group. The holders of those positions would not form part of the Senior Executive Group.

2.46 In conjunction with the change to 'promotion-to-level' there should be created a limited number of high profile Second Division temporary assignment projects available on contract to officers within the Service and top managers outside it. An advantage in this proposal is that new permanent positions are not required. The packaging of salaries for such projects could be made much more effective in attracting senior private sector people than the traditional salary/superannuation only package.

2.47 These temporary assignment positions could be limited to 20 or 25 for the Service, controlled by the Public Service Board and available to senior executives with proven superior performance in areas such as policy planning or modifying, program rebuilding, evaluating or auditing. The Canadian Public Service has a program which resembles this proposal

called the Temporary Assignment Program and the essence of the strength of the Canadian program, at least as initially conceived and run, lay in the importance of jobs assigned.

2.48 The Committee recommends that:

11. A limited number of high profile temporary assignment projects be created and be available on contract to Second Division officers or to top managers outside the Public Service.

2.49 Although the Terms of Reference of this Report are directly related to selection and training, it is not possible to ignore the reality that officers may cease to be efficient and yet under current Public Service arrangements are able to remain in positions above and beyond their level of capability for an indefinite period, even up to retirement. The impact of this on efficiency is self-evident. Of equal importance is the fact that their presence can block the promotion prospects of other more able officers.

2.50 The Government and the Public Service Board have attempted in the Commonwealth Employment (Redeployment and Retirement) Act to address this problem. The Act was passed in 1979, but the regulations under the Bill were promulgated recently, some three years after it was passed by Parliament. The Committee is very conscious of the real difficulties associated with the development of adequate arrangements for the demotion, transfer or removal of inefficient officers from their positions in the Public Service.

2.51 The concept of permanency long enshrined in the legal bases for the Public Service has meant that an officer believes he has a right to remain in a position indefinitely. The Committee is of the view that the needs of public administration in the 1980's and beyond will demand a serious reconsideration of the concept of permanency. It is our view that as a first step permanency should be re-defined to mean that a career officer in the Public Service can expect, subject to existing conditions regarding disciplinary and medical provisions in the Act, to remain within the Public Service but that the right to a senior position must depend upon the efficient performance of particular duties and the over-riding requirements of the Department. The Committee recommends that:

12. The concept of 'permanency' implicit in the Public Service Act be re-defined:

- (a) so that senior career officers have 'permanency' within the public service but no claim to a specific rank or position indefinitely; and

- (b) the holding of senior rank within the Senior Executive Group depends upon consistent and satisfactory performance of duties together with the needs of the department and the service.

External Recruitment

2.52 From 1973 to 1977 there were significant increases in lateral recruitments, rising to 41 appointments in 1976 and 44 in 1977. In line with reductions in overall recruitment for the entire Service, however, external recruitment has fallen heavily since then. Appointments to the Second Division from outside the Public Service have numbered only 5, 15 and 5 for each of the years 1979, 1980 and 1981 respectively. Staff growth in the Public Service will probably be tightly restrained for the rest of the 1980's. As with public services in comparable countries, salaries and associated conditions of employment for senior public servants will continue to be less attractive than those in the private sector. It therefore seems likely that the absolute level of lateral recruitment will remain low.

2.53 The Committee wishes to encourage departments to continue to use all opportunities to obtain the services of private sector managers and academic experts through senior advising and consultancy positions. In addition, lateral recruitment can be increased through temporary assignment projects.

2.54 The Committee re-emphasises that both central and departmental senior management have a responsibility to seek out the best quality talent for senior positions. It is not enough to consider those who respond to advertisements contained in the Commonwealth Gazette. The Committee recommends that:

13. To increase inter-departmental mobility and external appointments and to further encourage upward mobility between career streams on the basis of merit, all Senior Executive positions be openly advertised, and be available for candidates from outside the Public Service.

Staff Appraisals

2.55 The Committee has received conflicting views on the efficacy of introducing some method of written performance appraisal for senior public servants. Nevertheless the Committee is convinced that written staff appraisals need to be undertaken regularly on the basis of agreed guidelines for the Service.

2.56 We have taken into account views opposing written appraisals. These views focussed on problems such as frankness of reporting (particularly in the light of proposed administrative law reform), cost and loss of credibility if staff appraisals were simply a routine annual activity. Other critics claimed that staff appraisals have been tried but have not proved a reliable yardstick, and that the elaborate form-filling involved outweighed positive outcomes.

2.57 The Public Service Board does not have a written appraisal scheme for its staff. The Board's 1982 guidelines to departments on appraisal scheme design emphasised the need to:

ensure that a scheme should be introduced only if a considered decision has been made that it is the most appropriate response to the identified personnel management need, and where there are available appropriate expertise and resources for the design, implementation and review of such a scheme⁴.

2.58 The Committee was given many examples of successful written staff appraisals schemes. Private consultants demonstrated the positive benefits of regular staff appraisals, particularly for identifying and developing potential senior managers. (See Hay Associates' Submission, Appendix 8). The Coombs Committee in its Report in 1976 stated that formal staff assessments were critical to improved selection for promotion because 'the assessed' was provided with the basis for improved performance. Written senior staff appraisals have been the accepted practice in the Canadian and the US civil services for some years. The Office of Personnel Management in the US Civil Service has produced several guidelines for use in this area. Within Australia, written appraisals have been in use in the armed forces and the Department of Foreign Affairs, and are being introduced within the Department of Defence for officers of Clerk Class 7 and above in the Clerical/Administrative stream. In its turn, the Public Service Board is already using a form of written appraisal of participants in the Executive Development and Personnel Management Schemes.

2.59 The Committee is aware that avoiding bland and meaningless reports is a major problem in any appraisal system. Any useful system needs to be able to compare the performance of senior staff within departmental branches and divisions. To be effective, written appraisals need to be introduced with the full commitment of top management.

2.60 Written appraisals must be obligatory for selection committees. Written appraisals, particularly in a more mobile Service, will provide career profiles emphasising applicant's

4 Submission of the Public Service Board, 31 May 1982

strengths as well as weaknesses over a reasonable period of time. The Committee recommends that:

14. Written staff appraisals be established for officers at and above Class 9 level (or professional/specialist equivalent positions). The form of written appraisal is to be the responsibility of each department or agency, using broad guidelines to be devised by the Public Service Board.
15. The Minister Assisting the Prime Minister in Public Service Matters establish a Task Force of three to investigate selection criteria appropriate for a written senior staff appraisals scheme. The Chairman of the Task Force should be a senior officer nominated by the Public Service Board, preferably a Department Head supported by an expert from a management consultant firm and a Second Division Officer with extensive experience in both policy and management work. The Task Force should report to the Minister Assisting the Prime Minister in Public Service Matters within twelve months of this Report being tabled in Parliament.

Senior Selection and the Appeals System

2.61 Selection which opens up the question of appeals against senior promotions is always a sensitive question in the Public Service.

2.62 The Committee believes that Promotions Appeals Committees, as presently constituted, tend to place undue emphasis on directly relevant experience in a 'subject-matter' area when making their assessment. In coming to decisions in Second Division appeals cases, it is accepted practice that each Promotions Appeals Committee uses the definition of efficiency contained in Section 50(4) of the Public Service Act. This establishes close links between promotion and the individual's ability, aptitude and qualifications to do a particular kind of job at a higher level. According to Sir Frederick Wheeler:

...relative efficiency means the best man for the job in question, the best man for the particular vacancy.⁵

2.63 Sir Frederick's definition of efficiency gives little encouragement to talented men and women with broader backgrounds and falls short of the desirable objective of a wider selection from which to make a choice.

2.64 From 1976 to 1980 only 3 out of the 1,000 recommendations made by Department Heads for promotion to or

5 Sir Frederick Wheeler, op. cit., p. 4.

within the Second Division were overturned. Some Department Heads claim that the appeals system is a waste of time, that it was 'a relic of a vanished age'. Because appeals take several months to be resolved, the system is more constraining in terms of delay than in having promotions overturned. The weight of evidence before the Committee overwhelmingly supports the view that the appeals system is outmoded and needs to be reformed in conjunction with changes to the selection system such as those proposed earlier in this Chapter.

2.65 Nevertheless, the appeals system is one of the few disciplines in an unsatisfactory selection system. Its cost in relation to Second Division appeals is minimal. In 1980/81 Second Division appeals comprised only 1.8 per cent of all appeals. The system does have a safety-valve effect permitting all officers the right to press their own cause. It also reduces the temptation to engage in favouritism.

2.66 The Committee believes that a person selecting or making final assessments on applicants or appellants for senior management positions needs to have had direct and extensive experience in senior management to fully appreciate the demands of such work and the qualities required for its successful performance. Currently, Chairmen of Promotions Appeals Committees are not Second Division Officers and Second Division Appeals are decided by the Board on the basis of recommendations from the Promotions Appeals Committee.

2.67 Therefore the Committee recommends that:

16. The establishment of a single committee to hear and determine all appeals against Senior Executive Group promotions. The Chairman should have wide senior management (First and/or Second Division) experience in the Commonwealth Public Service.
17. The Chairman to be appointed for no more than three years. It may be appropriate for senior retired officers to be considered.
18. Each Departmental representative on the Committee for each separate appeal to be a Second Division officer.
19. Each staff representative to be chosen from a panel of Second Division officers.
20. Where either or both the promotee and the appellant(s) is a woman, consideration be given to having a woman as a member of the Promotions Appeals Committee.

2.68 The Committee appreciates that to give effect to these recommendations will require changes to the Public Service Act.

The Role of the PSB in Senior Selection

2.69 The Committee believes there is an urgent need for much greater involvement by the Public Service Board in setting Service-wide standards for senior selection. In the promotion and transfer of senior staff the Department Head's powers are limited only by the appeals machinery under Section 50 of the Public Service Act.

2.70 In Britain and Canada where service-wide interests can prevail over the views of the responsible departmental head, the central agencies play a stronger role in senior postings. In Britain, promotions to the equivalent of deputy secretary and above are made by the Prime Minister on the basis of advice from a committee including the Head of the Civil Service. In the Canadian system the Public Service Commission has not delegated its staffing powers over the equivalents to our Second Division positions, thus departmental preferences do not always prevail. Promotions are based on an extensive appraisal system which involves departments and a Committee of Senior Officials carrying out an appraisal of all serving Second Division equivalents. This Committee includes the heads of the central agencies and departmental heads on a rotating basis.

2.71 An Australian Department Head is subject to the Board and to the provisions of Section 29 of the Public Service Act. Section 29 allows (and even requires) detailed intervention by the Public Service Board in devising internal management structures of Departments, a power which is rarely used. The Committee considers that some change to Section 29, in respect of senior management, may be desirable as a *quid pro quo* for the Board having a more positive role under Section 50.

2.72 The Board should no longer have to approve the top structure of departments but instead set limits on the number of Senior Executive positions at each level. The Board could be consulted about all proposals to fill Second Division vacancies, with an opportunity to participate in the selection process and an obligation to advise the Department Head whether or not it supported the proposed promotion or transfer. A necessary corollary would be that the Board would have to comment in its Annual Report if it thought that a department was consistently making inappropriate selections. In extreme cases, the Board would have to exercise its cancellation power. The Committee recommends that:

21. The Public Service Board publish a guide which outlines in detail the skills, knowledge and target performance criteria for senior managers in the Public Service against which Department Heads would be expected to assess the promotion to Second Division. This guide should be periodically reviewed.

2.73 At present the Board maintains a Continuous Record of Personnel. Data is collected and updated on age, sex, date of joining the service, qualifications, promotions and transfers of permanent officers in the Service. This data is used for the Public Service Board annual report and for other purposes.

2.74 Since 1980 the NSW Public Service Board has completed an annual survey of senior officers. The data obtained is additional to that of the Continuous Record of Personnel. Through this survey the NSW Public Service Board has obtained useful information on senior staff and has been able to make suggestions for opening up selection procedures, particularly for women and ethnic minorities. A similar survey would be of decided advantage to the Commonwealth Public Service. The principal advantage being early identification of departments and sectors of the Public Service where improvements in selection and development opportunities need to be made. To assist in the selection and development process the Committee recommends that:

22. The Public Service Board undertake and publish an annual survey of senior officers.

Women in Senior Management

2.75 In 1979 the NSW Review of Government Administration detailed extremely low representation of women, migrants and other disadvantaged groups in more senior positions and analysed the nature of systemic discrimination in promotion practices. Since that time the situation has improved in the NSW Public Service. It is hoped that the recommendations which follow will have a similar effect within the Commonwealth Public Service.

2.76 The Committee acknowledges that women in the Commonwealth Public Service have particular difficulties in relation to senior selection and development. A recent survey by the Equal Opportunity Bureau of the Board confirms this (see Appendix 7).

2.77 A history of discrimination in employment opportunities for women has led to an unsatisfactorily low number of women senior managers in both the public and the private sectors. As at the end of March, 1982 in the Australian Public Service, women comprised only 2% (30) of Second Division officers. In the next few years, when promotions to the Second Division will escalate, the prospects for women show only slight signs of improvement. For example, a 1979 Board study of 'Career Patterns for Women in the Commonwealth Public Service' projected that women would comprise 5% of the Second Division by 1987. This Committee believes that, without some form of positive assistance, the rise in the proportion of women in senior positions for the remainder of this century will be small. This gross imbalance

will have adverse effects on management in the Service as a whole.

2.78 In the 'feeder pool' for senior positions, women comprise 4% (198) of Class 10/11 Clerical/Administrative (or equivalent) officers. This percentage is expected to rise to 6% by 1987. Over half of these women (51.5% or 102) are in professional positions. Their promotional prospects are diminished by the fact that only 25% of all Second Division positions are staffed by professionals. Women in the 'feeder pool' tend to be supervising more women than men and in relation to their male counterparts, generally lack experience, opportunity and expertise in resource control and 'mainstream' occupations.

2.79 Although occupational segregation within the Public Service is breaking down it is doing so faster for men than for women. The Equal Employment Opportunity Bureau has found that certain areas of the Service continue to have an intensely male image. Custom and women's limited experience still impede entry to senior positions in these areas. The recently published report on the NSW Public Service uses comparative data to suggest that the degree of sex segregation in that Service may be less pronounced than in the Australian Public Service. For example, of the Administrative/Clerical Officers and Clerical Assistants group, of Commonwealth employees 26.8% are women compared to 48.6% in NSW6.

2.80 At the end of March this year twelve Departments and agencies employed only 1 woman each at the Class 10 and 11 levels, four employed 2 or 3, whilst eleven employed from 4 to 6. The Public Service Board and the then Department of Employment and Youth Affairs had the largest numbers of Class 10 and 11 women (9 and 8 respectively). The following Departments had no women in Class 10 and 11 positions at that time: Aboriginal Affairs, Administrative Services, Attorney General's, Capital Territory and Primary Industry.

2.81 The Public Service Board has recognised that, despite the removal of formal barriers to women's employment, more subtle forms of discrimination still need to be overcome. Discrimination is often unintentional and the consequence of administrative practices and rules in organisations based on outdated assumptions about women's roles in the workforce. In the survey mentioned above, women suggested they needed a very high degree of competence and confidence, and an assertive yet tactful approach to overcome doubts about their competence shown by men:

... thought needs to be given to the training of men to accept women in various jobs, to know how to relate to them from a work point of view.

6 Unfinished Agenda. Review of New South Wales Government Administration, Further Report 1982, p. 32.

A number of women said they would like to have the opportunity to discuss these, and other work-related problems, with other senior women on a regular basis.

2.82 In terms of selection for senior positions, this Committee is convinced that in order to exploit the merit principle more fully to obtain a better cross-section of senior managers, positive steps are needed to allow women, and talented people from disadvantaged groups, to compete on a more equal basis at the point of selection. The EEO Bureau, in their submission to the Committee, proposed a number of measures to counteract discrimination in selection, and procedures to determine the effectiveness of these measures.⁷

2.83 The Committee recommends that:

23. Within twelve months of this Report being tabled in Parliament, the Public Service Board provide a report to the Public Accounts Committee on progress made on each of the recommendations made by the Equal Employment Opportunity Bureau for improvements in selection and development processes.

2.84 In terms of appointments to the Second Division we understand that, in the period 1972-79, 143 officers were appointed laterally and only three were women. This would improve if there were an attitudinal change by those selecting. A significant proportion of senior Third Division women are recruited laterally - 28.9% of all survey respondents in Clerical/Administrative positions.

2.85 The Committee believes there should be wider opportunities for lateral recruitment to middle and upper level Third Division positions. A more positive attitude by top management to staffing these positions through an executive search approach would produce larger and better pools of candidates, many of whom would be women. The Committee therefore recommends that:

24. In order to attract more women of senior management potential to the Service consideration be given to advertising a much higher proportion of middle and upper level Third Division jobs outside the Service.

2.86 Facilitating continuity of service through establishing permanent part-time status would be of much benefit to potential senior women managers in the Service. In Australia an increasing proportion of the labour force is turning to part-time employment. People are seeking more flexible choices in patterns of work and the emerging demand for permanent part-time work has been accelerated by changing social values, technology and unemployment.

7 See Appendix 7, pp. 103-108 of this report.

2.87 As a responsible employer, the Public Service Board is concerned with efficient and economic use of resources of the Australian Public Service. By encouraging the development of permanent part-time work, the Service will benefit from the opportunities of gaining a wider range of skilled staff and a better balance of staffing to match changing demands. Since 1977 the South Australian Public Service has altered the traditional practice of providing employment only on a full-time basis. The many part-time opportunities since made available have been of proven worth to that Service and individual officers. Th Committee recommends that:

25. The Public Service Board establish as soon as possible an implementing committee to co-ordinate the actions necessary to extend permanent part-time opportunities throughout the Australian Public Service. The committee's report on this matter is to be made available to the Public Accounts Committee within twelve months.

CHAPTER THREE

DEVELOPMENT

In fact, the more I think about it, the more the Department appears to be an iceberg, with nine-tenths of it below the surface, invisible, unknown and deeply dangerous.¹

3.1 Developing senior management is an essential cost of efficient government; it is not a 'frill' or an extravagance.

3.2 The Commonwealth Public Service has no real philosophy on staff training and development. There has been no public inquiry into this area since Federation. In contrast, in 1978 the Canadian Government commissioned a special Committee to review Personnel Management and the Merit Principle (The D'Avignon Report). The Committee believes a similar investigation in Australia would be of great benefit.

3.3 Although some departments and agencies do provide adequately for senior staff development, there is no clearly discernible strategy or set of programs for the Service as a whole. The Committee believes there is an urgent need for continuity of development opportunity for all senior officers. This would encourage the establishment of an integrated senior executive group with loyalty to the Service as a whole; members of that group should be encouraged to have a clearer idea of their strategic roles in assisting government to set goals and establish priorities.

3.4 In its recent inquiry into management education, the Ralph Committee commented adversely on the ad hoc nature of the development of managers in many Australian businesses. It also observed that much in-house company training was not of a high quality, that many training staff were not well-qualified and that few private sector managers had participated in formal management development courses.

3.5 The Committee was repeatedly told about the need for management development programs in the private sector². We do not consider the public sector is any different. Objectives may vary and senior public servants may operate differently from industrial or commercial business executives, but development techniques can be adapted from one sector to another.

1 Lynn and Jay, *op. cit.*

2 Mr Alan Wilkinson, Executive Director of Shell Australia, told the Third Parliamentary Seminar that, with the exception of a few companies, private sector organizations did not have integrated development programs for management.

3.6 In the public sector the development of management skills is still very much a matter of self-nomination and individual initiative. Formal management training for senior staff is ad hoc and spasmodic. Many senior officers see no need to attend training courses which involve loss of job time and do not lead to promotion.

3.7 Fundamental attributes of public sector management have not been identified with any precision in existing development programs. For example, the importance of personnel-management has not been sufficiently emphasised; yet a recurring theme in the evidence was weakness in people-management and the poor quality of labour-management relations. Other aspects of management development needing encouragement are: measuring effectiveness, more efficient use of information systems, techniques of financial management and corporate and systems planning.

3.8 Throughout this Report the Committee has emphasised the need for top management to exercise its responsibility to seek out the best available talent. We were pleased to note the high priority already given to this by some Department Heads³. However they tended to represent central departments which could readily attract and hold the best talent. We support the attitude of these Department Heads but note that because of current promotion and development practices senior officers tend to place the interests of departments ahead of those of the Service as a whole; a situation which the Public Service Board has done little to discourage.

3.9 The Committee believes there is an urgent need to create more opportunities for in-service management development for senior staff and their successors based on departmental objectives, on well-understood management philosophies and on Service-wide skill and knowledge requirements. Over one-third or nearly 500 Second Division officers are less than 45 years old and about 45 per cent have been in the Second Division for less than 5 years. They are generally well educated but inexperienced in senior management.

On-the-Job Development

3.10 After examining all the alternatives the Committee believes that the most important part of senior staff development should take place on-the-job.

3 At the Third Parliamentary Seminar, Mr R.B. Lansdown, Secretary of the Department of Communications, emphasised that in his view success or failure of development of senior managers in the Service is ultimately the responsibility of Department Heads.

3.11 The skills and qualities needed for senior public service work are not acquired overnight, and are rarely acquired in other professions. As the Northcote-Trevelyan Report of 1853 expressed it:

Without laying too much stress on the experience which a long official life necessarily brings with it, we cannot but regard it as an advantage of some importance⁴.

3.12 The Committee believes that a prime responsibility of senior managers should be to enhance on-the-job opportunities for their successors. The Career Service Survey of the 1976 Coombs Inquiry found that supervisors requested more courses in management education and greater use of private sector consultants in development activities. However they had difficulty conceiving how on-the-job opportunities in their area of operations could be improved or why there should be a need for emphasis on their own development. There is no evidence to suggest that attitudes have changed in the last six years.

3.13 If this situation is to be improved, line managers at Branch and Section head level must be given authority to manage the resources of people, money and materials for which they are responsible. Their ability to carry out those functions should be an important element in the overall staff assessment program.

3.14 We see two ways of improving on-the-job development opportunities:

- by formalising the responsibility of senior managers for career advice through written staff appraisals;
- by encouraging on-the-job development combining both line and administrative staff placements. This already occurs in the Departments of Treasury and Foreign Affairs whose officers are given 2 to 3 year appointments as heads of management services areas.

3.15 The Committee therefore recommends that:

26. The Public Service Board provide guidelines to Departments for improving on-the-job development opportunities for potential Second Division officers.

3.16 Each Department should adapt these guidelines to cover its own situation. As a result of its experience with the Executive Development and Interchange Schemes the Board is now in a better position to develop such guidelines and we urge it to do so as soon as possible.

4 Report on the Organisation of the Permanent Civil Service, quoted in The Civil Service, (the Fulton Report) HMSO Cmd. 3638, 1968 p. 111.

Mobility

3.17 Mobility of senior managers in the Commonwealth Public Service requires intra or interdepartmental movement by transfer or promotion. Mobility may be geographical from regional to central office or another region.

3.18 The Committee believes that there is not enough mobility in the Commonwealth Public Service. For example, on average only 16 per cent of promotions involve a change of department and only 6 per cent involve a change of State. In the British and Canadian Civil Services, senior officers are much more mobile.

3.19 It has been asserted that more than seven years in the one job tends to lead to overmastery, progressive deterioration in performance and loss of enthusiasm, flexibility and judgement. The Committee generally accepts this view, which underlines the need for mobility within the Service. For example, the Department of Administrative Services pointed out that 33 of its 40 or so Second Division officers had worked in other Departments, mainly when they were in middle-level Third Division positions. A similar claim was made by the Department of Prime Minister and Cabinet. Both these Departments provide opportunities to acquire skills and experience useful throughout the Service. On the other hand, within a Department such as Attorney-General's, most senior staff are legal professionals and mobility is very limited.

3.20 The Committee acknowledges that mobility and improvement in quality of work are not necessarily synonymous. However, a wide range of experience is necessary to develop staff able to cope with more senior positions. This adaptability is particularly important in a career service in an era of rapid change and low growth.

3.21 Senior staff need to have a broad understanding of the working of other departments. They need to appreciate the ends of policy as well as the means and context of its development and implementation. For example, if more officers from operational departments had experience in the Public Service Board and the Department of Finance, they would be able to appreciate better the need to fit together the pieces of the policy jigsaw. In their turn, if officers in central agencies had experienced the frustrations of trying to implement major programs in the face of real or imagined delays caused by other regulatory authorities, they might understand better the difficulties faced by officers in operational departments.

3.22 The Committee was told of planned rotation of senior and other officers within some departments including deliberate secondments to State Offices for senior staff. For

example, the Department of Education moved nearly half of its Second Division staff in July 1980 and is contemplating a policy of lateral mobility for all of its clerical and administrative staff every 3 to 5 years. But there is little evidence of planned interdepartmental transfer in the Service. This Committee believes that interdepartmental transfers are used insufficiently as an effective staff development technique.

3.23 The Committee is aware that officers are reluctant to agree to interdepartmental transfers. Personal and family commitments are strong inhibitors, as has been shown by the recent investigations of the Joint Council⁵. Secondly, the existing promotions and appeals system, discourages mobility by encouraging officers to gain more and more experience in one job area. A third restraint is the possessiveness of very senior staff who do not like the possible disruptive effects of mobility. Because of these restraints the concept of a career service has been undermined and there is an increasing tendency for senior officers to give their sole loyalty to one Department.

3.24 Another significant inhibitor to mobility is the array of Second Division classification levels. Because an elite core of central departments have superior classifications, interdepartmental transfers are extremely difficult to arrange.

3.25 The Committee has noted that a very high proportion of promotions to the Second Division occur from within the same department. Appointments from outside the Service and promotions from the Third to Second Division from 1976 to 1981 in selected departments are shown at Appendix 11. Promotions from within departments generally exceed 80 per cent of the total.

3.26 The Committee was disturbed to find that there were only three promotions to the Public Service Board's 40 or so Second Division positions during the period, and that the average career time spent within the Board by Second Division officers has been 17.3 years. This is a clear indication that most senior Board officers may have diverse experience within the Board, but not outside it. Thus their ability to assist senior management in departments may be suspect. The Committee recommends that:

27. With the exception of some specialist positions within the Board, no officer should remain as a senior officer of the Board for more than seven years consecutively.

⁵ The Joint Council, comprising representatives of the Board, departments and organisations of officers and employees, can report and make recommendations to the PSB on general conditions of employment matters.

3.27 A recent study by the Board demonstrated similar trends in a sample of eight departments in which, on average, 67 per cent of officers had remained in the same department since recruitment⁶. The level of interdepartmental transfers is also very low.

3.28 The Public Accounts Committee believes that mobility and promotion at the top of the Public Service can no longer rely on self-nomination. The Board and Department Heads have a collective responsibility to plan mobility within the Service. The PSB's annual report to Parliament should evaluate the impact of senior rotation in statistical and qualitative terms. The Committee recommends that:

28. The Public Service Board in consultation with all Department Heads draw up clear guidelines to develop a mobility scheme for senior officers.

The Executive Development Scheme and Interchange

3.29 The most significant Public Service Board development innovations were the introduction in 1977 of the Executive Development and Interchange Schemes. Both are positive and commendable responses to the need for greater mobility within a comparatively static Service.

3.30 Departmental opinions on the usefulness of EDS and Interchange were mixed. Most Departments did not positively sponsor either scheme but found them useful in individual instances for acquisition of skills and general broadening in outlook. Some felt there had been a recent decline in the quality of participants.

3.31 Participants come from a wide range of senior clerical/administrative or equivalent professional levels. They are detached from normal duties for twelve months. In addition to formal course work they undertake two or three work placements in different departments or occasionally the private sector. The duration and content of these assignments are meant to reflect each person's development needs.

3.32 The current Executive Development Scheme intake comprised 21 per cent women (from a feeder group of Clerical/Administrative Class 9-11's, where they comprise 8 per cent). This is more than double the percentage of the previous three years. Women's participation in EDS improved as a result of greater encouragement given through the Board's EEO Program. Many of these women are from specialist areas and are being given management experience.

6 Georges AM, Smart A. and Weller P., Mobility in the Australian Public Service, Public Service Board Research Paper 3, AGPS 1980.

3.33 The Committee understands that the Public Service Board is finalising a refined evaluation process for EDS. The Committee hopes this will lead to more precise information on the impact of the scheme and a better definition of its contribution to Service-wide management development needs.

3.34 The Interchange Program provides senior public servants with the opportunity to develop new skills, attitudes and knowledge through the experience of different tasks in new work environments, particularly in the private sector.

3.35 Forty-eight (32 per cent) of Australia's top 150 companies, including 28 of the top 50, have participated in Interchange. Several managers of private corporations questioned whether work assignments were of sufficient length and challenge. Some witnesses felt that Australia lacked the degree of interchange of the Canadian, USA and Japanese Public Services. Such international comparisons are difficult to verify. They may be caused by the major companies in those countries being larger than in Australia and by their recognition of the interdependency between private sector and government. The Committee concluded that the Interchange Program was better understood within the Service than outside. This could be remedied by the Public Service Board improving its promotion and facilitation among private sector employees.

3.36 The Committee believes EDS and Interchange, as examples of programmed lateral mobility, are of great importance as a way of giving aspiring executives, particularly from specialist areas, a broader view of the Service. If effectively applied both schemes increase the likelihood that the feeder pools for top management contain a wider range of suitable officers. The Committee believes that each program should be more competitive and that participation be seen as a clear advantage for career advancement. Further, participants should be given opportunities to apply the experience gained on return to their departments and failure to do so will lead to frustration. The Committee recommends that:

29. The Interchange and Executive Development Scheme programs continue. The Public Service Board should seek ways to promote and facilitate Interchange more effectively and increase the challenge and worth of its work assignments.

Training Courses

3.37 Almost without exception, witnesses to the Committee expressed dissatisfaction with the standard of relevance and lack of practical management content in training courses for senior public servants.

3.38 In February this year OECD countries, through a Management Improvement Project, reviewed senior management training programs being tried out in a number of countries⁷. They concluded that the more successful programs recognized that many of the skills required today by senior public servants are not acquired at lower levels, nor are they learned on-the-job. OECD asserted that if senior public sector managers are properly to discharge their changing responsibilities, much greater and sustained effort is needed to provide formal training.

3.39 Opportunities for formal training within the Service as a whole have expanded substantially in recent years. Currently, there are nearly 600 different training courses provided by the Board for over 10,000 officers. The value of in-service training is probably being accorded greater recognition now than ever before. Yet the Service capacity for identifying immediate and high priority training needs is not well developed. This applies particularly to senior management development needs.

3.40 The dominant theme in this Report has been that the demands for increased productivity and more effective use of public sector resources require higher levels of management skills on the part of senior public servants. This Committee accepts the view that there is a need for greater efforts in senior training.

3.41 In terms of improving the development of senior management, this Committee places higher priority on the renewal of on-the-job training and interdepartmental transfers than on conventional training courses. However the latter have an important role in management training.

3.42 The Committee recommends that:

30. The following topics be included in Second Division training programs:

- . the economy and Commonwealth expenditure;
- . employer function of chief executives;
- . leadership skills (personal efficiency, ability to set priorities);
- . general efficiency of public authorities including relations; and
- . technology and modern tools of management.

7 OECD Working Document. The Performance of the Senior Civil Service in a Period of Resource Constraint, CT/POMA/408 Paris, Feb 1982.

Service-wide Management Development

3.43 Currently the Public Service Board conducts an extensive series of Seminars for Second Division staff. While their scope was favourably commented on in the evidence, their relevance and rigor was questioned.

3.44 In addition to Second Division Seminars, about thirty Third Division officers and a smaller number of Second Division officers each year attend short residential management courses at the Administrative Staff College at Mt Eliza in Victoria, the Graduate School of Business Administration at the University of Melbourne or the Australian Graduate School of Management at the University of New South Wales. We also understand that the Board is contemplating a fellowship scheme for about twenty Second Division officers a year to go on three months paid leave to engage in 'State of the Art' activities overseas. The Committee supports this initiative.

3.45 It was suggested that better senior management training packages would result from the establishment of positions for specialist senior training officers. There is merit in assuming that the highest standard of specialist advice is available for the planning and implementation of Departmental training. However, without the strong support and advice of the senior managers themselves training staff no matter how well qualified can be less than effective. Other alternatives such as courses at senior staff training establishments, similar to the Administrative Staff College established in Britain in the late 1960's after the Fulton Report, have been seriously questioned and are not favoured by this Committee.

3.46 The most immediate need is for senior officers to be formally and collectively involved in determining and reviewing their own management training. Senior managers should be aware of the need to improve their knowledge and ability as an important element in their future career planning. The Committee recommends that:

31. Within twelve months the Public Service Board provide the Public Accounts Committee with proposals for involving senior officers in determining and reviewing management training for senior staff.

3.47 This Committee believes that it is not likely that any major efforts to improve Service-wide senior training courses will be worthwhile until they become an accepted part of an overall development strategy for all senior officers. At the very least, training courses need to be organised into a composite package which forms part of a standard but flexible program of training and development activities available for all senior officers in the Commonwealth Public

Service, whether in Canberra or in the States. The Committee's specific recommendation on this matter, the establishment of a Senior Careers Unit, is contained in the last section of this Chapter.

Development Opportunities for Senior Women

3.48 Most women are working in positions which provide little or no training in the skills required for leadership in the Commonwealth Public Service. They are not exposed to the challenges and opportunities which encourage ambition and commitment to a career.

3.49 In the survey of senior women undertaken by the Equal Employment Opportunities Office of the Public Service Board, 41.9 per cent of the respondents indicated they had participated in career development programs in the Service. The survey showed that women officers recognised the need to improve their own skills, knowledge and qualifications to enable them to advance in the Service.

3.50 Potential senior women managers have had a narrower range of management experience than their male counterparts. This disadvantage was reflected in the survey findings where lack of experience in a range of work situations was considered 'a major impediment to career development'. This Committee believes that greater mobility, provided by formal staff rotation schemes organised by the PSB or by Departments, would be of major benefit to female officers.

3.51 This Committee commends the work of the Equal Employment Opportunity Bureau in promoting opportunities for women and for disadvantaged groups in the Australian Public Service. We also strongly support the Bureau's recommendations for staff development. (See appendix 7). The Committee recognises the need to create a more positive career environment for women and stresses the need to give more priority to the EEO programs.

3.52 The Committee recommends that:

32. The Equal Employment Opportunity Bureau be given full Branch status within the Public Service Board, and the Government be advised to support publicly Equal Opportunity Programs.

Departmental Management Development Programs

3.53 The Committee believes that departmental staff development programs are an important and under utilised method of improving management skills, especially for potential senior officers.

3.54 Evidence to this Inquiry demonstrated that the quality of departmental management development programs varied considerably. Some departments had commendable programs which are being progressively improved. Others such as the Department of Employment and Industrial Relations, are planning comprehensive programs for promising senior Third Division officers. However a disturbing number of departments had no programs at all. Consequently, the Committee recommends that:

33. The Public Service Board, ensure that Departments are able to devote more resources than at present to introducing and upgrading internal management development programs.

The PSB and Senior Staff Development

3.55 The Committee has been told that the Public Service Board is highly regarded internationally for its attempts to create development opportunities for senior public servants; that it has led the world in study assistance opportunities for public servants and in executive development programs such as the Executive Development Scheme and Interchange. Yet throughout this Inquiry, strong criticism has been levelled at the Board's contribution to senior staff development, with many witnesses doubting whether the Board was giving sufficient emphasis to training and staff development.

3.56 In response the Board has claimed that a central senior career planning mechanism cannot be implemented because power to advance careers in the Service is so dispersed and that conventions within the Commonwealth Public Service give too much weight to departmental interests. The Board has also pointed out that a full career management system would be very labour intensive.

3.57 The Committee accepts that the very existence of a statutory authority such as the Board, with legislative responsibility for staffing, organization and management arrangements for the service as a whole must cut across the responsibility of departmental officials and their Ministers for implementing government policies. Relatively recent amendments to the Audit Act, which were encouraged by this Committee, have removed any doubt that the Department Head is responsible for the administration as well as the policy which emanates from his department. However these changes have tended to create a hiatus between the Public Service Board and senior departmental management. What then should be the role of the Public Service Board in selection and training of senior management in an environment in which the Department Head has been given greater flexibility and authority? Should the philosophy of 'let the managers manage' be allowed to be used as an excuse for inactivity? The Committee believes that ultimately the Board must be able to assert its undoubted powers under Section 17 of the Public Service Act.

3.58 Similarly this Committee believes the Commonwealth Public Service cannot afford to leave management development to the initiative of the individual officer. To remedy this deficiency, the PSB must have a greater role in planning senior management selection and development. We believe that senior executives are a Service-wide resource and thus must be husbanded accordingly.

3.59 Accordingly this Committee believes that the point has been reached where the Board must assert its authority over Department Heads to ensure that senior staff are adequately prepared for senior management which includes developing a more specific career path for promising junior officers.

3.60 The Committee believes that this could be achieved by establishing a Senior Careers Unit, within the Public Service Board to:

- promote within the Service provision for officers to spend a fixed proportion of their senior careers (eg. one year in seven) on rotation, transfer or other developmental activities;
- promote senior transfers into and out of central departments;
- identify areas in the Service to which senior transfers will need to be on a supernumerary basis. These will include the temporary assignment positions recommended in Chapter 2.

3.61 The Committee recommends that:

34. A Senior Careers Unit be established as a matter of urgency to manage development and Service-wide mobility of officers in preparation for promotion to the Second Division.
35. The senior staff of the Careers Unit consist of permanent promotion-to-level positions available for up to five years. No more than one position be occupied by an officer of the Public Service Board and at least one position be occupied by a suitable person from outside the Service. The Senior Careers Unit be available to Department Heads but be attached to the Public Service Board.
36. The Public Service Board provides this Committee with a progress report on the work of the Unit within twelve months.

3.62 The many changes of a general character in Australian society and within the Commonwealth Government Administration make it timely to consider a review of the functions of the

Public Service Board. The central functions of which have remained unchanged since the enactment of the first Public Service Act in 1902⁸.

3.63 This Committee believes that the Board's functions should be reviewed in the light of their relevance to the 1980's and beyond with specific attention to:

- . responsibility for the size and quality of staff including senior appointments within the Public Service;
- . organisational efficiency;
- . control of salary, industrial relations and related matters; and
- . the development of personnel capacity.

3.64 Such a review would help ensure that the Board's advice in the future continues to be in the best interests of the Public Service and the Australian people. The Committee recommends that:

37. The Government appoint a Committee of the Parliament or other competent body to undertake a review of the functions of the Public Service Board.

8 The most important legislative changes since 1902 have been in the addition of a specific responsibility for promoting the efficiency of the Service (section 17 added in 1922); in the revision of the promotion appeal arrangements (1945); and in the modification of the recruitment provisions (1960).

APPENDIX 1

TERMS OF REFERENCE

Subsequent to its 1981/82 Annual Report (188th Report), the Public Accounts Committee decided to undertake an inquiry into policies and practices for the selection and development of First and Second Division Officers (Senior Managers) in the Australian Public Service.

Matters to be considered included the procedures followed by Commonwealth Departments and Authorities in relation to the following:

- . development and mobility of senior managers;
- . selection and development of potential senior managers; and
- . selection of senior managers from within a department, from within the Service or outside it.

The objectives of the Inquiry were twofold:

- (1) To foster improved selection and development methods for senior public servants, in order that the resources made available by the Commonwealth Parliament to the Public Service may be managed in the most cost-effective manner.
- (2) By improving senior management, to enhance the productivity and performance of the departments and agencies of the Australian Public Service.

FULL-TIME STAFF OF THE AUSTRALIAN PUBLIC SERVICE:
DEPARTMENT, DIVISION AND SEX, JUNE 1982
(Source: Public Service Board)

Department, etc.	Division							
	First Men	Second Men Women		Third Men Women		Fourth Men Women		Total
Aboriginal	1	14	..	365	109	59	179	727
Administrative Services	1	59	4	1948	430	2997	1707	7146
Australian Electoral Office	..	2	..	314	32	78	320	746
Industries Assistance Commission	..	18	1	176	43	15	78	331
Pet. Prod. Pricing Authority	..	2	..	22	1	1	5	31
Attorney-General's	1	67	2	851	415	199	694	2229
Australian Legal Aid Office	..	2	..	63	30	5	82	182
Human Rights Commission	..	2	..	8	7	2	9	28
Office of Parity Counsel	..	4	1	4	3	5	16	33
Trade Practices Commission	..	8	..	89	25	3	46	171
Aviation	1	50	..	4107	462	5668	913	11201
Capital Territory	1	24	..	594	268	1960	595	3442
Communications	1	20	..	307	81	205	140	754
Australian Broadcasting Tribunal	..	3	..	55	18	7	16	99
Special Broadcasting Service	..	5	..	71	73	59	57	265
Defence	1	81	..	4689	1186	9704	4636	20297
Defence Support	1	50	..	3138	407	5018	1180	9794
Education	1	20	2	511	374	168	392	1468
A.C.T. Schools Authority	..	4	..	86	44	134	627	895
Schools Commission	..	4	1	44	41	1	23	114
Tertiary Education Commission	..	5	..	42	17	2	20	86
Employment & Industrial Relations	1	55	..	3274	1673	287	1206	6496
Industrial Relations Bureau	..	7	..	137	11	9	51	215
Finance	1	26	1	480	144	63	244	959
Aust. Gov. Ref. Benefits Office	..	1	..	126	60	39	190	416
Foreign Affairs	2	53	1	846	157	1272	1519	3850
Aust. Dev. Assistance Bureau	..	4	1	218	102	18	92	435
A.D.A.B. Aid Exports	..	2	..	43	2	38	7	92
Health	1	49	1	1361	593	860	1986	4851
Capital Territory Health Comm.	..	5	1	162	228	137	470	1003
Home Affairs and Environment	1	16	1	164	88	28	105	403
Australian Archives	..	3	..	59	37	124	97	320
Australian Film Commission	..	5	..	49	20	39	11	124
Australian Heritage Commission	..	1	..	9	1	..	5	16
Aust. Nat. Parks & Wildlife Service	..	3	..	44	8	10	12	77
Australian War Memorial	..	2	..	30	23	55	28	138
Great Barrier Reef M.P.A.	..	1	..	17	7	1	8	34
National Library	..	3	3	104	167	95	232	604
Office of the Sup. Scientist	..	3	..	21	8	6	8	46
Immigration and Ethnic Affairs	1	25	..	826	409	173	473	1907
Industry and Commerce	1	55	..	2641	516	1200	670	5083
National Development and Energy	1	28	..	384	62	150	151	776
Bureau of Mineral Resources	..	4	..	273	37	139	86	539
Primary Industry	1	33	1	639	157	1811	209	2851
Bureau of Agricultural Economics	..	9	..	207	44	8	29	297

Department, etc.	Division							Total
	First Men	Second Men Women		Third Men Women		Fourth Men Women		
Prime Minister and Cabinet	1	34	..	189	74	59	167	524
Auditor-General's Office	..	18	..	454	76	10	65	623
Aust. Science and Tech. Council	..	2	..	5	1	..	5	13
Commonwealth Ombudsman	..	5	..	21	4	2	20	52
Office of National Assessments	..	7	..	30	3	15	23	78
Public Service Board	1	38	2	350	172	44	208	815
Service-wide Trainees	..	10	1	149	36	..	1	197
Science and Technology	1	24	..	596	106	173	215	1115
Bureau of Meteorology	..	4	..	514	72	899	170	1659
Patents, etc Office	..	4	..	250	52	38	137	481
Social Security	1	40	4	3776	3062	1670	4722	13275
Trade and Resources	2	43	..	691	183	55	257	1231
Transport and Construction	1	63	..	2550	393	128	765	9900
Bureau of Transport Economics	..	7	..	66	15	4	13	105
Treasury	1	32	..	306	61	26	126	552
Aust. Bureau of Statistics	..	27	1	1891	611	332	716	3578
Australian Taxation Office	..	48	..	6010	1852	1408	4092	13410
Royal Australian Mint	..	2	..	36	3	248	78	367
Veterans' Affairs	1	30	..	2199	1345	2748	5153	11476
Vice Pres. of the Exec. Council	1	1	2
Total	28	1275	29	49682	16741	46711	36558	151024

APPENDIX 3

WITNESSES TO THE COMMITTEE AND EVIDENCE RECEIVED

Note: All witnesses were heard by the Committee 'In Camera'. At the time of publication of this report, the Committee had not made a decision whether to publish their evidence.

10 March 1982

Mr Dennis McCullough, Managing Director,
Mr Paul Hackforth-Jones, Manager,
P.A. Management Consultants Pty Ltd
216 Northbourne Avenue, Canberra

11 March

Mr James I. O'Connor, Deputy Director-General
Department of Social Security
Mr William I. Manning, Senior Consultant,
W.D. Scott & Co Pty Ltd, Management
Consultants, 100 Pacific Highway, Sydney

16 March

Mr Thomas F. Paterson, First Assistant Secretary and
Mr Brian W. Palmer, Assistant Secretary,
Department of Home Affairs & Environment
Mr William J. Harris, First Assistant Secretary and
Mr Wesley J. Weir, Principal Executive Officer,
Department of Housing & Construction

18 March

Mr Peter G.F. Henderson, Secretary and
Mr Richard J. Smith, First Assistant Secretary,
Department of Foreign Affairs
Mr Robert N. Allen, Acting Deputy Secretary and
Mr John W. Mather, Assistant Secretary,
Department of Education

23 March

Mr Herbert B. MacDonald, Deputy Secretary,
Department of Administrative Services
Mr Norman J. Attwood, Deputy Secretary and
Mr Robert H. Englund, Director
Department of Defence

25 March

Mr John O. Stone, Secretary and
Mr Roger Q. Freney, Assistant Secretary,
Department of the Treasury

20 April

Mr Paul R. Munro, National Secretary, Australian
Clerical Officers' Association

21 April

Ms Gail C. Radford, Assistant Commissioner,
Public Service Board
Mrs Carolyn M. Wiltshire, Executive Officer,
National Women's Advisory Council
Ms Jennifer Bradley, Senior Vice-President (ACT),
Australian Clerical Officers' Association
Ms Anne McMahon, Senior Lecturer in Education,
Canberra College of Advanced Education

22 April

Mr John I. Ralph, Deputy Managing Director
CRA Limited, 55 Collins St., Melbourne
Sir William Cole, Chairman,
Mr Robert J. Young, Commissioner,
Mr Geoffrey N. Vanthoff, First Assistant
Commissioner
Mr Nelson J. Quinn, Assistant Commissioner,
Public Service Board

27 April

Professor Peter S. Wilenski, Professor Political
Science, Australian National University
Professor Robert S. Parker, Emeritus Professor of
Political Science, Australian National University
Dr Patrick Weller, Senior Lecturer in Politics,
Australian National University

29 April

Mr Colin K. Wood, Federal President
Mr Joseph A. Battanta and Mr Edward H. McGrath,
Councillors, Second Division Officers' Association

4 May

Mr Clive C. Gesling, Central Chairman,
Mr Terance R. Rossall, ACT Chairman,
Promotions Appeal Committees

6 May

Sir Geoffrey Yeend, Secretary,
Mr Alan D. Rose, Acting Under Secretary,
Department of Prime Minister & Cabinet

5 August

Sir Roderick Carnegie, Chairman & Chief Executive,
CRA Limited, 55 Collins St., Melbourne

13 August

Mr Frederick G. Hilmer, Managing Director,
McKinsey & Company Inc., 50 Bridge St.,
Sydney

SUBMISSIONS

- . Responses from every Commonwealth Department on policies and practices for selection and development of their senior staff.
- . Equal Employment Opportunity Bureau, Public Service Board, Selection and Development of Women in Senior Positions in the Australian Public Service.
- . Hay Associates Australia Pty Ltd.
- . Mr Kevin Chandler, Chief Executive, Chandler & MacLeod, Consultants Pty Ltd.
- . The Institute of Chartered Secretaries and Administrators.

THE MERIT PRINCIPLE

The merit principle is implicit in the provisions of the Public Service Act and reflected in recruitment practices adopted by the Public Service Board for appointment and promotion. Effective application of it lies at the heart of the system of public sector administration and provides the basis of sound administration whereby:

- Staff are selected irrespective of race, sex, political affiliation or social status.
- There is avoidance of injustice, patronage, nepotism, prejudice or discrimination.

The merit principle is not specifically prescribed or defined in the Public Service Act. But the basic elements of the system of open competition on merit include:

- Adequate publicity - job openings and requirements are made public so that interested persons have a reasonable opportunity to know about them.
- Opportunity to apply - persons who are interested should have an opportunity to make their interest known and receive consideration.
- Realistic standards - qualification standards to be reasonably related to the job to be filled and to be applied impartially to all who make their interest known.
- Absence of discrimination - the standards and processes used should embrace only matters related to ability and fitness for employment.
- Ranking on the basis of ability - ranking of candidates to be on the basis of relative evaluation of their ability and fitness and a selection process which gives effect to this ranking.
- Probity of the process - the public to be able to find out how the process works and to have the opportunity to make representations relating to selection.

APPENDIX 5

Paper for Australian Institute of Public Administration
ACT Group Meeting on "Options for Development
of Executive Service"

23 JUNE 1982

RECENT DEVELOPMENTS IN EXECUTIVE SERVICE OVERSEAS:
CANADA, USA AND UK

Norman W.F. Fisher, Bureau of Labour Market Research
and
Tony Gallagher, Public Accounts Committee

INTRODUCTION

Although the 1970s saw many major inquiries into Australian public services, most gave little or no attention to assessing the structure and performance of executive levels of these services. (That is, those positions between Permanent Heads and supervisory management). The Royal Commission on Australian Government Administration itself paid relatively little attention to the development of the executive level in the Commonwealth Public Service (CPS) although its recommendations included several pertinent proposals. In particular, that "the higher management levels of the service - broadly those comprehended within the second division - be marked out as Senior Executive Officers within a Senior Executive Category" (Rec. 238, S9.5.4 RCAGA 1976).

This relative disinterest on the part of such official inquiries has been partly offset by several commentators who have argued for various changes in the executive structure on grounds of efficiency and/or political responsiveness, e.g. Wilenski, Troy, Hawker.

A more recent development has been the attention given by the Public Accounts Committee of the Commonwealth Parliament to senior management as a key ingredient in accountability and management of the public sector. This is reflected in the Committee's Third Parliamentary Seminar on Selection and Development of Senior Public Servants.

Neither the major reviews, the commentators, nor their opponents, have however looked to experience in overseas countries with similar governmental and public service systems, for guidance. It is easy to find arguments why the Australian situation is unique and overseas experience inappropriate, but it is more difficult to show that the Australian Public Service is so unique that the public services of major developed countries can be ignored. This paper sets itself to remove this ignorance. In so doing it reveals major recent changes in the executive levels of two major services - Canada and the USA. These developments merit particular reference in any consideration of change in, or continuation of, the current arrangements governing executive levels in the Australian Public Service.

The following sections of this paper summarise, in turn, recent developments in the executive component of three overseas public services: Canada, the USA and UK.

Note: The substance of this paper is the responsibility of the authors and should not be attributed to their organisations.

As the recent Public Accounts Committee Parliamentary Seminar was concerned with the Selection and Training of Executive staff, the paper focuses on classification, remuneration and tenure issues (as far as data sources permit).

CANADA: The Management Category

The management function within the Canadian Federal Public Service, (CPS) was until recently spread through a wide range of position classifications and types of work. Unlike other public services the only identifiable CPS managerial groups were Deputy Heads (Permanent Heads) and the Senior Executive Category, representing less than 1% of the total employee population. The lack of a clear and cohesive management group involved many problems. In particular, managers were subject to a variety of compensation, staffing, and training and development policies while there was inadequate flexibility to form, deploy and manage management teams in relation to departmental needs.

In response to a general groundswell of support for reform and specific proposals by many committees and commissions, a review of the personnel policies for management was undertaken in the late 1970s by the Treasury Board Secretariat and the Public Service Commission. This review led, on 1 April 1981, to creation of the Management Category in the CPS. This category comprises two management groups covering some 4,500 managers, distributed among one subordinate senior management level (the Senior Management Group) and five executive levels (the Executive Group). These developments did not affect the Deputy Head Group, which is composed of three levels and, while not included in the Management Category, is the upward extension of the managerial ladder.

Members of the new Executive Group (EX) include officers in positions in-or equivalent to-the former Senior Executive Category. The Senior Management Group (which has been approved in principle but has not yet been implemented) will include employees currently in positions immediately below the lowest level of the Executive Group. (Senior medical or legal officers, are not included in the Management Category). It is foreseen that the Management Category will probably be extended to include lower levels who exercise management functions. The main features of the Management Category are summarised below.

- 1 The following material has been drawn from "Compensation Policies and Procedures for the Canadian Federal Senior Public Service" a reference paper for the OECD Meeting on Performance of the Senior Civil Service in a Period of Resource Constraint, Rome, November 1981 (mimeo), and Public Service Commission of Canada (1981) A Guide to the Management Category Ottawa.

- (i) Classification - The Category includes senior personnel responsible for policy development and those with a more traditional "management" role involved in program formulation and delivery. The inclusion of both "staff" and "line" roles was achieved by adapting a classification plan, developed by Hay Associates Canada Limited, to reflect features unique to the CPS environment. All positions at the selected levels were evaluated and assigned a point rating based on three main factors describing knowledge, problem-solving, and accountability. The plan allowed a comparison of management jobs inside and outside of public sector, established a continuum of responsibility, and weighted management factors such as major administrative and staff responsibility without penalising those jobs which have major policy content but where supervision of human or financial resources is minimal.

Within the Category, authority to classify jobs up to and including the EX-3 level may be delegated to Deputy Heads. Treasury Board retains authority to organise work and to classify jobs at the Ex-4 and 5 levels, to approve Assistant Deputy Minister and equivalent titles, and to determine the management complement, or total number of authorised senior management personnel, for each department and agency.

In addition to departmental complements, the Treasury Board operates the Temporary Assignment Pool (TAP) to meet temporary departmental needs for senior personnel resources. This special reserve of senior public servants forestalls unnecessary growth in senior management ranks by providing a pool of approximately 40 senior officers. Although attached to the Treasury Board Secretariat, they undertake departmental high-priority and short-term assignments, under the direction of Deputy Heads and senior departmental personnel, which require experienced individuals of demonstrated high performance.

- (ii) Compensation and Pay - The compensation plan established for the Management Category recognizes the increased accountability of each successive level within the Category, and attempts to maintain aggregate compensation comparability between the public and private sectors up to and including the Ex-1 level. This is intended to ensure that these managers are generally paid more than their immediate subordinates who are subject to collective bargaining, while providing equitable treatment for both groups. Above this level, direct Public Service-private sector comparability has been

replaced by a policy of internal relativity providing for appropriate salary differentials between successive EX and DM salary ranges, with the upper limits of the ranges being set by the Government on the advice of the (independent external) Advisory Group on Executive Compensation. The salary ranges at April 1981 are given in Table 1.

These salary ranges are an essential element of Management Category remuneration but are not the complete story. Salary levels within the ranges and incentive payments beyond the range are substantially lined to performance as described below.

Table 1: Management Category Salary Ranges at April 1981(a,b)
(\$000)

Category	\$C	\$A
SM	38.9 - 45.4	29.5 - 34.4
EX1	43.3 - 50.9	32.8 - 38.6
EX2	47.6 - 55.9	36.1 - 42.3
EX3	51.5 - 60.8	39.0 - 46.1
EX4	56.4 - 66.2	42.7 - 50.2
EX5	61.3 - 72.3	46.4 - 54.8

Notes: a. Conversion to Australian dollar equivalents has used the exchange rate at June 1982, i.e. \$C 1.32; \$A 1.00.

b. It is understood that Management Category salaries have risen about 12% since April 1981. On this basis SM is equivalent to level 1, and EX4 to Level 6.

(iii) Performance Appraisal - It has been CPS policy since 1979 that performance reviews and employee appraisals be completed for all employees including senior public servants. These reviews of executive officers are now even more important as the results now influence remuneration.

The performance review process involves both supervisor and subordinate in a consideration of the duties and tasks to be performed, of the setting of performance expectations and evaluation criteria, and of the actual results achieved as measured against these expectations. The employee appraisal process provides a comprehensive report which, in appraising actual work performance, identifies the individual's qualifications, potential, training and development

needs, and probable or possible appropriate assignments. For managers, it also indicates in which of five categories actual work performance falls. At their simplest, these categories may be defined as follows: outstanding - achievement consistently and substantially beyond what is expected; superior - performance generally beyond the requirements of the position and established criteria; fully satisfactory - criteria and established expectations, without significant exception, met and sometimes exceeded; satisfactory - many expectations met and fundamental requirements adequately discharged, but recognizable need for further development of skills and knowledge; unsatisfactory - one or more fundamental requirements not met.

Appraisals of supervisor, managers, and executives contain a section assessing their ability to exercise a variety of management functions, such as policy advising and formulation, control, staff deployment, and the implementation of the official languages policies. A copy of all appraisals for the Executive Group is sent to the Public Service Commission to assist in the transfer and promotion of executives, and to identify "high-flyers" (individuals with Deputy Head potential):

In the Canadian experience, a system which compensates managers on the basis of performance appraisals is deemed to have the distinct advantage of reinforcing a manager's feeling of belonging to a special group where members are compensated for their recognized personal capacities and their contribution to their organization and its programs. By providing additional compensation to those whose performance warrants it, meaningful salary differentials are created, and high achievers are motivated to seek increased responsibility.

- (iv) Salary Incentives - Job performance is a key element in each Category members' remuneration. The announcement of the establishment of the Category, put it bluntly;

We are increasing accountability of our senior management employees and the quality of their performance will be reflected in their pay cheques.

The Salary Administration Plan for the Management Category permits the salaries of members of the Category to be determined on the basis of individual merit as established by means of the appraisal

process. As seen in Table 1, the continuum of salary ranges extends from the Senior Management Group through the five Executive levels. Each salary range contains a minimum and a job rate which represents the maximum attainable salary rate for a manager whose performance has been fully satisfactory over a period of time. The range between these two represents the development portion through which new managers progress as they gain experience and demonstrate improved performance. Annual salary increases within this range vary for each individual and are based on performance; both the increases and their effective date are determined by the manager's Deputy Head and consist of two amounts - the amount of any upward salary range revision and a merit increase based on the manager's productivity and performance. Merit increases may range from 0 - 10% of their performance rating and current salary; managers rated as unsatisfactory would not receive a merit increase, nor would they receive any increase as a result of a change to their applicable salary range.

The Management Category institutes a new incentive: a performance award bonus plan. Under this plan, the upper portion of the Management Category salary ranges are replaced by a performance award bonus. Category members who are at the job rate (the maximum) of their applicable salary range may be awarded a lump sum performance award by the Deputy Head based on assessed performance. Managers assessed as outstanding may receive up to 15% of the job rate salary, and those rated as superior up to 10% of the job rate. These bonuses are awarded for one year only, based on performance in the past year, but may be re-earned in subsequent years. Although paid in a lump sum, these bonus awards form part of a manager's effective rate of pay for the year beginning April 1 each year for all purposes other than promotion and transfer salary calculations (thus, for example, they are deemed to be salary for purposes of the computing of pensions). The number of superior and outstanding performers within a departmental complement is currently limited to 30% of the population.

- (v) Deployment - The Category gives Deputy Heads much greater flexibility to manage their management resources, especially to deploy these resources in response to changing circumstances and departmental needs and to match a manager's strengths with

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- 2 Outstanding 7-10%; superior 5-7%; fully satisfactory 3-5%; and satisfactory up to 3%.

particular tasks. This has been accomplished by adopting the concept of appointment-to-level rather than the usual Australian Public Service system of appointing to a specific position. Appointment-to-level enables Deputy Heads, to transfer senior personnel or rearrange their duties within their departments, without seeking a separate appointment action for each such change from the Public Service Commission. It is regarded as integral to the establishment of a cohesive and more accountable management cadre, and is widely supported by Deputy Heads, who will now be able to establish more effective human resource strategies.

Appointment-to-level is currently being implemented by regulation but full implementation requires changes to the Public Service Employment Act. When the legislative changes are effected, Deputy Heads will have the authority to require members of the management team to move from one job to another whether or not the individuals are in agreement.

- (vi) Selection and Promotion - Management qualifications will be gradually built into the process for selecting and promoting individuals to and within the Category. As well as the technical and/or specialised knowledge necessary for a given job, candidates will be evaluated to ensure they possess more general managerial levels. Selection guidelines provide for the evaluation of management attributes within five dimensions - past performance, potential, managerial experience, abilities, and knowledge. The selection process will allow for those who may wish to change their career patterns from specialist to a more general type of management.

Over recent years about 14% of all appointments to the executive level have been from outside CPS, and about one in five internal appointments have been inter-departmental. Together these represent an annual infusion of 'new blood' to individual agencies executive appointments averaging about 30%.

- (vii) Training - The Public Service Commission will provide executive and managerial training and development on a service-wide basis. To this end a continuum of management training has been developed which is directed towards the different levels of the Management Category and the management responsibilities found at each level. As well, orientation programs have been developed for new members of the Category; these programs are intended to provide entrants with an intensive briefing which will assist them to assume their new duties as

effectively and as rapidly as possible. This management orientation training is obligatory either upon appointment or within six months of appointment for all new appointees to the Management Category; for the financial year 1981-82, a minimum of 5% of current incumbents of such positions must undergo orientation training, with this percentage increasing to 10% in subsequent years. The content of these briefings (which are provided over five days for ADM's, 10 days for Executives, and 20 days for members of the Senior Management Group) includes current international and national issues, governmental, administrative, and management systems and principles.

(viii) Incentive Awards - In addition to these salary incentives, several incentive awards are available under the Incentive Award Plan administered by the Treasury Board Secretariat. These are:

- (a) Suggestion Award Program - This award is generally made in recognition of suggestions from individuals which result in financial savings or operational improvements. Management Category members are eligible only for certificates of recognition under this program and do not receive cash awards.
- (b) Merit Award Program - This award recognises a very high level of performance over an extended period of time, for completion of a major project, special assignment, or research study in a manner beyond normal expectations, or for performance of duties under abnormal circumstances. All public servants are eligible for this program, but individuals who are members of a pay system which gives performance bonuses may receive only certificates rather than cash awards. This restriction affects members of the Category.
- (c) Resource Management Award - This award, in the amount of \$5,000, is given by the President of the Treasury Board to one individual per year, and normally to individuals in the executive levels.
- (d) Outstanding Achievement Award - A maximum of five of these awards may be made each year to Executives and Deputy Heads selected by a committee established outside the Public Service. Individuals so recognized are those who have demonstrated sustained high level performance, achievement, and leadership.

Awards consist of Canadian art works up to a value of \$C5,000.

It should be noted that all cash awards are fully taxable, including (iv) above. In certain departments, individuals may receive a Deputy Head's commendation, and the Public Service Commission may give certificates to department in recognition of improvements over the year in the exercise of staffing authorities delegated to departments by the Commission.

- (ix) Benefits - A number of benefits exist for members of the Category which, while not performance-related, are a form of recompense for those employees who have chosen to carry management responsibilities. These benefits are available in the areas of disability and medical insurance, basic and supplementary life insurance, medical care, and leave.

USA: The Senior Executive Service

The Senior Executive Service (SES) was created by the Civil Service Reform Act of 1978. SES is a gradeless system where salary and status are personal and not dependent on the position occupied. The SES system is to:

- provide better management of the number and distribution of Federal executives;
- give agency managers greater flexibility in assigning executives where they are most needed;
- ensure that career people entering SES have managerial qualifications;
- make executives individually accountable for their performance and through mandatory written performance appraisals permit removal of those whose performance is inadequate and without improvement;
- link compensation with performance through replacing regular pay rises with bonuses and public honours for outstanding performance;
- offer increased advancement opportunities to career executives; and

3 The following material has been mainly drawn from (US) General Accounting Office, First Step completed in conversion to Senior Executive Service, Washington, July 1980.

- simplify the numerous pay and other laws previously governing senior executive levels.

(i) Scope of SES SES covers managerial/supervisory positions in the executive branch classifiable at General Schedule (GS)-16, 17 and 18 and Executive Levels IV and V (or their equivalents) that do not require Senate confirmation. This latter exclusion means that the traditional political positions in higher levels of the US Federal government are not included in SES. Certain other career positions remain outside SES by statutory exclusion, e.g. FBI, Foreign Service.

The Civil Service reform Act of 1978 also established an overall limit of 10 777 on SES positions plus non-SES GS supergrade positions, and a separate limit on the scientific and professional executive positions in research and development outside SES and GS.

(ii) Appointments. Four types of appointments can occur under SES:

Career: Selection under the merit staffing process - OPM approves candidates' managerial qualifications.

Noncareer: Selection not under the merit staffing process - no Office Personnel Management review of managerial qualifications.

Limited term: Nonrenewable appointment to a position the duties of which expire within 3 years.

Limited emergency: Nonrenewable appointment for up to 18 months to meet an urgent need.

At least 85 per cent of SES appointments Government-wide must be career and only persons with SES career status have tenure. Office of Personnel Management (OPM) determines the proportion of non-career in any agency with maximum proportion 25 per cent, while total Government-wide non-career appointments are limited to 10 per cent of SES positions. Limited appointments may not exceed 5 per cent of SES positions.

The Act requires each agency to establish one or more executive resources boards (ERBs) comprised of its top management. ERBs conduct the merit staffing process for career appointees and can also manage SES, including executive personnel planning, staffing and development, position management, pay management, performance appraisals, performance awards, and evaluation of executive personnel management.

OPM must establish one or more qualifications review boards to certify the executive qualifications of candidates for initial appointment as career appointees. The agency head or other

agency appointing authority will select non-career and limited appointees. An agency may make a limited appointment only with specific authorization from OPM.

SES has only two types of positions - general and career reserved. General positions are the norm and executives with career, noncareer, or limited appointments may hold them. Career-reserved positions are restricted to career employees to ensure impartiality and the public's confidence in Government.

(iii) Remuneration - The Reform Act required five or more SES pay rates. The President established six levels of pay - Executive Schedule (ES-1 (lowest) through to ES-6 (highest)). The Act requires that the lowest rate be at least equal to the first step of GS-13 and that the highest not exceed that for Executive Level IV. The salaries of executives converting to SES may never be reduced below their payable salary at the time of entry.

Career executives in SES with fully successful performances can receive lump-sum performance awards (bonuses) of up to 20 per cent of their base pay. The number of awards granted in any fiscal year were initially not to exceed 50 per cent of all SES positions in an agency. This has since been restricted to 20% by Congress and OPM.

Career executives are also eligible for Meritorious Executive and Distinguished Executive ranks:

- Meritorious Executive can be awarded to up to 5 per cent of SES a year as a one-time lump-sum payment of \$10,000.
- Distinguished Executive can be awarded to up to 1 per cent of SES a year as a one-time lump-sum payment of \$20,000.

(iv) Performance Appraisal - The Act requires each agency to develop, according to OPM standards, one or more SES performance appraisal systems designed to:

- permit accurate evaluation of performance based on criteria which specify a position's critical elements;
- provide for systematic appraisals of performance;
- encourage excellence in performance; and
- provide a basis for determining eligibility for retention and for performance awards.

OPM must review each agency's performance appraisal system to determine if it meets the requirements of the Act. The first performance rating occurred in 1980. Each agency must establish one or more performance review boards (PRBs) responsible for making recommendations on performance ratings and awards to the agency's appointing authority and its ERB.

The performance appraisal systems of each agency must provide for at least three levels of competence: unsatisfactory, minimally satisfactory, and fully successful. Assessment of 'fully successful' makes an SES member eligible for performance awards. The other ratings indicate need for corrective action.

(v) Executive Development - The Act also requires that OPM or agencies establish programs for the systematic development of candidates for SES and for the continuing development of incumbent senior executives. OPM will assist agencies in establishing such programs and in monitoring their implementation. The Act allows agencies to grant sabbaticals of up to 11 months in any 10-year period to career executives meeting certain tenure requirements.

There has been recent criticism that some agencies have yet to establish adequate programs.

(vi) SES Conversion - Conversion was the process through which positions from the various executive authorities and systems were designated as SES, and executives already in these positions were given the opportunity to join the new SES. The process was accomplished in three steps under rigid time schedules as the Reform Act required that SES be effective 9 months after enactment i.e. 13 July 1979. The steps were:

- (a) OPM required agencies to submit in early 1979 requests for SES and related positions.
- (b) After OPM reviewed these requests, agencies were given allocations in total numbers, rather than by designated position titles. Agencies could thus establish and fill any position they believed should be in SES, within their allocations.
- (c) Following these allocations in March 1979, incumbents in positions designated as SES had 90 days to join SES or to decline and thereby retain their current appointment and pay. These executives received information on the type of position offered, the pay

rate, their SES conversion status, and their status should they decline conversion. There being little option, over 98 per cent accepted conversion and formed the nucleus of executives entering SES in July 1979.

(vii) Assessment - Although the conversion to SES appears to have proceeded relatively satisfactorily, several problems with SES exist. In particular salaries have been compressed and Congress has restricted SES pay and inhibited performance awards. As a result, most SES members are now on identical remuneration! Continual turmoil on matters of executive compensation is having negative effects on SES members.

UNITED KINGDOM: The Status Quo

There have been no recent developments in the British Civil Service to match the major changes in the US and Canada. Recent staff cuts from around 730,000 to 680,000 and further planned reductions to 630,000 by April 1984 have had an effect on morale and on the top management function.

(1) The Management Category - Britain's executives are in an Open System (Secretaries, Deputy Secretaries, Under-secretaries) established through a recommendation of the Fulton Committee (1968), and a second layer of top Specialists and Administrators (Assistant Secretaries, Executive Officers, Principals). One of the principles underlying the British Administrative Class is that those in the Open System, and to a lesser degree those in the second layer, have the necessary background and experience to be deployed throughout the Service, wherever they are required.

(2) Tenure and Remuneration - All executive positions are tenured with a traditional classification-related remuneration system. Considerable dissatisfaction was expressed last year over remuneration.

(3) Recent events - Since 1977 the Commons Treasury and Civil Service Committee, through its reports on the efficiency and effectiveness of the Civil Service, has been a conspicuous critic of the British Administrative Class. Its Third Report, March 1982, recommended a system of merit pay for executives, and changes to the selection process involving mandatory courses in financial and general management skills.

In December 1981 Mrs Thatcher abolished the Civil Service Commission dispersing its functions to Treasury and Cabinet. Her personal commitment to Civil Service reform and the retirement of one-third of the Permanent Secretaries over the next two years may provide an opportunity for new policies on selection and development of senior staff.

In November 1981, Sir Geoffrey Wardale provided an unpublished report to the Government on the Open Structure of the Civil Service. This review recommended the removal of an additional number of senior posts, thus adding to the continual thinning out of top ranks from 822 (in 1979) to under 740.

The report of the Inquiry into Civil Service Pay (The Megaw Report) was published in July this year. The Megaw Committee was set up amidst the debris of the 1981 Civil Service 21 week strike, which was triggered by the government's abandonment of its system for determining civil service pay through comparisons with "similar" jobs outside. Amongst its recommendations are that 'Merit Pay' be established for those of Principal and Under Secretary rank.

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APPENDIX 6

SUBMISSION BY THE SECOND DIVISION OFFICERS' ASSOCIATION

The Second Division Officers' Association (SDOA) met with the Public Accounts Committee on 29 April 1982 at a Private Meeting. At that meeting the SDOA agreed to respond in writing to additional questions on selection and development.

SENIOR MANAGEMENT: ISSUES FOR SECOND DIVISION
OFFICERS' ASSOCIATION

Q.1 What are the major pressures on current public sector management? What implications do they have for selection and development?

The general experience expressed by senior officers across the length and breadth of the Australian Public Service can be summed up as that they are required to manage -

- . at a greater and greater pace
- . to meet more and more new circumstances
- . in a more rapidly changing and complex social, political and technical context
- . with an increasing degree of accountability and of parliamentary, public and media scrutiny
- . with hopelessly inadequate manpower and financial resources that are determined arbitrarily by authorities that have no direct knowledge or experience in major enterprise management
- . with ever-widening requirements in the way of internal and external consultations and obedience to modern management techniques
- . with limited authority to deploy resources in the most efficient and cost-effective way
- . in a more hostile industrial relations environment
- . with new restrictions in the way of administrative law stipulations, and
- . with a generally less experienced and well-trained, albeit better educated (and therefore more questioning) staff.

In even shorter form, the universal plaint is that there is just too much to handle, too quickly, with too little experienced support available.

The overall effects of these pressures impacting on senior managers in the Service of today are that they can neither set nor meet realistic targets. Hence, they are driven to set personal priorities that relate more to

self-protection and survival whilst maintaining the appearance of attempting to satisfy the most urgent yet constantly changing political objectives and priorities.

An alternative way of expressing the situation is that in government administration today there are countervailing influences. On the one hand, there are extreme and positive pressures to manage more and more, better and better. On the other hand, however, there are quite negative and even destructive influences which operate in the quite opposite direction, that is, away from proper management and towards improvisation, expediency, false economy and specious rationalisation.

In attempting to assess the implications that these various pressures have for selection and development, it is necessary to disregard the more destructive pressures on the basis that it is better policy to work towards their eradication than to build them into the 'personality' of the Service. Setting aside then the more cynical implications, the overall implication is that in selection for the managerial ranks of the Service and in the development of senior officers, greater emphasis now must be placed on attributes and experience in management as a practice and profession.

The view has been expressed to the Association that much of the past training and development for top management in the public sector has been irrelevant: many of the top officials will have been selected for inappropriate reasons and lack the experience and background (and may lack the aptitude) to deal successfully with today's management problems. Current senior Public Service selection practices tend to emphasise proven performance or aptitude for policy development, ability to sustain a Department's case in inter-departmental committees, ability to deal with Ministerial and Cabinet submissions, and so on. General management skills, financial experience, supervision and development of staff are areas that tend to be subordinated to those more intellectual, verbal and politically oriented skills.

To the extent that this view has validity, it must follow that a better balance has to be achieved in selection and development between the policy-cum-executive weighting and the executive-cum-managerial weighting.

The PAC itself put its finger on the issue when it identified the need for the 'gifted generalist'. To be more specific, the demands on the Service's senior managers predicate the need for

- experience/training in management by objectives, priority setting, political awareness and sensitivity
- strong-mindedness to challenge unreal impositions and promote understanding whilst continuing to produce loyalty, integrity and professionalism
- capacity to recognize when to consult and when to act, awareness of likely implications of actions, communication skills, entrepreneurship, versatility, firmness, fairness and understanding,

to cite just some of the bespoke attributes which should be acquired or developed.

Q.2 SELECTION FOR SECOND DIVISION

Advantages/disadvantages of limited promotion-to-level as opposed to universal promotion-to-position.

Advantages:-

- (i) Allow standard selection criteria and procedures to be applied.
- (ii) Enable generalised rather than specialist criteria to be adopted and emphasis to be given to broad management experience and skills.
- (iii) Enable a single expert selection committee to operate.
- (iv) Enable senior managers to be recruited and trained and developed in excess of immediate requirements and be ready to step into positions immediately on becoming vacant.
- (v) Improve the prospects of attracting and selecting applicants from outside the Service.
- (vi) Enable outstanding generalists employed in specialist areas with limited promotion opportunities to be identified, advanced, and retained within the Service.
- (vii) Should reduce incidence of parochial and poor selections to Second Division.

Disadvantages:-

- (i) Difficulties and reluctance of Departments in determining positions to be subject to filling from pool.
- (ii) Management rights of Departments not to accept staff referrals may result in pool personnel not being placed.
- (iii) Risk of generalist managers with inadequate subject matter knowledge and expertise being selected and attracting reputation of amateurism.

What specific form of standardised selection criteria would S.D.O.A. suggest?

It is suggested that the whole selection process for senior management requires review. In particular, the process probably needs to be extended so that it can be more thorough, comprise more components and enable candidates to be assessed against the specified skills and attributes in a variety of situations (e.g. interviews, reports by supervisors, assessment of career experience, and possibly even written exercises or projects).

The criteria appropriate for application to standardised selection processes for Second Division officers are -

- Qualifications or
- Formal training and education in management or aspects of it
- Work experience (breadth/quality)
- Knowledge in relation to government machinery/public administration
- Communication ability (written and oral)
- Experience and performance in
 - Management and direction of executive functions, operations or services
 - Supervisory positions
 - Policy developmental work
 - Personnel management operations

- Manpower, financial and physical resource estimating, budgetting, acquisition, monitoring and control, i.e. resource management
- Analytical/conceptual ability
- Personal relations
- Flexibility/adaptability
- Initiative
- Motivation/diligence/dedication.

It is suggested that candidates for advancement or appointment to the Second Division could be assessed against most of these criteria per medium of standardised selection processes - whether being selected for individual positions or to the level. Such processes could be supplemented by specific position requirements and evaluated against them.

What sort of agency would undertake your proposed study of selection for Senior Management?

Ideally the study would be undertaken by a team of three persons - one of whom should be a specialist but widely experienced officer from the Public Service Board, one an expert in this area from a management consultant firm, and the third member being a specially selected departmental Second Division officer with experience in both policy and executive management work and recognized expertise in personnel management.

The work of this team would need to be directed by a steering committee, the composition of which might depend to some extent on the quality of the working team secured for the exercise. It is suggested that the steering committee could well comprise -

- A senior P.S.B nominee
- A senior Second Division departmental officer (say a Deputy Secretary)
- A senior manager from private industry
- A nominee of the Australian Institute of Public Administration, and
- A nominee of the Second Division Officers' Association.

Q.3 DEVELOPMENT

Which central agency should devise and maintain a program of Senior Officer rotations and how could it be implemented?

Formalised training. How could the current PSB courses be improved? Who should assess the relevance of these Senior Courses?

It is submitted that it is not simply a matter of devising a program of rotations, and improving the relevance of senior courses. It is a matter of constructing a complete profile of training and development for the Service's senior managers and of that profile being applied as a matter of policy to the Service's senior echelons, partly as a pre-requisite to entry to the upper levels and partly in conjunction with progression through them.

However, most of the effort and resources required to devise such a strategy would be to little avail unless there were a Service-wide commitment to it. It is the observation of the S.D.O.A. that, generally speaking, Service-wide commitments to innovative common policies and administrative practices only result from legislative enactments or government directives. Initiatives and programs launched by the Public Service Board do not carry the same authority or inspire the same universal (even if reluctant) acceptance as those emanating from a Cabinet Directive and promulgated by the Prime Minister to all Ministers.

Hence, the Association makes the point that the adoption and implementation of a policy of senior management deployment (or for that matter simply of senior officer rotation) requires that it be at the behest of government or at the very least have Cabinet endorsement. It might also be observed that the full-scale implementation of such a policy would not be inexpensive and hence would be appropriate for Government consideration for that reason alone.

As to who should devise the overall development profile and implementation plans, the task is clearly within the area of responsibility of the Public Service Board. However, it is so closely related to the selection study discussed earlier in this paper that it would be quite logical for this exercise to be handled in the same way and even by the same working team and steering committee.

On the question of implementation of a rotation scheme, with all respect to the Joint Parliamentary Committee, it is not considered appropriate that the Association should attempt to describe in detail how such a scheme should operate. Nevertheless, it notes that a number of basic ingredients may be essential for its success. In particular, the scheme may have to incorporate -

- compulsion on all Departments/Authorities to earmark a fixed proportion annually of its senior management resources for rotation (and/or other training/development activities)
- compulsion on individuals to spend a fixed proportion of their senior careers (e.g. one year in five) on rotational or other development activities
- a higher degree of access to (and rotation out of) the central co-ordinating and servicing departments and authorities
- the identification of areas in the Service to which rotation would need to be on a supernumerary basis
- the provision of special establishment/ceiling cover where rotational arrangements require supernumerary staffing in order to maintain operational efficiency.

The agency that would be responsible for the actual organization and conduct of any Service-wide scheme of rotation, whether or not as part of a total development strategy, is, of course, the Public Service Board.

As to the courses of training and seminars conducted by the Board itself, it is not likely that any major efforts to improve them would be worthwhile until they are developed in conjunction with and as part of an overall training strategy for senior officers. At the very least, they need to be organised into a composite package which forms part of a standard, fixed program of training/development activities into which departments can plan the placement of their senior Central Office and Regional Office personnel over a period of time.

This is not to suggest that the content of the courses need remain static. Rather, it is suggesting that the Board might develop and/or commission training courses to cover the spectrum of the senior management needs of the Service and according to a fixed annual plan of types of training activities.

Finally, there is the question of who should assess the relevance of senior courses. It was suggested above that the preparation of the overall development profile and implementation plan could well be carried out in a similar way or by the same group marked down earlier to carry out the selection study. It may not be necessary or feasible to retain the same steering committee for the purpose of an on-going monitoring and review of training courses. Nevertheless, it is suggested it would be in the interests of all concerned if a standing committee or council were formed to exercise that responsibility. Comparison might be made with the representative National and State Councils of the Australian Trade Union Training Authority that, amongst other things, determine its training policy, and scrutinise and vet the content of its proposed programmes and courses of training.

The composition of such a standing committee could differ from the earlier-mentioned steering committee by the inclusion of more departmental representation and the exclusion of external interests. Certainly it would be appropriate for the P.S.B. to chair the committee, but in lieu of private industry, S.D.O.A. and even A.I.P.A. representation, it would be preferable if three or four departmental senior officers were involved. Moreover, the departmental representation could well be rotated by having half of the number changed each year.

Q. 4 How could the Appeals System be altered to help a broader-based selection policy?

One proposition that does bear consideration and for which there is an evident measure of support in the senior ranks of the Service is the complete exclusion of the appeal system from the existing Second Division area, if not in respect of entry to the area, at least in relation to movements within it. It is not suggested that this step would in itself assist more broadly-based selection. However, to the extent that promotion appeal committees place undue relevance, if they do, on directly relevant experience in a 'subject-matter' area when making their assessment, the elimination of this procedure would remove a potential obstacle to the success of a new policy.

It might be noted that, of course, under the present system, appeals cannot be made against appointments from outside the public service. Hence, if greater access to senior management positions in the Service, say on a limited appointment/promotion-to-level basis, were made available to applicants from outside the Service, then there is a strong argument that in such situations no appointments or promotions should be

appealable. (It has to be recognized that very few senior executives from private industry would submit themselves to publicly announced appointments which could subsequently be overthrown on appeal.) Alternatively, staff association participation in the selection process could be substituted for the appeal system. Indeed, unless some such arrangement were made, it could be expected that any move to remove rights of appeal and/or increase access of external applicants would excite considerable, even if not universal opposition.

As to how to alter the promotions appeal system, there are two directions of approach: one is concerned with the criteria to be adopted by appeal committees and the other with their composition.

In respect of promotions made to specific positions, there is probably very little, if anything, that can be done to change or modify criteria used by appeal committees, who, after all, are beyond the reach of administrative or even government directions. It would virtually require the relevant legislation to specify the criteria to be applied by appeal committees if they were to be precluded from concentrating on the specifications of the individual positions. It is problematical whether action of this kind is really necessary or would, by itself, make very much difference.

In relation to promotions to a level rather than to a position, it should, of course, be expected that the same broadly-based criteria used in the selection process would be identified and applied in any related appeal process. If that failed to materialise, then the only remedy would lie in changing the composition of the appeal committees.

It is in this area that the S.D.O.A. considers there is most justification and need for the existing arrangements to be changed (assuming the appeal system is retained). It believes that a person selecting or making final assessments of applicants/appellants for senior management positions needs to have had direct experience in senior management to fully appreciate the demands of such work and the qualities required for its successful performance across a wide base of public administration. Hence, in the S.D.O.A.'s view, just as all members of selection panels for Second Division appointments and promotions would, probably without exception, comprise Second Division officers, so should any promotion appeal committee which is reviewing those selections.

To give effect to such a policy may require legislative changes to the appeal system in relation to the existing Second Division, so that -

- (i) A single committee is established to hear and determine all Second Division promotions.
- (ii) A Chairman is appointed who has had wide senior management (First and/or Second Division) experience in the Australian Public Service - say a retired officer.
- (iii) Each such appointment to be for a specified, comparatively short period - say one year.
- (iv) The Departmental Representative to be a Second Division officer.
- (v) The staff representative to be a Second Division officer nominated by the staff association having most Second Division members in the Service - or alternatively from a panel of Second Division officers elected annually by all members of the Second Division.

APPENDIX 7

SELECTION AND DEVELOPMENT OF WOMEN
IN SENIOR POSITIONS IN THE
AUSTRALIAN PUBLIC SERVICE

Submission to the Joint Parliamentary Committee of the Public
Accounts Inquiry into the Selection and Development of Senior
Managers in the Australian Public Service prepared by the Equal
Employment Opportunity Bureau of the Public Service Board,
Canberra.

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SELECTION AND DEVELOPMENT OF WOMEN IN SENIOR POSITIONS IN THE AUSTRALIAN PUBLIC SERVICE

1. INTRODUCTION

This Submission was prepared to assist the Joint Parliamentary Committee of Public Accounts in its inquiry into the Selection and Development of Senior Managers in the Australian Public Service. The Committee is preparing a discussion paper for Parliament on this topic.

Matters being considered include the procedures followed by Commonwealth Departments and Authorities in relation to the following:

- . development and mobility of senior managers
- . selection and development of potential senior managers
- . selection of individuals to fill senior management positions from within a Department, from within the Service or outside it.

The Committee asked for comments from the EEO Bureau on current practices in relation to these matters particularly as they affect senior (or potential senior) women in the Service.

The history of women's employment in the Australian Public Service is very different from that of men - a summary is included in the Submission. Despite substantial gains made by women in recent years there are still no First Division women today. Women currently occupy only 2% of Second Division positions and 4% of Class 10 and 11 positions. Information is provided about the distribution of the senior women, their occupations, their rate of progress through the Third Division and projected progress in the future.

Although the formal barriers to women's full participation in the career service have now been removed the Board recognises that more subtle forms of discrimination are still to be overcome. To this end the Board has a policy of introducing Equal Employment Opportunity (EEO) Programs for Women into all departments; this policy is described in the Submission. Details of women's participation in the Board's Management Development Programs have also been included.

Descriptive data by itself does not provide sufficient information on the opportunities and constraints which affect senior women seeking advancement in the Service. This data has therefore been supplemented by information drawn from a questionnaire survey completed by senior women in the Service.

The questionnaire was designed to furnish as much information as practicable about the experience and views of senior women. It was distributed to all Second Division women and those in Class 10 and 11 positions (and positions with equivalent salaries) in the Third Division. The results of the survey are reported in the body of the Submission.

2. SUMMARY OF CONCLUSIONS

EEO Programs for Women in Departments

Thirty-three years after women were admitted to Clerical/Administrative positions in the Third Division and sixteen years after the removal of the marriage bar, women are still not found in senior positions in any numbers (only 2% of Second Division). Without some form of positive assistance the rise in the proportion of women in senior positions in the next few years is expected to be small. Towards the end of the '80s the proportion of women would only be approximately 5% of Second Division. Occupational segregation is breaking down faster for men than for women. This not only means that women are still under-represented in trades and certain technological areas but also in a number of major departments and agencies and in important policy-making areas in others.

This Submission contains a number of suggestions in the areas of staff development, mobility and selection which would assist departments prepare EEO Plans. It is proposed to submit these suggestions to the Board for formal consideration at an early date but in the context that the EEO Bureau will continue to provide a consultancy service to departments to assist in the design and implementation of such plans.

A number of suggestions which will be put forward are already being acted upon in some of the Board's present programs and in some departments; eg the Board's Executive Development Scheme already includes training in EEO policies and principles for senior staff and a mobility component which enables senior women to gain experience in new work areas. However, it was thought best to present these suggestions in a composite form so they might be the basis for discussions with departments.

It will be recommended to Board that the Bureau suggest to departments that:

- they prepare an EEO Plan once a year and report to the Board on what might reasonably be accomplished in the forthcoming year and what was accomplished in the previous year, and
- as one of the key elements for success of an EEO Program is active and visible participation by top management, Permanent Heads should discuss their Program with senior staff on a regular basis.

Staff Development

There are two important considerations for staff development in an effective integration of women into senior management. The first relates to the competence and readiness of the women involved. The second is concerned with the recognition and acceptance of women as suitable occupants of such management positions by senior male officers. Both of these considerations need to be addressed in any plan which seeks to bring about equal opportunity for women within the staff development program for senior management.

It will be proposed to Board that staff development programs within departments and the Board's Office need to take account of women's limited access to sources of information and advice on career development and women's additional need to prove their competence in senior positions by means of the following recommendations.

It will be proposed that the Board's Office should:

- Provide material for departments to enable them to assist female officers with career development and planning needs eg training packages and a career planning booklet for women staff.
- Provide through the EEO Bureau, formal and informal opportunities for senior women to discuss work-related matters in order to assist the women concerned and to discuss further measures which may be needed to assist women in the Service.
- Continue existing measures and adopt new measures to encourage women to take part in Service-wide management training programs eg by producing a poster particularly directed towards women on the range of development opportunities available for potential senior officers.
- In departments, agencies and offices where there are no senior women, arrange contact with other senior women who will act as role models for women aspiring to senior positions.
- Provide material for development programs for senior staff which contain:
 - (a) information briefings about management responsibilities in EEO matters;
 - (b) sensitisation of managers on EEO issues in staff relations.
- Include elements on EEO information and sensitisation within the Service-wide training schemes for senior management.

The Board's endorsement will be sought to the EEO Bureau raising the following points with departments when discussing their EEO Plans later in the year.

That departments should:

- Provide assistance with analysis of career development and planning needs for women in senior positions.
- Conduct additional training workshops for women entering senior positions on assertiveness training, confidence building, career planning, and management skills and techniques.
- Ensure that women officers participate fully in informal development experiences within the department eg representation of department at meetings, conferences and in job rotation schemes.
- Arrange opportunities for potentially senior women to have contact with senior women officers in the department who will act as role models, and

- Provide training and development for all senior staff, male and female on:
 - (a) information about management responsibilities on EEO matters:
 - (b) sensitisation on EEO issues in staff relations.

Mobility

Historically women have been concentrated into a narrow range of occupations and work areas. One major consequence for women aspiring to management positions was that certain work areas which were important for overall development, either because of actual restriction or by virtue of custom and practice, were closed to women. Women's prospects for advancement have been diminished as a result.

It will be proposed to the Board, therefore, that the Board's Office and departments develop formal staff rotation schemes which have, as an objective for female officers, the provision of experience as managers in a wide range of work situations. The range should include work areas where few women are employed and work units which employ large numbers of staff of both sexes. It will also be proposed to Board that the EEO Bureau should suggest to departments that where staff rotation schemes are operating already, and in Service-wide staff development programs where work rotation is provided as part of the program, that provision of management experience in a wide range of work situations be a priority objective for female participants.

Selection

There are still very few women in senior positions. Current trends indicate that their numbers are not likely to increase in proportion to the numbers of potentially senior women ie those available for promotion to senior positions. Given these factors there is a need for recognition of any additional disadvantages which women experience in the promotion and selection process, the adoption of measures to counteract these disadvantages and procedures to determine the effectiveness of the measures.

It will be proposed to Board that a number of measures and procedures should be adopted by the Board's Office and departments to counteract disadvantages women experience in the selection process for positions in senior management.

It will be proposed that the Board's Office should:

- Continue to monitor the advancement of women in the Service through periodic surveys of application and promotion rates for males and females and cohort studies of men and women recruited in the same years.
- Ensure that recruitment campaigns and advertising for all positions in the Service positively encourage women to apply as well as men.
- Develop training material for departments on EEO principles important in the selection process for senior positions and use this material in Service-wide interviewing programs.

Board's endorsement will be sought to the EEO Bureau raising the following points with departments during discussions on the development of EEO plans.

That departments:

- Should give serious consideration to nominating a woman to sit on a selection panel where a woman is an applicant for a senior position. Where no suitable woman is available in the department to sit on a selection panel, departments could ask the Board to assist with obtaining such a woman from another department.
- Check the qualifications/curriculum vitae and interest of all women officers in the department eligible for promotion to a senior position, not only those who are applicants for the position.
- Training in EEO principles should be included in training courses for interviewers at all levels.
- Monitor advancement of women in the department through periodic surveys of application and selection rates. Special attention should be paid to non-traditional work areas in such surveys.
- Ensure that recruitment campaigns and vacancy advertising encourage women as well as men to apply for jobs in the department.
- When considering the Board's Guidelines on Advertising Outside the Service for above base-grade positions (11), give due weight to the fact that there may be women who may meet these criteria who are wishing to resume a full-time career but who, because of their background, skills and experience, would not wish to enter the Service through the basegrade competitions.

3. HISTORY AND PROGRESS OF WOMEN IN THE AUSTRALIAN PUBLIC SERVICE

Removal of Discriminatory Provision

Over the last 33 years the Board and the Government have taken a number of steps to improve the access of women to employment and promotion in the service. As a first step women were admitted to the Clerical/Administrative structure in the Third Division in 1949. From 1919 to 1949 all women in the APS, apart from a few with professional qualifications, were employed in low paid jobs in the Fourth Division, doing work thought to be more appropriate for women than men such as typing, routine clerical work, mail sorting and operating switchboards. These women were generally paid at lower rates than men - a situation which continued in the Service until the Arbitration Commission Decisions of 1969 and 1972 which resulted in equal pay for work of equal value throughout the work force.

Although women entered the Third Division in increasing numbers in the fifties and early sixties they were not given the same opportunity as men to make a career in the Service, as women had to resign from permanent positions upon marriage. In 1965 only 18% of women employed in the APS were permanent officers. The 'marriage bar' was repealed in 1966 and six months maternity leave, with automatic access to sick leave credits, introduced to assist women combine domestic responsibility and a career. Three months paid maternity leave was introduced in 1973 and the total period of leave granted for maternity purposes extended to 12 months (later amendments removed the automatic access to sick leave credits).

By 1973, 61% of women were permanent and 20% of women were employed in the Third Division. Despite these changes the Public Service Act and Regulations still contained sections which discriminated against women and married women in particular. For instance the Regulations set out allowances to be paid only to a 'married officer and his wife' and the Act empowered the Board to determine that only males or only females be appointed to particular offices eg Typist and Steno-Secretary in Training and Data Processor Operator in Training were only open to females and only men could apply for appointment as Trainee Meat Inspectors, Trainee Flight Service Officers, for most apprenticeships and a number of other occupations. The Board reviewed the Public Service Act and Regulations in 1973, repealed the restrictions on 'men only' and 'women only' jobs and began amending the Regulations to ensure that payment of allowances was made in a fair and non discriminatory manner.

The Board also removed the upper age limits applying to appointments as clerks, clerical assistants and typists in 1973. This action recognised that increasing numbers of older women were entering the work force and that this seemingly neutral practice in fact placed women at a much greater disadvantage than men.

Findings of the RCGA

Not surprisingly, the Royal Commission on Australian Government Administration (RCAGA) reported that in 1973/74 'a segregation of the sexes into different occupational categories is evident'. There being no women in categories that had been closed to them and few or no women in categories traditionally thought to be men's work. Over half the women were employed in three occupations - telephonists, typists and steno

secretaries and clerical assistants. Further, the sexes were unevenly distributed across many departments and agencies, for instance in the Departments of Agriculture, Transport and Housing and Construction less than 12% of the staff were women and in the Departments of Health, Education and Social Security over 50% of the staff were women. (1)

In 1974 there were 4 Second Division officers who were women, while only a sprinkling of women were in senior positions in the Clerical/Administrative structure in the Third Division. 4% of Class 8 positions were filled by women approximately 2% of Class 9 and 10 positions and approximately 1% of Class 11 positions. RCAGA found that Class 10 and 11 women were predominantly working in 'female' departments and in the main were supervising sections with predominantly female staff. These women tended to be supervising specialist areas, considered women's areas, with small staff numbers compared to men who were found supervising mainstream areas with larger numbers of staff. RCAGA also found that a greater proportion of women than men in Classes 5 to 11 of the Third Division in 1974 held university degrees or higher qualifications, but commented on the low participation rate of women in training courses conducted by the Board. (1) (2)

PSB Studies at the end of the 70's

In 1979 the Board conducted a study of the 'Career Patterns of Women in the Australian Public Service' which revealed, amongst other things, that there were still no First Division women and women were only 1.8% of the Second Division. Without any form of intervention women were expected to be 5% of the Second Division by 1987. Women represented 2.9% of Clerical/Administrative Officers Class 10 and above and it was estimated that the proportion would rise to approximately 6% by 1987. (3)

When the 'marriage bar' had been removed it was thought that women would now have the same opportunities as men to advance to senior positions, however, cohort studies carried out by the Board in 1979 suggested that other factors were still impeding women's careers. Cohort studies of officers appointed to the base level of the Third Division, after the removal of the marriage bar showed that, of those who remain in the Service non-graduate men were more likely to reach the more senior positions than non-graduate women and the same trend could be seen among graduates. (3).

A further study in 1980 showed that the proportion of women in many departments was still low (11-24%) and that 14 departments employing 53% of the Service had no Second Division women. In addition occupational segregation was breaking down faster, and with less assistance, for men than for women. There were still 20 designations where no women were employed but none where no men were employed. 39 designations had 10% or less women whereas only 6 designations had 10% or less men. When women had moved into traditional male areas, such as Meat Inspector, Air Traffic Controller and Flight Service Officer, they had done so with the active assistance of the Board and the department concerned, whereas men had moved into nursing and social work etc without any assistance. The study concluded that this, combined with the effects of technological change, which was likely to reduce traditional women's jobs in keyboard and clerical support areas, constituted a poor outlook for women's employment, unless women too were prepared to move into new work areas. (4).

The Situation in 1981

In 1981 women were 35.5% of all APS staff and 35.5% of all permanent staff. The proportion of women who were permanent officers (80.3%) was now approximately equal to the comparable proportion for males. The proportion of women employed in the Fourth Division had decreased over time to 69.4% but was still higher than the comparable proportion of men (48.0%). The proportion of women in all Divisions, except the First Division, had been steadily increasing over the years and by 1981 women were 44.6% of the Fourth Division, 24.3% of the Third Division and 2% of the Second Division. (5).

Second Division Women at 31 March 1982

At 31 March 1982 there were no women in the First Division and there were 30 women in the Second Division.

The majority of women (ie 24 women) in the Second Division were Level 1's while there were 2 level 2's, 1 Level 3 and 3 Level 4's. These women were working in the 10 departments and 8 agencies set out in Table 1. At that time the following departments had no Second Division Women:- Aboriginal Affairs, Business and Consumer Affairs, Capital Territory, Communications, Defence, Employment and Youth Affairs, Housing and Construction, Immigration and Ethnic Affairs, Industry and Commerce, National Development and Energy, Science and Technology, Trade and Resources, Transport, Treasury and Veterans' Affairs.

TABLE 1

DEPARTMENTS & AGENCIES WITH SECOND DIVISION WOMEN AT 31.3.82

Salary	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Total
	\$38,000	\$41,700	\$45,400	\$49,100	\$52,800	\$56,500	
Dept of Administrative Services	4						4
Industries Assistant Commission	1						1
Attorney-General's Department	2			1			3
Office of the Parliamentary Counsel				1			1
Department of Education	2						2
Schools Commission	1						1
Department of Finance		1					1
Department of Foreign Affairs	1						1
Australian Development Assistant Bureau	1						1
Department of Health	1						1
Capital Territory Health Commission	1						1
Department of Home Affairs & Environment		1					1
National Library	3						3

TABLE 1

DEPARTMENTS & AGENCIES WITH SECOND DIVISION WOMEN AT 31.3.82

Salary	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Total
	\$38,000	\$41,700	\$45,400	\$49,100	\$52,800	\$56,500	
Department of Primary Industry	1						1
Department of the Prime Minister & Cabinet				1			1
Public Service Board	2						2
Department of Social Security	3		1				4
Australian Bureau of Statistics	1						1
	24	2	1	3			30

Eight of the women in the Second Division (26.7%) were professionals, (three were lawyers, three librarians and two medical officers), the remainder (22) being in the Clerical/Administrative positions. 13 women were in generalist Clerical/Administrative positions while nine were in specialist positions typically heading units concerned with the welfare, education or employment of women or children.

Only a minority of Second Division women (four officers (ie 13.3%), are aged between 55 and 65 years and so would be expected to retire in the next few years. The majority, (23 women ie 76.7%) are between 35 and 49 years of age. This differs from the age profile of men in the Second Division; a larger proportion of men are in the older age groups and so would be expected to retire in the next few years.

Women are only 2% of the Second Division. Although the numbers of women in the Second Division have been steadily increasing over recent years (see Table 2), as mentioned previously, the Board's Research and Information Branch has shown that, without any form of intervention, women could only be expected to be 5% of this Division by 1987 notwithstanding that in the next few years the overall rate of promotion to the Second Division is expected to be rapid, as older officers retire.

TABLE 2

12
 AUSTRALIAN PUBLIC SERVICE: WOMEN IN SENIOR POSITIONS (a)
 1.11.76 - 31.3.82

Date	First Division	SECOND DIVISION						THIRD DIVISION			Fourth Division	
		Level 6	Level 5	Level 4	Level 3	Level 2	Level 1	Total	Clerical	Other		Total
30. 6.76	-	-	-	-	1	-	12	13	38	46	84	1
1.11.76	-	-	-	-	1	-	12	13	50	46	96	1
1. 3.77	-	-	-	-	1	-	11	12	38	57	95	1
30. 6.77	-	-	-	-	1	2	16	19	43	54	97	1
30. 9.77	-	-	-	-	1	2	16	19	48	84	132	1
31.12.77	-	-	-	-	1	1	15	17	53	87	140	2
30. 6.78	-	-	-	-	1	1	17	19	54	81	135	2
31.12.78	-	-	-	-	1	3	19	23	54	105	159	2
30. 6.79	-	-	-	-	1	3	20	24	61	86	147	-
31. 3.80	-	-	-	-	1	3	20	24	66	99	165	-
30. 9.80	-	-	-	1	1	2	21	25	64	101	165	-
31. 3.81	-	-	1	1	1	2	23	27	75	103	178	-
30. 9.81	-	-	1	1	1	2	24	29	79	106	185	-
31. 3.82	-	-	3	1	1	2	24	30	96	102	198	-

(a) Defined for the purpose of this document as positions with a maximum salary equivalent to or above Clerical/Administrative Class 10

Women in Class 10 and 11 (and equivalent positions) in March 1982

At 31 March 1982 there were 198 women in Class 10 or 11 positions or in positions with a maximum salary equivalent to, or above Class 10. 51.5% of these women (102 women) were in professional positions. The majority (69 women) were medical officers, six were legal officers and five were librarians. The following departments and agencies employed professional women at this level:- Department of the Attorney-General, Commonwealth Legal Aid Office, Capital Territory Health Commission, Department of Defence, Education, Health and Home Affairs, The National Library The Departments of Housing and Construction, National Development and Energy, Science and Technology, Social Security and Veterans' Affairs. The high proportion of women in professional positions will have a critical bearing upon opportunities for women's advancement, as only 25% of Second Division positions are staffed by professionals and fewer still by medical officers.

96 (48.5%) of women at the top of the Third Division are in Clerical/Administrative positions. 65 are generalists while 31 are in positions which might be regarded as specialist positions eg archivists, women's units etc. 12 departments and agencies employed only 1 Class 10 or 11 woman, 4 employed 2 or 3 Class 10 or 11 women, while 11 employed from 4 to 6. The Public Service Board and the Department of Employment and Youth Affairs had the largest numbers of Class 10 and 11 women, 9 and 8 respectively. The following departments had no women in Class 10 and 11 positions at the end of March 1982:- Aboriginal Affairs, Administrative Services, Attorney-General's, Capital Territory and Primary Industry.

The age distribution of the professional women differs from that of the women in Clerical/Administrative positions. 50 professional women are 50 years or older while only 22 Clerical/Administrative women are in the older age groups. The majority of Clerical/Administrative Women (ie 68 women or 70.8%) are aged from 30 to 45 years.

Women are approximately 4.0% of Clerical/Administrative officers Class 10 and above. Earlier studies conducted by the Board estimated that this proportion will rise to approximately 6% by 1987. The proportion of promotees to these senior jobs who are women is still lower than the proportion of women in the pool of officers available for promotion to those levels. Cohort studies performed in 1979 were repeated in 1982 and showed once again that of officers appointed to the basegrade of the Third Division Clerical/Administrative structure in 1967, 1970 and 1975 who remain in the Service, men are more likely to reach senior levels than women. In the new Studies this was found to be true for graduates and non-graduates and the same pattern was seen in regional and central offices.

It has been suggested that one factor which may contribute to women's slower progress through the Third Division is their tendency to take more leave (eg for study, travel and domestic duties) than men. Some of this leave may, of course, enhance women's career prospects and some may retard them. Chapman in his paper 'Sex Differences in Earnings : An Examination of the Clerical/Administrative Division of the Australian Public Service over the 1970s' designed an analysis which enabled him to take account of the 'relative intermittency of labour force participation by women.' (6)

In his paper Chapman examines the sex differences in earning for Clerical/Administrative Officers in the Third Division in the period 1969-79. Despite adjustments for women's relative intermittent labour force participation Chapman found men enjoyed salary advantages beyond what would have been expected. 'These differences', he says may be interpreted in the context of direct employer discrimination, but such a conclusion must be tempered in the light of inadequate information with regard to ability, motivation and expected turnover differences between the sexes'.

No evidence has been advanced to suggest that women in the Clerical/Administrative Structure have less ability or fewer skills than the men. Certainly their results in the Board's Clerical Selection Test and Assistant Research Officer Selection Test do not suggest this. In addition, as mentioned previously, RCAGA showed that women in the Third Division generally had better educational qualifications than the men.
(3) (A)

The Joint Council Sub-committee on Women designed a survey of officers applying for promotion in the Third Division to test the hypothesis that women were not advancing as rapidly as men because they were not so motivated to apply for promotion. The survey will also examine whether there is any relationship between selection for interview and promotion and the sex composition of the interviewing committee. This survey was conducted in April and May 1982 and analysis of this data will commence in September 1982. Analysis will be by occupational group and salary level and broad indicators of departmental differences will be provided.

The findings of the survey will need to be interpreted with care. It would not be unexpected to find that in certain departments or areas of departments surprisingly few applications were received from women when looked at in the light of the qualifications and experience required for the jobs. The EEO Bureau has found that certain areas of the Service have an intensely male image, and few or no women apply for jobs in these areas. Many women consider that if they were to apply for jobs in such areas their applications would not receive serious consideration.

4. BOARD POLICIES AND PROGRAMS

EEO Policies and Programs

The Public Service Board has a policy of equal employment opportunity which applies to all people employed and seeking employment in the Australian Public Service. Therefore the principles and procedures to be followed in the employment of women and all minority groups are those of equal employment opportunity, fair treatment and no improper or unreasonable discrimination in relation to the work to be undertaken. (7)

The Board established the Equal Employment Opportunity (EEO) Section in October 1975, within its (then) Personnel Management Division. It was upgraded in 1978 and thereafter known as the EEO Bureau. The Bureau's responsibilities embrace development of EEO policies and programs for women, Aborigines, the disabled and migrants or members of ethnic communities either seeking employment, or employed, in the Service. The Bureau also investigates and resolves complaints alleging unjustified discrimination from members of its client groups; it is assisted in this work by the Board's Grievance and Appeals Bureau.

On 30 January 1981 Sir William Cole, the Chairman of the Public Service Board wrote to Permanent Heads inviting them to join in a strategy to introduce Equal Employment Opportunity Programs for Women into APS departments and agencies. In his letter Sir William observed:

"To date the Service has a creditable record of achievement in the area of women's employment and I am anxious to ensure that this is at least sustained." (Appendix 1).

The new EEO Programs were to be based on the National Labour Consultative Council (NLCC) Guidelines on Equal Employment Opportunities for Women. (8).

A seminar was held in Canberra in April 1981 for Second Division officers who were to be responsible for overseeing the introduction of EEO programs in their departments. At the Seminar it was explained that following a comprehensive review of the employment of women in the Service the Board had set two Service-wide goals for the new program. First, to try to increase the numbers of women in senior positions and, secondly, to try to increase the numbers of women in jobs not traditionally done by women. (8)

Throughout the remainder of 1981 staff of the EEO Bureau conducted seminars on women's employment in all the capital cities. At these seminars it was explained that, following removal of formal barriers to women's employment the target of attention was the more subtle form of discrimination, usually known as systemic discrimination. This discrimination is often unintentional, the consequence of administrative practices and rules in organisations based on outdated assumptions about women's role in the workforce. The best way to overcome systemic discrimination is by means of careful analysis of staffing and promotion patterns within an organisation combined with measures directed to meeting problems revealed by analysis, in other words by the introduction of an EEO Program.

In the first stage of an EEO Program systemic discrimination is detected by a combination of statistical analysis and surveys of the attitudes and views of staff. Problem areas are thus identified and EEO plans developed to remedy the deficiencies revealed. The EEO plans contain objectives and selected tasks, usually embracing recruitment, staffing, training and staff development and other personnel responsibilities appropriate to the organisation, especially chosen to overcome identified inequalities and inequities (9).

In the first half of 1982 departments have been analysing the position of women within their ranks. To reinforce moves by departments Sir William Cole wrote to all Permanent Heads to inform them that the EEO Bureau would offer a consultancy service to assist them to design EEO Plans to overcome identified problems (Appendix 2). Visits to departments will commence later in the year and will provide an opportunity to discuss with departments the information obtained by the Bureau from the Survey of Women in Senior Positions.

Participation by Women in the Board's Management Development Programs

All the staff development opportunities in the Service have been open to women as well as men for some years. Nevertheless in the late seventies the Board was concerned at the small number of applications it was receiving from women for its management development programs.

In 1978 the EEO Bureau wrote to all eligible women drawing their attention to these programs and encouraging them to apply for the one most suited to their training needs. This direct approach was considered to have been a success as the application rate from women rose in subsequent intakes. An improvement in women's participation in the Executive Development Scheme (EDS) was particularly noticeable.

The Executive Development Scheme, which aims to accelerate the development of officers who have potential for higher duties, was established by the Board in 1977. Participants are drawn from the Class 9 - Class 11 levels of the Third Division. Women comprise about 8% of this group but over the last three years 21% of successful applicants for the Scheme have been women (Table 3). This is more than double the proportion of the previous three years. The relatively high proportion of women now taking part in the Scheme is most probably a reflection of the increasing use being made of the Scheme by senior officers, both male and female, to move out of their present work areas where they consider the opportunities for advancement to be limited. A very high proportion of women in senior positions in the Third Division are likely to find themselves in this situation.

TABLE 3

**PARTICIPATION BY MALE AND FEMALE STAFF IN THE BOARD'S
MANAGEMENT DEVELOPMENT PROGRAMS IN 1980, 1981 AND 1982**

		1980		1981		1982		TOTAL		All Staff
		Male	Female	Male	Female	Male	Female	Male	Female	
Executive Development Scheme	No	16	5	34	9	33	9	83	23	106
	%	(76%)	(24%)	(79%)	(21%)	(79%)	(21%)	(78.5%)	(21.5%)	(100%)
Residential Management Scheme	No	24	2	18	-	15	1	57	3	60
	%	(92%)	(9%)	(100%)	-	(94%)	(6%)	(95%)	(5%)	(100%)
Postgraduate Study Awards	No	41	4	21	6	24	8	86	18	104
	%	(91%)	(9%)	(78%)	(22%)	(75%)	(25%)	(83%)	(17%)	(100%)
Personnel Management Scheme	No	33	9	33	12	24	24	90	45	135
	%	(79%)	(21%)	(74%)	(26%)	(50%)	(50%)	(66%)	(33%)	(100%)
Interchange	No	51	4	62	11	93	10	206	25	231
	%	(93%)	(7%)	(85%)	(15%)	(90%)	(10%)	(89%)	(11%)	(100%)

The Interchange Program, which offers selected staff the opportunity to work in the private sector, was introduced in 1977. Women have also been an increasing proportion of the participants in this Program in recent years, although not to the same extent as in EDS. In the last three years women have been 11% of the Interchange participants. The recent introduction of regional Interchange programs should be of assistance to women from the regions who find difficulty in accepting lengthy training assignments away from their region.

Women have shown a keen interest in Postgraduate Study Awards and have received 17% of these awards in the last three years. Women have been 5% of the participants in the Residential Management Scheme - the catchment area for this Scheme is Class 11 and above, where women occupy about 3% of the positions.

The Board also administers the Personnel Management Scheme which aims to improve personnel management in the APS by developing individual officers skills and knowledge. The Scheme is open to staff in the middle range of the Third Division working in personnel management (over 40% of whom are women) and other officers of this level who demonstrate convincingly that they have career prospects in this area. In past years only half as many applications were received from women as would have been expected. Particular steps were taken to encourage more women to apply for this Scheme (see article in AEQUA 13) and in 1982 the intake was 50% female bringing the overall participation by women in the last three years to 33%. (10)

5. DESCRIPTION OF SURVEY OF WOMEN IN SENIOR POSITIONS AND SUMMARY OF FINDINGS

The survey was designed to obtain information about the career development needs and work experience of women in senior positions in the Australian Public Service (APS). A questionnaire was used to obtain this information. The questionnaire was sent to the 228 women occupying positions with salary levels at, or above the Class 10 range (\$29,350 - \$30,450 per annum.)

Of the 228 women, 110 held professional positions, 8 in the Second Division and 102 in the Third Division. The other 118 women held Clerical/Administrative positions, 22 in the Second Division and 96 in the Third Division.

SUMMARY OF FINDINGS

RESPONSE

The response of women in senior positions to the survey was generally enthusiastic. Many wrote comprehensive comments on questionnaires to elaborate on their opinions and experiences. Others telephoned to indicate their support for the project. Only 5 actually refused to take part. There were 151 respondents who completed questionnaires and returned them in time for inclusion in the report. This represented a response rate of 66.2%. Sufficient responses were received from all the main groups i.e. Clerical/Administrative and professional, Second and Third Divisions to ensure that the results were representative of the views and experience of women in senior positions in the Australian Public Service.

CLASSIFICATION OF RESPONDENTS

In compiling the survey results, respondents were classified according to whether they were in the Second Division (23 respondents) or the Third Division (128 respondents) and whether they were in Clerical/Administrative work, (83 respondents), or were professional officers, (68 respondents). In addition, when studying aspects of their work experience, respondents were classified according to their type of recruitment, whether they had been initially recruited to base grade positions in the APS or to positions above the base grade (that is laterally recruited.) There were 100 respondents who had originally been recruited to base grade positions and 51 who were laterally recruited.

DEPENDENTS

Two significant findings about dependents emerged from the analysis of responses. First, a large proportion of women in the survey (58.3%) had no dependents. Second, the number of women known to have had their first child after 30 years of age suggested a trend amongst members of the group to establish a career before having children. Some women obviously felt the weight of their dual responsibilities and their comments give an indication of their views on measures which would ease the double load.

"Permanent part-time work would be an advantage for many people".

"Need for interrupted career paths - there have been times when I would have been delighted to act lower and work a short week or on a job-sharing basis - I am not prepared to forego seniority and resign and then return to do base grade work".

"..... it would be highly desirable for public servants to be able to work part-time and/or tandem employment (this) should be available equally to men".

"It may be that maternity leave provisions should be extended into perpetual LWOP (leave without pay)....."

"The 1 year limit on maternity leave also pushes many women to resign with little help later to re-enter the APS".

"Re-entry procedures to the APS for women who would like to pick up their career again would help women who may have 20 years of work prior to retirement".

EDUCATIONAL AND PROFESSIONAL QUALIFICATIONS

As was expected, all respondents in the professional group had some form of tertiary qualification. The high proportion of respondents (97.6%) in the Clerical/Administrative group who had a tertiary qualification was more noteworthy. An appropriate comparison would be with men in the Second Division, 85.1% of whom have tertiary qualifications.

The number of respondents who are currently studying or who have completed a course of study since joining the Australian Public Service, 43 (28.5%) of all respondents is also worth noting. It is one of many indications of the interest in self-improvement which women in the survey displayed.

MAJOR CAREER DEVELOPMENT PROGRAMS

In recent years special attention has been paid to the need to encourage women to take part in major staff development programs. It was therefore disappointing to find that less than half, 66 (41.7%) of the respondents had undertaken any major career development program in the Service. It was particularly disturbing to find how few of the professional officers, 21 (30.9%) had received this type of development.

INFLUENCES TO UNDERTAKE CAREER DEVELOPMENT

The number of women indicating factors which influenced them to undertake career development, 69 (45.7%) was consistent with the number of women who had actually undertaken or had approval to undertake a major career development program. The few professional women who have taken such a program was emphasised by the fact that only 19 (27.9%) of professional officers recorded any response.

The most frequent theme in the 'other' factors (ie chosen by respondent) was that of self improvement. It was also interesting to see that several respondents included a reference to encouragement from the EEO Bureau amongst 'other' influences.

PERCEIVED CAREER DEVELOPMENT NEEDS

The women officers recognised the need to improve their own skills continually and acquire more knowledge and qualifications to enable them to advance in the Service. Typical comments from Clerical/Administrative respondents on their own development needs as they perceived them were:

"More senior management courses"

"MBA could be useful for providing theoretical aspects of management....."

"Experience in different areas of the Public Service especially those that would increase my knowledge of Australian Government policy"

"More varied job experience"

"Job rotation every few years for three months at a time....."

Professional officers were interested both in improving their knowledge of administration and their qualifications:

"Course in medical administration"

"A public service scholarship to study for a Public Health qualification"

"A higher degree M.Sc, M.R.C.P. or F.R.A.C.P. would be useful".

Some officers were concerned about women officers and the work situation generally and wrote:

"there is a need to concentrate on the young women below Class 10 before they are irreversibly moulded into career patterns which will hinder their development"

"the significant detriment to women's advancement is often their own lack of faith in their own abilities"

"need to perform with more confidence and assertiveness and therefore need for confidence building training in addition to training in management techniques"

"I am not sure who needs the training: males to learn to cope with females who do not conform to their ideal image of sweetness and gentleness - or females to learn to be assertive more effectively"

"real development has to take place in the minds of the top senior management"

"thought needs to be given to the training of men to accept women in various positions, to know how to relate to them from a work point of view"

PARTICIPATION IN CAREER DEVELOPMENT ASSIGNMENT INTERSTATE

Most women in senior positions, 112 (74.2%), including women with dependents, are prepared to go interstate for three weeks or longer for the purpose of developing their own career. Clerical/Administrative officers were particularly enthusiastic about career development assignments. Over half Clerical/Administrative respondents 47 (56.6%) indicated they were willing to spend more than eight weeks interstate for career development. This response also pointed to the strong interest in career advancement and/or self development amongst women in senior positions.

MAJOR IMPEDIMENTS TO CAREER DEVELOPMENT

Clerical/Administrative officers in the survey believe "lack of experience in a range of work situations" to be a major impediment to career development. Despite a willingness to change city and department to advance their career, few of these senior women officers have been given opportunities to develop additional skills and experience by managing diverse work areas. Many of the women concerned are prepared to do this in order to achieve advancement. This is shown by their responses to the question on their own career development needs.

"Absence of encouragement and career guidance from senior public servants" was also perceived to be a major impediment by most Clerical/Administrative women officers. While this factor may not pertain only to women officers in these positions, the consequences are likely to be more serious for women, given the other major impediments perceived by respondents ie "lack of assertiveness....." and "lack of expertise in the techniques of management". Some women have also written about the environment of senior management as being like a "foreign culture" or as a "masculine culture". In these circumstances absence of encouragement on the part of senior management could be seen by these women at best as indifference towards them, at worst as hostility.

Professional officers' ratings of major impediments was not very different to those given by Clerical/Administrative officers. They did, however, assign more importance to 'Domestic responsibilities'.

ADDITIONAL CAREER DEVELOPMENT NEEDS OF WOMEN

Few officers saw any need for additional career development for women. Those who did suggested confidence building and assertion training.

WORK EXPERIENCE

The most significant feature of respondent's work experience was the difference between the mobility patterns of Clerical/Administrative officers recruited to base grade positions on the one hand, and the mobility patterns of laterally recruited Clerical/Administrative officers and professional officers on the other. The responses show that the Clerical/Administrative officers originally recruited to base grade positions have moved both geographically and between departments to secure promotion. Generally professional officers and laterally recruited Clerical/Administrative officers do not have this mobility.

Women in 'high prestige' professions appear to reach senior positions more rapidly than do women in feminised professions and Clerical/Administrative officers. This is true even when these professionals transfer, or are promoted to Clerical/Administrative positions during the course of their career.

PERFORMANCE OF HIGHER DUTIES

Professional officers appear to have more opportunity than Clerical/Administrative officers for working temporarily in more senior positions. The questionnaires of the 21 Clerical/Administrative officers who had not worked temporarily in a more senior position, although promoted in 1980 or before, were analysed further to ascertain whether or not the officers concerned were interested in advancement. This analysis showed that 11 of these officers had nevertheless demonstrated some interest in career advancement by applying for promotion.

INTEREST IN PROMOTION

More than two thirds of the respondents 104 (68.9%) have indicated they were interested in promotion. An 'interest in promotion' was defined as recent promotion either in 1981 or 1982, or as applying for promotion since the last promotion or appointment to a senior position. For Clerical/Administrative respondents the proportion interested in promotion was higher (78.3%).

Question 12

The most significant feature of responses to the question about long leave taken (leave of three months or more) was the number and proportion of officers who took no long leave, and the difference between long leave taken by Clerical/Administrative officers and professional officers. Professional officers took considerably less leave than did Clerical/Administrative officers.

REPRESENTING DEPARTMENT AT MEETINGS

According to their own view of what constituted a 'high-level meeting or conference' - 30.4% of women in the second Division and 49.2% of women in the senior ranks of the Third Division had never attended such a meeting as representative of their Department. Clerical/Administrative officers (60.2%) were more likely to have had this experience than professional officers (30.9%).

6. CONCLUSIONS

EEO Programs for Women in Departments

Thirty-three years after women were admitted to Clerical/Administrative positions in the Third Division and sixteen years after the removal of the marriage bar, women are still not found in senior positions in any numbers (only 2% of Second Division). Without some form of positive assistance the rise in the proportion of women in senior positions in the next few years is expected to be small. Towards the end of the '80s the proportion of women would be only approximately 5% of the Second Division. Occupational segregation is breaking down faster for men than for women. This not only means that women are still under-represented in trades and certain technological areas but also in a number of major departments and agencies and in important policy-making areas in others.

In an attempt to improve the status of women's employment in the Service the Chairman of the Board invited Permanent Heads to join in a strategy to introduce EEO Programs for Women in their departments in 1981. The Board set two Service-wide goals for the program. First, to try and increase the numbers of women in senior positions and, secondly, to try to increase the number of women in jobs not traditionally done by women. This Submission contains a number of suggestions in the areas of staff development, mobility and selection which would assist departments prepare EEO plans to meet both these objectives. It is proposed to submit these suggestions to the Board for formal consideration at an early date but in the context that the EEO Bureau will continue to provide a consultancy service to departments to assist in the design and implementation of such plans.

A number of suggestions which will be put forward are already being acted upon in some of the Board's present programs and in some departments; eg the Board's Executive Development Scheme already includes training in EEO policies and principles for senior staff and a mobility component which enables senior women to gain experience in new work areas. However, it was thought best to present these suggestions in a composite form so they might be the basis for discussions with departments.

Given the importance and urgency of making real progress in these areas it is concluded that EEO Programs for Women should be given a higher profile in departments and a Service-wide priority. To assist in achieving this Programs should be monitored by the Board to check on progress, and identify any problem areas and so assist in their resolution. At present EEO Programs are not included in any of the regular reporting arrangements between the departments and the Board. It will be recommended to the Board that we suggest to departments they they prepare an EEO Plan once a year and report to the Board on what might reasonably be accomplished in the forthcoming year and what was accomplished in the previous year.

The NLCC Guidelines on Equal Employment Opportunities for Women state that:

Management should be responsible for, and totally committed to, the implementation of the EEO Program. Unless such a commitment exists at all levels of management the Program is unlikely to succeed (8).

As the active and visible participation of top management is obviously crucial, one of the key elements for the success of EEO Plans in departments would be for the Permanent Heads to discuss their Plans with senior staff on a regular basis. The Bureau will seek Board endorsement to discuss this matter with departments during the planned consultancy visits.

Staff Development

There are two important considerations for staff development in an effective integration of women into senior management. The first relates to the competence and readiness of the women involved. The second is concerned with the recognition and acceptance of women as suitable occupants of such management positions by senior male officers. Both of these considerations need to be addressed in any plan which seeks to bring about equal opportunity for women within the staff development program for senior management.

Traditionally, informal support systems and various information channels have been available through social contact to many young male officers. Officers aspiring to senior management have received advice through these channels on desirable work experience, useful courses, the suitability or otherwise of various staff development options available and other measures which have assisted them to make appropriate career decisions. At times the givers of advice have also served as role models for young management aspirants.

Overseas experience shows that the presence of female role models in senior jobs is essential for the success of EEO Programs for Women in any organisation. Senior women able to act as role models have not been present in any numbers in the APS, until the last few years and are still not found in a number of departments, offices and agencies.

Female officers have not had access to unofficial sources of advice and information due to their different patterns of social interaction and because, until recently, few women have been perceived as serious candidates for senior positions. That women in the survey felt very keenly their need for additional guidance and encouragement is shown by their high response rate on the factor, "Absence of encouragement and career guidance from senior public servants", when asked to indicate what they perceived as major impediments to career development.

A number of women in the survey also reported that they had problems, over and above those expected by any newcomer, in having their opinions on work matters heard and seriously considered by some male colleagues. The senior men were unused to women in senior positions and found it difficult to accept women as being competent to discuss important work issues or as suitable representatives of the department at high level talks or meetings. The women concerned suggested that they needed a very high degree of competence and confidence and an assertive yet tactful approach to overcome, without causing offence, the obvious doubts about their competence evinced by the senior men. A number of women said that they would like to have the opportunity to discuss these, and other work related problems, with other senior women on a regular basis.

It will be proposed to Board that staff development programs within departments and the Board's Office need to take account of women's limited access to sources of information and advice on career development and women's additional need to prove their competence in senior positions by means of the following recommendations.

It will be proposed that the Board's Office should:

- Provide material for departments to enable them to assist female officers with career development and planning needs eg training packages and a career planning booklet for women staff.
- Provide through the EEO Bureau, formal and informal opportunities for senior women to discuss work-related matters in order to assist the women concerned and to discuss further measures which may be needed to assist women in the Service.
- Continue existing measures and adopt new measures to encourage women to take part in Service-wide management training programs eg by producing a poster particularly directed towards women on the range of development opportunities available for potential senior officers.
- In departments, agencies and offices where there are no senior women, arrange contact with other senior women who will act as role models for women aspiring to senior positions.
- Provide material for development programs for senior staff which contain:
 - (a) information briefings about management responsibilities in EEO matters;
 - (b) sensitisation of managers on EEO issues in staff relations.
- Include elements on EEO information and sensitisation within the Service-wide training schemes for senior management.

The Board's endorsement will be sought to the EEO Bureau raising the following points with departments when discussing their EEO Plans later in the year.

That departments should:

- Provide assistance with analysis of career development and planning needs for women in senior positions.
- Conduct additional training workshops for women entering senior positions on assertiveness training, confidence building, career planning, and management skills and techniques.
- Ensure that women officers participate fully in informal development experiences within the department eg representation of department at meetings, conferences and job rotation schemes.
- Arrange opportunities for potentially senior women to have contact with senior women officers in the department who will act as role models, and

- Provide training and development for all senior staff, male and female on:
 - (a) information about management responsibilities on EEO matters:
 - (b) sensitisation on EEO issues in staff relations.

Mobility

An analysis of information available on the work experience of women in the survey showed that women in senior Clerical/Administrative positions have changed department and location in the course of their career. This pattern of mobility is most in evidence in the work histories of officers originally recruited to basegrade positions.

While mobility may have facilitated promotion to positions for which their previous work experience fitted them, it has brought few opportunities for these women to broaden their management skills or to supervise more diverse work areas. In particular senior women have seldom had experience in supervising large numbers of male and female staff and in managing areas where women have not traditionally been employed.

The historical reasons for the concentration of women into a narrow range of occupations and work areas have been discussed elsewhere in this paper but it is the consequences which are important here. One major consequence for women aspiring to management positions was that certain work areas, which were important for overall development, were not open to women, either because of actual restrictions or by virtue of custom and practice. Women's prospects for advancement were diminished as a result. Ten years after all restrictions were removed, the force of custom and practice and women's limited work experience in these areas still impedes their entry to management positions in non-traditional work areas.

Women in senior positions are well aware that a lack of variety in management experience seriously hinders their chances of future promotion. In the survey more women, 111 (73.5%), rated the factor "Lack of experience in a range of work situations" as a major impediment to career development, than any other factor. Yet the survey also showed that most of the women concerned are both interested in promotion and prepared to undertake career development assignments, even those arranged interstate, to make good any deficiencies in their work experience.

It will be proposed to the Board, therefore, that the Board's Office and departments develop formal staff rotation schemes which have, as an objective for female officers, the provision of experience as managers in a wide range of work situations. The range should include work areas where few women are employed and work units which employ large numbers of staff of both sexes. It will also be proposed to Board that the EEO Bureau should suggest to departments that where staff rotation schemes are operating already, and in Service-wide staff development programs where work rotation is provided as part of the program, that provision of management experience in a wide range of work situations be a priority objective for female participants.

Selection

There are still very few women in senior positions. Current trends indicate that their numbers are not likely to increase in proportion to the numbers of potentially senior women ie those available for promotion to senior positions. Given these factors there is a need for recognition of any additional disadvantages which women experience in the promotion and selection process, the adoption of measures to counteract these disadvantages and procedures to determine the effectiveness of the measures.

The most obvious disadvantage is found in the composition of selection panels for senior positions. Few women are in senior positions so few women take part in the selection process for senior positions, other than as applicants.

Women officers have reported that they were sometimes actually discouraged by senior staff from applying for promotion in the past. Others reported that they received no encouragement from supervisors when they indicated an interest in senior positions. Because of these practices women who were discouraged in the past may need some indication from senior officers that their applications for senior positions will be considered seriously now, particularly in those departments and agencies where no, or very few senior women are employed.

The survey showed that a significant proportion of senior women, even within the Clerical/Administrative structure were recruited laterally - 28.9% of all respondents in senior Clerical/Administrative positions were recruited laterally. Lateral recruitment of women to the Second Division has been minimal however, only 3 women have entered the Service at the level since 1973.

There are many other women in the community with the potential to fill senior positions and who are now competent to operate in middle to upper level jobs in the Third Division. Amongst suitable women would be those who had already held positions in the Service, at or above those levels, but had resigned because of family responsibilities.

It will be proposed to Board that a number of measures and procedures should be adopted by the Board's Office and departments to counteract disadvantages women experience in the selection process for positions in senior management.

It will be proposed that the Board's Office should:

- Continue to monitor the advancement of women in the Service through periodic surveys of application and promotion rates for males and females and cohort studies of men and women recruited in the same years.
- Ensure that recruitment campaigns and advertising for all positions in the Service positively encourage women to apply as well as men.
- Develop training material for departments on EEO principles important in the selection process for senior positions and use this material in Service-wide interviewing programs.

Board's endorsement will be sought to the EEO Bureau raising the following points with departments during discussions on the development of EEO plans.

That departments:

- Should give serious consideration to nominating a woman to sit on a selection panel where a woman is an applicant for a senior position. Where no suitable woman is available in the department to sit on a selection panel, departments could ask the Board to assist with obtaining a woman interviewer from another department.
- Check the qualifications/curriculum vitae and interest of all women officers in the department eligible for promotion to a senior position, not only those who are applicants for the position.
- Training in EEO principles should be included in training courses for interviewer at all levels.
- Monitor advancement of women in the department through periodic surveys of application and selection rates. Special attention should be paid to non-traditional work areas in such surveys.
- Ensure that recruitment campaigns and vacancy advertising encourage women as well as men to apply for jobs in the department.
- When considering the Board's Guidelines on Advertising Outside the Service for above base grade positions (11), give due weight to the fact that there may be women who may meet these criteria who are wishing to resume a full-time career but who, because of their background, skills and experience, would not wish to enter the Service through the basegrade competitions.

Footnotes

(1) Tapere11 K.et al; Royal Commission on Australian Government Administration Discussion Paper No 3 Sexism in Public Service AGPS Canberra 1975.

(2) Appendixes to Report of Royal Commission on Australian Government Administration Volume Three - AGPS Canberra 1976.

(3) Carter M.et.al; Career Patterns of Women in the Australian Public Service Planning, Research and Information Branch, Public Service Board, Canberra ACT.

(4) Radford G.; Equal Employment Opportunity for Women in the Australian Public Service. Paper delivered at the 23rd Annual Conference of the Australian Political Studies Association Conference, August 1981, ANU Canberra.

(5) Public Service Board, Statistical Yearbook 1980-81, AGPS, Canberra 1981.

(6) Chapman B; Sex Differences in Earnings An Examination of the Clerical/Administrative Division of the Australian Public Service Over the 1970s paper delivered at the Economic Society of Australia and New Zealand, Tenth Conference of Economists, August 1981, ANU Canberra.

(7) Public Service Board; 54th Annual Report 1978 AGPS Canberra 1978.

(8) National Labour Consultative Council; Guidelines for Employers: Equal Employment Opportunities for Women Prepared by Department of Employment and Youth Affairs for the NLCC, AGPS Canberra 1980.

(9) Radford G.; NLCC Guidelines for Employers on Equal Employment Opportunities for Women - Program for Implementation in the Australian Public Service. Paper delivered at 'EEO Programs for Women' Seminar held in Canberra in April 1981, Public Service Board, Canberra.

(10) EEO Bureau EEO Newsletter Aequa edition 13 February 1982. Public Service Board, Canberra.

(11) Public Service Board: Recruitment Appointment and Employment Manual Personnel Management Manual Volume 7 AGPS Canberra 1982

APPENDIX 1 - LETTER FROM SIR WILLIAM COLE, CHAIRMAN PUBLIC SERVICE BOARD TO PERMANENT HEADS, 30 JANUARY 1981 - EEO PROGRAMS FOR WOMEN

PUBLIC SERVICE BOARD

McLachlan Offices National Circuit Canberra A.C.T. 2600
TEL 723977

OFFICE OF
THE CHAIRMAN

Within the Australian Public Service we are all committed to *principles of equal opportunity and as a consequence of this* commitment the Board has, over the years, introduced a number of measures designed to achieve equal employment opportunity (EEO) for women and members of minority groups. I am writing now to invite you to participate in the next initiative, a proposal to introduce equal employment opportunity programs for women into Departments; and also to invite you to send a representative to an introductory seminar to be held in Canberra in March to discuss the proposal in more detail.

This initiative within the APS is consistent with a new Government campaign to encourage employers to adopt equal employment opportunity programs for women. Guidelines for these programs were drawn up by the Committee on Women's Employment of the National Labour Consultative Council (NLCC). Copies of the Guidelines and other related promotional material are enclosed.

The NLCC Guidelines provide a set of proposals designed to integrate a policy of equal employment opportunity into all aspects of personnel management in an organisation. It is not intended or expected that the adoption of the Guidelines should cause any increase in the workload of a participating organisation. Instead, the program relies on adherence to proper personnel practices including commitment to EEO principles on the part of management, an on-going analysis of personnel management functions in the light of equal employment opportunity principles and the formulation of goals and tasks which become part of the normal management objectives of the organisation.

The Board believes that the adoption of the Guidelines within the Service will consolidate the series of measures already taken to bring about equal employment opportunity for women staff. To date the Service has a creditable record of achievement in the area of women's employment and I am anxious to ensure that this record is at least sustained.

The NLCC Guidelines have had a favourable reception from representatives of staff organisations on the Joint Council and, given their endorsement by the tripartite NLCC, clearly have the general approval of the trade union movement, employer organisations and the Federal Government. It goes without saying that in writing this letter I am signalling the Board's firm support for the Guidelines.

Officers nominated by departments to attend the seminar in March will discuss the strategy for introducing EEO programs into departments. I would appreciate it if you would nominate an officer, preferably a senior officer from your management services area, to attend the seminar and act as liaison with the EEO Bureau on the project.

I look forward to your co-operation in this matter.

R.W. Cole



Public Service Board

McLachlan Offices National Circuit Canberra A.C.T. 2600 Tel 72 3977

APPENDIX 2: Letter from Sir William Cole, Chairman Public Service Board to Permanent Heads, 21 May 1982 - EEO Programs for Women

You will recall that I wrote to you in January last year inviting you to participate in an initiative to introduce EEO programs for women into departments based on the National Labour Consultative Council's Guidelines on this subject. At the time I signalled the Board's firm support for the Guidelines. In the letter I also invited you to send a representative to the first of a series of seminars examining areas of personnel management to be studied when drawing up EEO programs. This series of seminars comprised the first phase of the initiative.

I am now writing to seek your support and continued co-operation in the second phase of the initiative. As part of this phase officers from the Board's EEO Bureau will provide a consultancy service on preparing EEO programs tailored to the particular requirements of a department. This will involve discussions with departmental officers on EEO action in the department to date, identification of significant EEO issues within the department and an assessment of the priorities related to those issues. It is envisaged that one outcome of these discussions will be a workable EEO program for women staff based on the NLCC Guidelines.

In these first EEO programs the emphasis will be on devising EEO tasks and plans related to priority areas rather than on proposals covering every aspect of the work of the department. This is a recognition of work pressures currently experienced by departments, the differing situations in departments, and the importance of focusing on achievements and results in EEO action instead of the development of elaborate but less practical EEO plans.

It is expected that formal consultations will commence in June. I would appreciate it if you could nominate a senior officer in the management services area of your Department to facilitate liaison between the Board's officers and your own staff in the arrangements leading up to the consultation.

I hope that the consultancy approach will be of value to your Department in developing an EEO program for women staff suited to the Department's special needs.

Yours sincerely


R.W. COLE

APPENDIX 3REPORT OF SURVEY OF WOMEN IN SENIOR POSITIONS IN THE
AUSTRALIAN PUBLIC SERVICE

Aim of Survey

To obtain information on the career development needs and experiences of women in senior positions from women occupying senior positions.

Method

A questionnaire with accompanying explanatory letter and material was sent to all subjects at their departmental office by the Assistant Commissioner of the Equal Employment Opportunity Bureau of the Public Service Board. Fourteen days later a follow-up letter from the Bureau was sent to those subjects who had not yet responded. Questionnaire and letters sent to subjects are at Attachment A.

Subjects

The subjects were the 228 women in positions at or above the Class 10 salary range (\$29,350 - \$30,450 per annum) in the Australian Public Service. This included 30 women in Second Division positions. Of the 228 women, 110 held professional positions, 8 in the Second Division and 102 in the Third Division. The other 118 held Clerical Administrative positions, 22 in the Second Division and 96 in the Third Division.

Response (Survey Tables 1(a), (b) and (c))

There were 151(66.2%) respondents who completed questionnaires and returned them in time for inclusion in the results collated for this report. Five officers wrote declining to do so. Information was received about a further 11 officers who could not be contacted in the time available because they were on leave, assignment overseas, had left the Service etc. Five other responses were received too late to be included in the analysis.

The 151 respondents (83 Clerical Administrative Officers and 68 Professional Officers) consisted of:

17 (77.3%) of the 22 women in Second Division Clerical/
Administrative positions

6 (75%) of the 8 women in Second Division professional positions

ie. 23(76.7%) of the 30 women officers in the Second Division

66 (68.7%) of the 96 women in Third Division, Clerical/
Administrative positions.

62 (60.8%) of the 102 women in Third Division, professional
positions.

ie. 128 (64.6%) of the 198 women officers in senior Third Division
positions.

Survey Table 1(a)

Respondents - Second Division

Second Division Officers	Clerical/Admin.		Professional Background		Total	
	No.	Percent	No.	Percent	No.	Percent
Returned	17	77.3%	6	75%	23	76.7%
Not Returned	5	22.7%	2	25%	7	23.3%
	22	100%	8	100%	30	100%

Survey Table 1(b)

Respondents - Third Division

Third Division Officers	Clerical/Admin.		Professional		Total	
	No.	Percent	No.	Percent	No.	Percent
Returned	66	68.7%	62	60.8%	128	64.6%
Not Returned	30	31.3%	40	39.2%	70	35.4%
	96	100%	102	100%	198	100%

Survey Table 1(c)

Respondents - All Subjects

Women in Senior Positions	Clerical/Admin.		Professional		Total	
	No.	Percent	No.	Percent	No.	Percent
Returned	83	70.3%	68	61.8%	151	66.2%
Not Returned	35	29.7%	42	38.2%	77	33.8%
	118	100%	110	100%	228	100%

Respondents - Type of Recruitment (Survey Tables 2(a), 2(b) & 2(c))

Apart from a separation by division (Second or Third Division) and work group (Clerical/Administrative or professional), responses were also classified into two groups according to type of recruitment: whether respondents had been initially recruited to base grade positions in the Service or to positions above the base grade that is, laterally recruited. Officers recruited to positions such as Legal Officer, Gr I Social Worker Grade 1, Research Officer Grade 1 and Assistant Research Officer were considered to have been recruited at the base grade. Officers recruited to positions such as Research Officer Grade II, Medical Officer Grade II, Clerk Class 6 etc were classified as laterally recruited.

Lateral Recruitment

Of the 17 respondents in the Clerical/Administrative group of the Second Division, six had been laterally recruited but only two of the six were recruited directly to the Second Division. There were no professional respondents recruited directly to positions in the Second Division and only one of the six professional officers in the Second Division was laterally recruited.

Amongst the Third Division respondents 18 (27.3%) of the Clerical/Administrative group and 26 (41.9%) professional officers were laterally recruited.

Base Grade Recruitment

There were 11 responses from Clerical/Administrative Second Division officers who had originally been recruited to base grade positions. Three of these officers had initial appointments as professional officers. Five professional officers in the Second Division had originally been recruited to base grade positions. One of these was initially appointed as a base grade clerk.

Responses were received from 48 Clerical/Administrative officers and 36 professional officers in the Third Division who had been recruited to base grade positions. Two of the professionals had held clerical positions in their first appointment and five Clerical/Administrative officers had initially been appointed as professionals.

Survey Table 2(a)

Second Division Respondents - Type of Recruitment

Recruitment	Clerical/Admin.		Professional		Total	
	No.	Percent	No.	Percent	No.	Percent
Lateral Base Grade	6	35.3%	1	16.7%	7	30.4%
	11	64.7%	5	83.3%	16	69.6%
	17	100%	6	100%	23	100%

Survey Table 2(b)

Third Division Respondents - Type of Recruitment

Recruitment	Clerical/Admin.		Professional		Total	
	No.	Percent	No.	Percent	No.	Percent
Lateral Base Grade	18	27.3%	26	41.9%	44	34.4%
	48	72.7%	36	58.1%	84	65.6%
	66	100%	62	100%	128	100%

Survey Table 2(c)

All Respondents - Type of Recruitment

Recruitment	Clerical/Admin.		Professional		Total	
	No.	Percent	No.	Percent	No.	Percent
Lateral Base Grade	24	28.9%	27	39.7%	51	33.8%
	59	71.1%	41	60.3%	100	66.2%
	83	100%	68	100%	151	100%

Question 1 - Dependents (Survey Table 3)

More than half of the respondents 88 (58.3%) were without dependents although two of the 88 reported that they were expecting children. Of the 63 (41.7%) who recorded dependents, two listed aged parents and 61 (40.4%) listed children.

Further analysis of the questionnaires of the 61 respondents with dependent children indicated that a number of women delayed having children until after they were 30 years of age. Of a total of 50 respondents whose ages were known, 26 women were 30 year or older at the time of their first confinement. The two respondents expecting children, both from the Clerical/Admin group, conformed to this pattern.

Survey Table 3

Dependents

Respondents	Clerical/Admin.		Professional		All Respondents	
	No.	Percent	No.	Percent	No.	Percent
With Dependents	34	41%	29	43%	63	41.7%
Without Dependents	49	59%	39	57%	88	58.3%
	83	100%	68	100%	151	100%

Question 2 - Educational & Professional Qualifications (Survey Tables 4(a) & 4(b))

All 68 professional respondents and 81 (97.6%) of the 83 Clerical Admin. respondents had some form of tertiary qualification. In the Clerical Admin. group, 16 (94.1%) of the 17 Second Division and 65 (98.5%) of the 66 Third Division officers recorded tertiary qualifications.

23 (33.8%) professional officers and 20 (24.1%) Clerical/Admin. officers who responded had either completed a course of study since joining the APS or were currently studying.

Survey Table 4(a)
Educational and Professional Qualifications

	Clerical/Admin.		Professional		All Respondents	
	No.	Percent	No.	Percent	No.	Percent
With Tertiary Qualifications	81	97.6%	68	100%	149	98.7%
Without Tertiary Qualifications	2	2.4%	0	0%	2	1.3%
	83	100%	68	100%	151	100%

Survey Table 4(b)
Study Since Joining APS

Study since Joining APS	Clerical/Admin.	Professional	All Respondents
	No.	No.	No.
Completed Courses	13	18	31
Currently Studying	9*	7*	16

*Includes 2 who completed study previously while employed in the A.P.S.

Question 3 - Major Career Development Programs Undertaken (Survey Table 5)

A total of 88 (58.3%) respondents had not undertaken any form of major training or career development program during their career in the Service. This total was made up of 41 (49.4%) of all Clerical/Admin. officers and 47 (69.1%) of all professional officers.

SURVEY TABLE 5

Major Career Development Programs Undertaken Since Joining A.P.S.

Development Program	C/A		Prof		A11	Respon.
	No.	Percent	No.	Percent	No.	Percent
Undertaken	42	50.6%	21	30.9%	63	41.7%
Never Undertaken	41	49.4%	47	69.1%	88	58.3%
	83	100%	68	100%	151	100%

Question 4 - Influences to Undertake Career Development

In this question subjects who had undertaken a major career development program were asked what influences had induced them to undertake that program. A total of 69 (45.7%) respondents answered this question and nominated one or more of the four factors. Respondents also had the opportunity to record additional factors of their own choice.

A study of the questionnaires of the 69 respondents who answered this question showed that "staff circulars" 27 (17.9%) and "supervisor/management encouragement" 26 (17.2%) were the most likely influences. Only 19 (27.9%) of professional respondents answered this question.

Question 5 - Perceived Career Development Needs

When asked to nominate career development useful to their future advancement in the Service, 100 (66.2%) respondents nominated some form of development. This number represented 67 (80.7%) of all Clerical/Admin. officers and 33 (48.5%) of all professional officers. The most common type of development perceived as useful for future advancement was broader management experience. Officers answering suggested work rotation, transfer, working in an "operational" environment, interchange with other private or public enterprise, and many other similar work experiences to meet this perceived need.

Assertiveness training and variations of this were also suggested. Other officers recommended familiarisation with computer and accounting systems and training in management techniques. Several respondents suggested that there was a need for some senior male managers to come to terms with the advancement of women to senior positions and that this might be facilitated by seminars for senior officers which explored this topic.

Question 6 - Likely Participation in Career Development Assignments Interstate. (Survey Tables 6(a) & 6(b))

In this question subjects were asked whether they could participate in career development assignments which would involve periods of time spent interstate. Three options were given:

- (a) not at all;
- (b) from 3-8 weeks; and
- (c) more than 8 weeks.

112 (74.2%) respondents indicated (b) and (c) that they could participate in career development assignments interstate, for three weeks or longer. Those able to undertake assignments were 69 (83.1%) of all the Clerical/Admin. officers and 43 (63.2%) of all the professional officers. 67 (44.4%) of all respondents indicated that they could participate for longer than 8 weeks. This figure was made up of 47 (56.6%) of all Clerical/Admin. officers and 20 (29.4%) of the professional officers.

Survey Table 6(a)

Participation in Career Development Assignments Interstate

Undertake Career Development Assignments Interstate	Clerical/Admin.		Professional		Total	
	No.	Percent	No.	Percent	No.	Percent
Able	69	83.1%	43	63.2%	112	74.2%
Not Able	14	16.9%	25	36.8%	39	25.8%
	83	100%	68	100%	151	100%

Survey Table 6(b)

Duration of Career Development Assignments

Able to take Career Development Assignments	Clerical/Admin.	Professional	Total
	No.	No.	No.
For 3-8 weeks	22	23	45
For More Than 8 weeks	47	20	67
	69	43	112

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Question 7 - Major Impediments to Career Development (Survey Tables 7(a) & 7(b))

Subjects were asked in this question to identify factors which they saw as impediments to their career development and to evaluate these impediments on a 1 to 3 scale (3 being most important). Respondents were offered a range of factors from which to choose and also given the opportunity to nominate other factors and evaluate them. Respondents were divided into the Clerical/Admin. group and professional group for the analysis of replies to this question. On average, 80% of the Clerical/Administrative group answered this question in contrast to 57% of the professional group.

In the Clerical/Admin. group, 74 (89.2%) of the 83 respondents rated "Lack of experience in a range of work situations" as a major impediment and 44 (53%) gave a rating of 2 or 3 to this factor. Three other factors were also rated as significant by a high proportion of the Clerical/Admin. respondents. These were:

"Absence of encouragement and career guidance from senior public servants" - 69 (83.1%) of Clerical/Admin respondents.

"Lack of expertise in techniques of management" - 68 (81.9%) of Clerical/Admin respondents and

"Lack of assertiveness in putting self forward for promotion" - 67 (80.7%) of Clerical/Admin. respondents.

Survey Table 7(a)

Major Impediments to Career Development - Clerical/Admin Officers (n=83)

Factors	Total Number Rating Significant	Percentage of all Respondents	Number (%) Rating Significance of 1	Number (%) Rating Significance of 2	Number (%) Rating Significance of 3
A Lack of expertise in techniques of management	68	81.9%	40(48.2%)	19(22.9%)	9(10.8%)
B Lack of experience in a range of work situations	74	89.2%	30(36.1%)	27(32.6%)	17(20.5%)
C Lack of assertiveness in putting self forward for promotion	67	80.7%	30(36.1%)	19(22.9%)	18(21.7%)
D Absence of encouragement & career guidance from senior public servants	69	83.1%	25(30.1%)	21(25.3%)	23(27.7%)
E Domestic responsibilities	60	72.3%	40(48.2%)	8(9.6%)	12(14.5%)
F Attitudes of senior executives about what constitutes suitable work for women	65	78.2%	32(38.5%)	15(18.1%)	18(21.7%)
G Career paths designed for male pattern of uninterrupted service	62	74.7%	38(45.8%)	7(8.4%)	17(20.5%)

Of the smaller proportion of professional officers who identified and evaluated major impediments, 41 (60.3%) indicated "Absence of encouragement...." was an impediment; while 40 (58.9%) indicated "Lack of assertiveness..." and "Domestic responsibilities". The next most important factor for professional staff was "Lack of expertise in the techniques of management" with 39 (57.4%) of professional respondents rating this factor significant.

Survey Table 7 (b)

Major Impediments to Career Development - Professional Officers

Factors	Total Number Rating Significant	Percentage of all Respondents	Number (%) Rating Significance of 1	Number (%) Rating Significance of 2	Number (%) Rating Significance of 3
A Lack of expertise in techniques of management	39	57.4%	18(26.5%)	13(19.1%)	8(11.8%)
B Lack of experience in a range of work situations	37	54.4%	19(28.0%)	9(13.2%)	9(13.2%)
C Lack of assertiveness in putting oneself forward for promotion	40	58.9%	22(32.4%)	13(19.1%)	5(7.4%)
D Absence of encouragement & career guidance from senior public servants	41	60.3%	13(19.1%)	11(16.2%)	17(25.00)
E Domestic responsibilities	40	58.9%	24(35.3%)	5(7.4%)	11(16.2%)
F Attitudes of senior executives about what constitutes suitable work for women	38	55.9%	12(17.7%)	13(19.1%)	13(19.1%)
G Career paths designed for male pattern of uninterrupted service	36	53%	19(28.01)	7(10.3%)	10(14.7%)

Question 8 - Additional Career Development Needs of Women

In question 8, subjects were asked whether they considered women to have additional career developmental needs to men. Few respondents answered this question in the affirmative. Those who did suggested similar types of career development programs to those already nominated in question 5.

Question 9 - Work Experience (Survey Tables 8(a) 8(b) 8(c))

Subjects were requested to give details of their work experience, both within the Service and outside it, in Question 9 however, no analysis has been carried out on the responses related to employment outside the Service for this report. Details of work experience within the Service included the titles and levels of positions held, the approximate dates when position or transfer to these positions took place, the departments or organisation in the Service for which the subject has worked and the locations (eg. Canberra, Sydney) in which they had held positions. For this question respondents' questionnaires were analysed on the basis of division, work category and type of recruitment. Some major features are set out below.

Senior women officers who have progressed in the Clerical/Admin structure to the Second Division and who were originally recruited to base grade positions have very different characteristics from professional officers or Clerical/Admin officers who were recruited laterally. Not one of the 11 base recruited officers who have reached the Second Division has remained in one department in one location. Of these eleven respondents some had worked in 4 to 8 locations and most had changed departments as well as cities.

The other 12 Second Division respondents exhibited low mobility both between departments and geographically. This group comprised six laterally recruited Clerical/Admin officers and six professional officers.

Third Division Clerical/Admin officers recruited at the base grade repeated the mobility patterns of their Second Division counterparts. Of 48 officers with this background only three had reached senior level working in one department and one location. The other 45 had worked on average in 3.1 Departments in 2 different geographic locations.

Professional women in the Third Division also reflected the low mobility characteristics of their Second Division colleagues. The majority are Medical Officers and opportunities for them within the Service are limited to a few specialised departments.

SURVEY TABLE 8(a)
SECOND DIVISION RESPONDENTS BY MOBILITY

Recruitment History and Designation Group	Number of Respondents	Work Experience	
		Mean Number of Depts	Mean Number of Geographical Locations
Base-grade recruited			
Clerical/Admin	11*	2.9*	2.1*
Professional	5	1.4	2.0
Laterally recruited to Third Division			
Clerical/Admin	4	2.8	1.0
Professional	1	1.0	1.0
Laterally recruited to Second Division			
Clerical/Admin	2	1.0	1.0
Professional	0	-	-
TOTAL	23	2.3	1.8

*None of the 11 Clerical/Admin Second Division officers originally recruited to base grade positions worked in only one department in one location.

SURVEY TABLE 8(b)

SENIOR THIRD DIVISION RESPONDENTS ORIGINALLY RECRUITED TO
BASE GRADE POSITIONS - BY MOBILITY

Designation Group	Number of Respondents	Work Experience	
		Mean Number of Depts	Mean Number of Geographical Locations
Clerical Admin	48	3.1	2.0
Professional	36	1.4	1.1

Time Taken to Reach Present Position

It was not possible to establish with accuracy exactly how long it took respondents originally recruited to base grade positions to reach their present positions. It appeared however that it took longer for Clerical/Admin women, women in feminised professions and women in scientific professions to reach senior positions. Women in high prestige professions, even when they later transferred or were promoted to Clerical/Admin positions, took less time to achieve senior rank.

SURVEY TABLE 8(c)

TIME TAKEN TO REACH PRESENT POSITIONS BY DESIGNATION GROUP FOR
SECOND DIVISION OFFICERS ORIGINALLY RECRUITED TO BASE GRADE POSITIONS

Second Division Respondents	Number of Respondents	Years taken to Reach Present Position		
		0-3	4-15	16 or more
Clerical/Administrative	11	0	6	5
Professional	5	2	0	3

Question 10 - Temporary Performance in More Senior Position (Survey
Table 9)

In this question subjects were asked whether they had worked temporarily in a higher position since their last promotion. A total of 84 (55.6%) of the respondents had worked in more senior positions on a temporary basis since their last promotion. This total represents 42 (61.8%) of the 68 professional officers and 42 (50.6%) of the 83 Clerical/Admin officers.

Of the 26 (38.2%) professional officer who reported "no temporary performance" since their last promotion, 13 had been promoted in, or before, 1980. Of the 41 (49.4%) Clerical/Admin officers who reported "no temporary performance" since their last promotion or appointment, 21 were last promoted in 1980 or before.

SURVEY TABLE 9

TEMPORARY PERFORMANCE IN MORE SENIOR POSITION

Temporary Performance since last promotion	C/A		Prof.		Total	
	No	Percent	No	Percent	No	Percent
Yes	42	50.6%	42	61.8%	84	55.6%
No	41	49.4%	26	38.2%	67	44.4%
	83	100%	68	100%	151	100%

Question 11 - Interest in Promotion (Survey Table 10)

In question 11 subjects were asked whether they had applied for promotion since their last promotion or their appointment to a senior position. 61 (40.4%) of the respondents indicated they had applied for promotion. A study of "work experience" details on the forms of other respondents revealed that a further 43 (28.5%) had been promoted recently ie. in 1981 or 1982. Only 47 (31.1%) of all respondents had been promoted or appointed in 1980 or before and had not applied for promotion since. The latter figure represented 18 (21.7%) of the 83 Clerical/Admin officers and 29 (42.6%) of the 68 professional officers.

SURVEY TABLE 10
INTEREST IN PROMOTION

Interest in Promotion	No	C/A Percent	No	Prof. Percent	No	Total Percent
Has applied for promotion (since last promotion)	41	49.4%	20	29.4%	61	40.4%
Has not applied for promotion but was recently promoted (81/82)	24	28.9%	19	27.9%	43	28.5%
Has not applied for promotion and has not been promoted since 1980	18	21.7%	29	42.7%	47	31.1%
	83	100%	68	100%	151	100%

Question 12 - Leave Taken During Career (Survey Table 11)

Question 12 sought information from subjects about leave of more than 3 months taken during their career, their substantive position at the time, the duration of the leave and their reasons for taking it.

86 (57%) of respondents have taken no leave of more than 3 months during their career in the Service. This represents 40 (48.2%) of the 83 Clerical/Admin officers and 46 (67.6%) of the 68 professional officers.

Maternity leave was taken by 26 (17.2%) of respondents for 32 confinements averaging 9.5 months leave on each occasion. Only 4 (5.9%) of the 68 professional officers took maternity leave whereas 22 (26.5%) of the 83 Clerical/Admin officers took maternity leave.

14 (9.3%) of respondents took 17 periods of leave paid and unpaid for study purposes averaging 10.6 months on each occasion.

12 (7.9%) of respondents took 13 periods of L.W.O.P. (leave without pay) for recreation and travel averaging 10.3 months for each period.

17 (11.3%) of respondents took 20 periods of Long Service Leave averaging 5.3 months on each occasion.

9 (6%) of respondents have taken other leave of more than 3 months. This includes three work assignments, two periods of sick leave, one additional period of leave at maternity, one period of leave to accompany spouse on posting and two others for purposes not specified.

SURVEY TABLE 11

INCIDENCE OF LEAVE LONGER THAN 3 MONTHS

Leave Longer Than 3 Months	C/A		Prof.		Total	
	No	Percent	No	Percent	No	Percent
Taken	43	51.8%	22	32.4%	65	43%
Never Taken	40	48.2%	46	67.6%	86	57%
	83	100%	68	100%	151	100%

Question 13 - Representation of Department at High Level Meetings (Survey Tables 12(a), 12(b), 12(c))

Subjects were asked in this question whether they had ever represented an A.P.S. department or organisation at a high level meeting or conference. It was left to the individual respondent to determine what constituted a "high level meeting".

Seven (30.4%) of the 23 Second Division respondents indicated that they had not represented their department or organisation at such a meeting or conference in Australia or overseas. Of the 128 Third Division respondents, 73 (57%) indicated that they had never had this experience. An analysis of the respondents by type of work ie. whether Clerical/Admin or professional showed that a much higher proportion of Clerical/Admin officers, 50 (60.2%) than professional officers 21 (30.9%) had represented their department.

SURVEY TABLE 12 (a)
 REPRESENTING DEPARTMENT AT HIGH LEVEL MEETING
 SECOND DIVISION

Representation at High Level Meeting	C/A		Prof.		Total	
	No	Percent	No	Percent	No	Percent
Had Represented Dept	13	76.5%	3	50%	16	69.6%
Had never Represented Dept	4	23.5%	3	50%	7	30.4%
	17	100%	6	100%	23	100%

SURVEY TABLE 12 (b)
 THIRD DIVISION

Representation at High Level Meeting	C/A		Prof.		Total	
	No	Percent	No	Percent	No	Percent
Had Represented Dept	37	56.1%	18	29%	65	50.8%
Had never Represented Dept	29	43.9%	44	71%	63	49.2%
	66	100%	62	100%	128	100%

SURVEY TABLE 12 (c)
 ALL RESPONDENTS

Representation at High Level Meeting	C/A		Prof.		Total	
	No	Percent	No	Percent	No	Percent
Had Represented Dept	50	60.2%	21	30.9%	71	47%
Had never Represented Dept	33	39.8%	47	69.1%	80	53%
	83	100%	68	100%	151	100%

AUSTRALIAN PUBLIC SERVICE

SELECTION AND DEVELOPMENT IN THE
SECOND DIVISION

Prepared for: Public Accounts Committee
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HAY ASSOCIATES AUSTRALIA PTY LTD

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I. BACKGROUND

Hay Associates has been requested to provide an outline of the Hay approach to selection and development of personnel in the Second Division of the Australian Public Service.

The Public Accounts Committee is a committee of members of Parliament lacking in executive power but having influence because its reports are tabled in Parliament. The Committee is investigating selection and development of Australian Public Service personnel against a background of some discontent with the quality of personnel especially at Second Division level.

Evidence has been called from both the public and private sectors, in which witnesses have made reference to Hay Associates. For example

- the Federal Public Service in Canada has made extensive use of Hay Associates' techniques
- some Australian public companies have made reference to the use of Hay services.

Hay Associates

An outline of Hay services "Hay Associates in Profile" follows.

The Hay Group also owns MSL Australia Pty Ltd, one of the world's largest executive selection companies.

Overview of Topic

While the topic to be addressed is "Selection and Development", the topic should be placed within a broader approach to human resources management. The following commentary is based on Hay experience in public and private sectors in Australia, including some limited experience in job evaluation in the Second Division of the Australian Public Service.

PART A - JOBS

II. ORGANISATION DESIGN

There is a tendency towards bureaucracy in all large modern organisations in both the private and public sectors. the Macquarie Dictionary defines bureaucracy

- "3. Excessive multiplication of, and concentration of power in, administrative bureaus; a system characterised by power without responsibility.
4. Excessive governmental red tape and routine"

In management terms bureaucracy can be characterised by

- a. Overstaffing or feather bedding.
- b. Too many hierarchical levels resulting in clogged communication channels.
- c. Unwillingness to assign accountability (power with responsibility) to specific jobs as distinct from diffusing accountability through committees.
- d. Slow decision making or bureaucratic delay.
- e. Too small span of control in order to avoid having to co-ordinate subordinates.

Typical remedies are in order

- a. Reduce staff numbers to increase efficiency.
- b. Decrease numbers of hierarchical levels in order to improve communication channels.
- c. Improve speed of decision making by delegation of authority.
- d. Increase span of control in order to increase the management content of positions.

The Australian Public Service may be immune from these deficiencies, but then it may not. However, these issues are raised because they must be addressed before selection and training could be improved. Hay Associates did not invent the word "accountability" but has been in the forefront of developing the applications of the concept in organisations, both public and private sector, throughout the world. Hay defines the word accountability as:

"The answerability for an action and for the consequences of that action. It is the measured effect of the job on end results."

A present danger is that public services in Australia are designed to administer policies rather than to produce results. When an organisation is formed by the government to produce results, it is often given the status of a statutory authority. However, the spirit of the times is to make all public services more accountable.

The following chapters indicate how this might be done.

HUMAN RESOURCES MANAGEMENT

A. JOBS

ORGANISATION



JOB ANALYSIS
AND
EVALUATION



PERFORMANCE
CRITERIA



PERSON
SPECIFICATION



B. PEOPLE

SELECTION
AND
TRANSFERS



PERFORMANCE
APPRAISAL



PSYCHOLOGICAL
TESTS



TRAINING
AND
DEVELOPMENT



PERSON/JOB MATCH

Figure 1

Figure 1 summarises a total human resources management approach. It can be seen that "Selection and Transfers" and "Training and Development" are only 2 of 8 relevant topics.

Compared with other companies in the human resources field, Hay Associates is a "high technology" company in that Hay initiates research projects into human resources issues and maintains links with academic institutions. Obviously not all of the technology is appropriate to all organisations all the time, but it is available. A more difficult problem is the rejection of some advanced approaches because they conflict with vested interests inside an organisation.

III. JOB ANALYSIS AND EVALUATION

Job analysis refers to investigating the content of a job and describing it in a "position description". Most position descriptions are merely a list of duties which fail to capture the flavour of a job. Duty lists are adequate for clerical jobs but for Second Division jobs. A position description should cover

- role or purpose of the job
- relevant statistics and budgets
- environment in which the job operates
- organisation structure
- human resources factors
- external committees
- in-house committees
- contacts outside the Public Service
- authorities
- principal accountabilities (performance measures)

The overall purpose of a position description is to designate the accountabilities of each job in an organisation.

Job evaluation is a method of measuring the content of a position. The Hay Guide Chart Profile Method of job evaluation is the world's leading method of job evaluation and has been used in the public sector in Australia, New Zealand, Canada, the United States of America and Britain.

Hay Associates has already carried out a small assignment in the Second Division of the Australian Public Service.

Details of the Hay method of job evaluation can be obtained in Rock, M.L. (ed) Handbook of Wage and Salary Administration McGraw Hill, 1973

A second edition is in preparation. However the 8 sub-factors concerned are

Know-How

1. Technical/Specialised Know-How in the A.P.S. context refers to educational qualifications and experience.
2. Breadth of Management Know-How is the knowledge required either to integrate decisions, departments and sections on a line basis.
or to co-ordinate functions or activities on a staff basis. Planning is an important element here.
3. Human Relations Skills are skills with people such as motivation, negotiation, serving.

Problem Solving

4. Environment (Breadth) relating to policies.
5. Challenge (Depth) requiring analytical, interpretive, evaluative and for constructive thinking.

Accountability

6. Freedom to Act is the amount of authority or autonomy vested in the position.
7. Magnitude relates to budgets usually expenditure budgets.
8. Job Impact on End Results of the organisation, that is, staff or line.

Some of the lower level positions in the Second Division would have a "job profile" of

Know-How	50%
Problem Solving	25%
Accountability	25%

"Job Profile" refers to the amount of emphasis placed on each of the 3 major job factors

The higher level positions in the Second Division would more typically have a "job profile" to the order of:

Know-How	42%
Problem Solving	28%
Accountability	30%

As can be seen the higher level the position the more importance Accountability assumes and less relative importance of Know-How.

IV. PERFORMANCE CRITERIA

In Chapter III, reference was made to Position Descriptions which include Principal Accountabilities which can lead to performance measures and goals (a version of management by objectives). Usually a position has 6 to 8 Principal Accountabilities relating to the key areas of performance in the job.

One of the weaknesses in most public sector performance appraisal schemes is that they consider traits or factors which are general and not specific to each particular position.

V. PERSON SPECIFICATIONS

Chapter III outlines the 8 sub-factors by which all management positions can be measured. Likewise person specifications can be set up, giving the requirements of the person who is to fill the position.

Typically public sector person specifications may be as follows:

Know-How

1. Technical/Specialised Know-How
Public Sector person specifications typically emphasise tertiary educational qualifications.
2. Management Know-How
This sub-factor is commonly referred to as "public administration" and features well in public sector person specifications.
3. Human Relations Skills are usually well covered.

Problem Solving

4. Problem Solving Environment relating to policies is well covered.
5. Problem Solving Challenge relating to analytical skills is well covered.

Accountability

6. Freedom to Act is often deliberately restricted in public jobs since it is argued that the doctrine of ministerial responsibility under the Westminster system of government gives the relevant Minister the ultimate accountability. However, public sector jobs are sometimes performed in a "zero-risk" manner and Departmental precedents and policies can be excessively binding.
7. Impact of Job on End Results is reasonably well defined in public sector person specifications. People who rate high on this sub-factor are, in private enterprise, sometimes known as "shakers and movers", that is, they are people who influence events.
8. Dimensions are usually well specified.

In summary, person specifications in the public sector are generally quite accurate, but it is suspected that the last 3 sub-factors covering Accountability are insufficiently emphasised when it comes to selection and may be ignored entirely.

Since some of the positions in the Second Division contain an Accountability level of 25 to 30% or more their Accountability should receive an appropriate emphasis in the person specification. Many people are not capable of performing at such a high level of Accountability. Just as jobs have "job profiles", then people have "people profiles". Some are suited to back-room research jobs and some are suited to tough negotiations and accepting accountability for the outcome of such actions.

PART B - PEOPLE

VI. SELECTION AND TRANSFERS

As suggested in Chapter V in Person Specifications, public sector selection often takes into account a person's Know-How and Problem Solving in selection but ignores the Accountability aspects which become more important the higher the person rises in the Second Division. Consequently selection procedures should address themselves to Accountability since Know-How and Problem solving are reasonably readily assessable by standard selection procedures such as

- examination of the person's education and experience
- interview panels
- performance appraisals

The Armed Services have addressed themselves to such matters in officer selection, for example, WOSB techniques involving realistic outdoor exercises as well as group activities. Revised performance criteria (see Chapter IV) usually leads to an increased emphasis on accountability.

VII. PERFORMANCE APPRAISAL

Most public sector performance appraisals consider traits or factors which are general and are not specific to each particular position. Desirably, performance should be measured against goals and objectives specific to that position.

Effective performance appraisal is heavily dependent upon adequate training of assessors which is seldom carried out in most organisations. Also assessors need feed-back as to their own performance as assessors.

Hay has wide experience in developing and applying performance appraisal techniques based on measured performance in respect of agreed job accountabilities.

However, it does not follow that past performance is an infallible guide to future performance and complementary approaches are necessary.

VIII. PSYCHOLOGICAL TESTS

Hay Associates has developed psychological test batteries which can give a valuable guide, in conjunction with normal selection procedures, whether a person is suited for a Second Division position. In brief these tests place particular emphasis on measuring a person's level of accountability. These tests measure such factors as

- empathy with people

- level of drive
- planning and organisation ability

Other studies have in general verified the Hay research discoveries. There is a transition range at the upper end of the 3rd Division (say Classes 10 and 11) where decisions could be made indicating the suitability of people for the 2nd Division. These tests are non-discriminatory towards minority groups.

On a more positive basis these tests can be used to identify talent in the 3rd Division who could be encouraged to try for promotion to the 2nd Division. Normally the person has access to the results of the tests and is counselled on the meanings of the results.

A second positive benefit is to assist the individual overcome some of his deficiencies by attendance at appropriate courses. For example, some of the tests measure a person's level of achieved education as distinct from his "paper qualifications", such as degrees. Nevertheless it should be pointed out that some skills are in the "learnable but not teachable" category.

IX. TRAINING AND DEVELOPMENT

Training and development experiences suitable for Second Division include

- specific short courses
- management training such as the Advanced Course at the Australian Administrative Staff College
- negotiation skills
- job rotation

It is appropriate that management education be emphasised at the Second Division level.

X. SUMMARY

In summary, a Hay approach applied to selection and development in the Australian Public Service would emphasise an overhaul of human resources management.

Apart from specific techniques mentioned above, it would involve

- a. Review of organisation design.
- b. Increased emphasis on accountability.
- c. Improved job analysis.
- d. Performance criteria relevant to each position.
- e. Assessment of management suitability by the use of psychological tests.
- f. Training and development emphasising the above aspects.

APPENDIX 9

SECOND DIVISION STATISTICS
(Sources: Public Service Board)

TABLE 1: Permanent Second Division Officers by Level and Sex
31 December 1981

SEX	LEVEL												Total No
	1 No	%	2 No	%	3 No	%	4 No	%	5 No	%	6 No	%	
Male	648	49.1	283	21.4	249	18.9	92	7.0	30	2.3	18	1.4	1320
Female	22	84.6	2	7.7	2	7.7	-	-	-	-	-	-	26
Total	670	49.8	285	21.2	249	18.5	94	7.0	30	2.2	18	1.3	1346

TABLE 2: Permanent Second Division Officers by Age and Sex
31 December 1981

SEX	AGE GROUP								
	< 30		30-39		40-49		50+		
	No	%	No	%	No	%	No	%	Total
Male	3	0.4	237	18.0	468	35.6	606	46.1	1314
Female	1	3.8	10	38.5	11	42.3	4	15.4	26
TOTAL	4	0.4	247	18.4	479	35.7	610	54.5	1340

TABLE 3: Second Division Separations: Alternate years
1970/80, and 1981(a)

Year	Level						Total
	1	2	3	4	5	6	
1970	15	7	3	4	-	2	31
1972	12	11	6	2	-	-	31
1974	28	15	18	3	-	-	64
1976(b)	49	19	25	6	1	1	101
1978	60	12	21	7	-	1	101
1980	43	18	15	7	2	2	87
1981(c)	46	30	30	9	4	3	122

Notes:

- (a) Separations are defined as losses from the APS by resignation, retirement, death, movements to statutory authorities etc. Total separations 1971-81 were 864.
- (b) Introduction of new superannuation provisions
- (c) Introduction of early retirement provisions

The separation rate for the years 1982 to 1990 can be projected using the following data and assumptions:

- Age profile of Second Division staff at 31 December 1980.
- Estimated separation rates (Based on separations in the years 1978/1980 and a calculation of the future rates of voluntary early retirements).
- Continuation of the current profile for age of entry to the Second Division.
- Growth Rate of 2% per annum.

The projected figures for the period 1982 to 1990 indicate that the number of separations will be in the range 100 to 120 per annum.

The demand for new Second Division Officers over the period 1982 to 1990 should total about 1240, but the issue of the size of and rate of supply from the feeder group is quite complex. The group of current Class 10 and 11's is not the sole source of entry to the Second Division from the Clerical/Admin group, when looking at an extended period. The Class 10 to 11 group is replenished over time by promotion from lower grades. However, some 68 per cent of entrants to

the Second Division come from the group of Class 10 and 11's current at the start of each year. About 12 per cent of entrants to the Second Division are lateral appointments, which includes a large number of re-appointments from Statutory Authorities, etc.

Considering the group of Class 10's and 11's current at December 1981 as 'a feeder group' for the years 1982 to 1990, the proportion of entrants to the Second Division each year coming from that group will diminish as the group itself diminishes through promotions to the Second Division and separations from the Service. Data on entrants to the Second Division during the years 1977 to 1981 indicate that some 490 entrants to the Second Division in the period 1982 to 1990 will come from staff who were Class 10's and 11's at December 1981. These 490 staff represent 20 per cent of the group at December 1981. Assuming a separation rate of 7 per cent per annum and estimating staff each year remaining from the 1981 population it has been calculated that about one third of eligible staff will enter the Second Division, a selectivity quotient of about 1 out of 3. On past experience 68% of entrants to the Second Division should comprise promotions from the main 'feeder pool' consisting of senior Clerical/Administrative staff.

The age, sex and years of service of this group are shown in Tables 4 and 5 below. Nearly 80% have had over 10 years service and nearly one half (44.2%) are less than 40 years old.

TABLE 4: Permanent Class 10 and 11 Third Division Officers
by Age and Sex 31 December 1981

SEX	< 30		30-39		AGE GROUP 40-49		50+		Total
	No	%	No	%	No	%	No	%	
Male	28	1.2	975	42.2	687	29.6	624	27.0	2314
Female	0	0	61	62.9	19	19.6	17	17.5	97
TOTAL	28	1.2	1036	43.0	706	29.2	641	26.6	2411

TABLE 5: Permanent Class 10 and 11 Third Division Officers
by Sex and Years of Service

31 December 1981

YEARS OF SERVICE

SEX	< 5 years		5-10		10-20		20-30		Over 30		TOTAL
	No	%	No	%	No	%	No	%	No	%	No
Male	85	3.8	373	16.2	958	41.3	453	19.5	445	19.2	2314
Female	5	5.2	32	33.0	48	49.5	8	8.2	4	4.1	97
TOTAL	90	3.7	405	16.8	1006	41.7	461	19.2	449	18.6	2411

TABLE 6: Promotions and Appointments* to Second Division
in Selected Departments, 1976-1981

DEPARTMENT TO:						
DEPARTMENT/ AGENCY FROM:	Attorney General's	Foreign Affairs	Health	PMC	PSB	Treasury Finance
Att. General's	28				1	
Parlt. Counsel	1					
Foreign Affairs		39		2		1
Health			18			
Primary						
Industry			1			
PMC				14	18	
Aud.-General's		1				
PSB		1	1	1		
ACT Legal Aid	1					
Social Security		1			1	
IAC						1
Treasury/Finance			1			26
Defence			1			
Business & Cons.						
Affairs	2					
ACT Health Commission			1			
Sub-Total	32	42	23	17	20	28
% from own Department	87.5	92.9	78.3	82.3	90.0	92.9
Appointments	1	2	3	8	2	3
TOTAL	33	44	25	26	22	31
% from own Department	84.8	88.6	72.0	53.8	81.8	83.9

* Appointments from outside the Australian Public Service, including reappointments to the Service.

The level of interdepartmental transfers is also very low. Staff movements to and within the Second Division through appointment, transfers and promotions from 1974 to 1981 are shown below in Table 7. For the past three years about 1 in 4 promotions have been to 'other departments'. (In some cases these promotions occurred with apparent rather than real movement as the department changed in name or a Division changed departments). Table 7 clearly shows that in recent years interdepartmental transfers are as rare as appointments from outside the Service.

TABLE 7: Staff Movements to Second Division Positions
(Including movements within Second Division) 1974-81

<u>Year</u>	<u>Appointments</u>	<u>Transfers</u>	<u>Promotions</u>	<u>Promotions to</u> <u>Other Departments</u>	<u>%</u>
1974	41	2	240	54	22.5
1975	44	12	201	42	20.9
1976	14	10	116	9	7.8
1977	15	19	255	39	15.3
1978	16	22	298	49	16.4
1979	5	14	209	50	23.9
1980	15	20	219	64	29.2
1981	5	9	167	44	26.3

APPENDIX 10

This paper was prepared by P.J. Thorne, E.P. Zasiadczyk and Dr G.P. Rothman. Comments and interpretations in the paper have been made by the authors from a statistical point of view and do not necessarily reflect the views of the Board.

REVIEW OF MAJOR SERVICE

STAFFING TRENDS

1981

Planning, Research & Information Branch
Office of the Public Service Board
CANBERRA ACT 2600
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REVIEW OF MAJOR SERVICE STAFFING TRENDS

INTRODUCTION

The intention of this paper is to present and analyse the more important statistical trends and changes in Public Service Act staffing. In particular, it seeks to summarize the detailed information contained in the Board's annual Statistical Yearbooks.

The topics covered by the paper are:

- (i) size, growth and composition of the APS;
- (ii) inoperative staff;
- (iii) separations from the Service;
- (iv) permanent appointments;
- (v) educational qualifications; and
- (vi) mobility.

- This paper is primarily concerned with permanent staff employed under the Public Service Act 1922. It is based almost exclusively on information contained in the Continuous Record of Personnel (CRP), a central computer-based personnel data base maintained by the Board's Office, which contains extensive information on permanent staff appointed under the Public Service Act, their movements within and separations from the Service. However, some information has also been obtained from regular staffing returns such as the Forms PSB 39 submitted by departments to the Board's Office. Full-time staff refers to permanent, temporary and exempt staff - see explanation below.

- Not all data has been adjusted to account for administrative changes to Public Service Act coverage. Detailed adjusted data is contained in Appendices A to C. However, the paper excludes details of staff employed in the former Postmaster-General's Department who were removed from Public Service Act coverage on 1 July 1975 when the Australian Postal and Telecommunications Commissions were established.

- Employment category:-

Permanent officers: persons appointed full time to a division of the Service after satisfying conditions as specified in section 34 of the Public Service Act.

Temporary employees: persons engaged under the Public Service Act in a temporary capacity on the condition that such employment shall be for a specified period or for the period necessary to complete specified work. The category also includes people whose services are required but who have failed to satisfy statutory criteria for appointment as officers (eg medical grounds).

Exempt employees: persons employed in categories which, under section 8A of the Act, have been exempted by the Governor-General on the recommendation of the Board from specified provisions of the Public Service Act and Regulations. This category of employee includes industrial and day labour staff and other special employment categories whose conditions of employment may vary from those of permanent and temporary staff.

MANAGEMENT SUMMARY

The more important points that have emerged from an analysis of the Public Service Act employment trends (excluding staff of the former Postmaster-General's Department), primarily over the last decade, are:

- Staffing Growth: From June 1945 onwards, the growth pattern of full-time Public Service Act employment has gone through five distinct periods (figure 1.1 refers).
 - (i) 1945 - 1951: this period demonstrated strong prolonged growth with an average annual growth rate of 12.4%;
 - (ii) 1951 - 1954: a brief period of sharp decline - full-time staffing fell by an average of 5.4% pa;
 - (iii) 1954 - 1960: a low growth period with an average annual growth of 0.9%;
 - (iv) 1960 - 1976: a strong growth period with an annual average growth rate of 4.6%; and
 - (v) 1976 - 1981: the current restricted growth period - with an average annual decline of 0.8%.

However, after adjusting staffing levels for all net changes to Public Service Act coverage, it can be seen that the current period of restricted growth actually commenced in 1975/76 when full-time Public Service Act staff fell by 4.2%. In 1976/77 there was a further fall of 1.7% followed by small annual increases to June 1981.

- Division and Employment Category: In recent years there has been a shift in the composition of the Service favouring, on a divisional basis, the Second and Third Divisions and, on an employment category basis, permanent staff. Since 1975 (taking account of changes in coverage of Public Service Act employment) the Second Division increased by 20%, the Third Division increased by 8%, while the Fourth Division decreased by 9%; over this period permanent staff increased by 10%, while temporary and exempt staff decreased by 51% and 28% respectively.
- Women: One of the most significant trends over recent years has been the increase in the representation of women in the Service at all levels. Over the last decade the number of women employed full-time in the Service has increased by 40.4%, compared with an increase of 10.6% for men. This has resulted in women increasing their representation as a proportion of total full-time APS staffing from 29.3% to 34.5%. By way of comparison, at May 1981, 37.0% of the labour force were women.
- Age Structure: Overall, the age structure of permanent officers exhibits a marked bimodal form with a large peak of young officers aged between 20 and 35 years and a somewhat smaller but significant (in terms of implications for future separations) peak of officers aged between 50 and 60 years.

Inoperative Staffing: Of the five major components of inoperative staffing, three - maternity leave, compensation and long service leave - have been stable with predictable seasonal trends. The two other components of inoperative staffing - leave without pay and sick leave - have exhibited important changes in recent years:

- (i) a sharp reduction from early 1976 to late 1977 in the proportion of APS staff on leave without pay, which appears to have resulted mainly from the inclusion of this component in staff ceilings. A sharp reversal of this trend occurred after December 1977 as revised ceilings arrangements took effect; and
- (ii) a reduction since June 1979 in the percentage of APS staff on long-term sick leave.

Separations: There were significant increases in the separation rates for each Division over the period 1973 to 1976, followed by overall decreases in these rates since 1976. However, there were slight increases in the Second and Third Division rates in 1980. The overall decreases since 1976 reflect decreases in resignation rates which constitute a large proportion of separations. The effects of the overall reduction in appointments since 1976 and, possibly, the effects of further 'tightening' of the labour market have contributed to the decline in resignations. The other important trend was a significant increase in invalidity retirements, and, to a lesser extent, age retirements. From 1975 to 1977 invalidity retirements increased by nearly 150%, however they stabilised during 1978 and dropped by 18% in 1979 and a further 26% in 1980. Age retirements demonstrated a similar trend during 1976, increasing by 89%, then steadily declined but rose again in 1980.

Appointments: An analysis of appointment levels for permanent staff over the last decade reveals the following trends:

- (i) a slight overall increase in the total number of permanent appointments to 1975 followed by a substantial decline during 1976 due to staffing restrictions. Appointment levels partially recovered during 1977 but declined again slightly during 1978, 1979 and 1980;
- (ii) the level of female appointments to the Third and Fourth Division continued to increase. While there were some fluctuations in appointment levels over the decade ending 1980, female appointments into the Third Division increased overall by 13.2% with male appointments over the same period declining by 13.7%; female appointments into the Fourth Division increased overall by 8.8% while the corresponding figure for male appointments was a decrease of 31.0%;
- (iii) the annual number of graduate appointments to the Third Division increased by 152% over the decade ending 1980. Another significant development has been the increasing proportion of staff with tertiary degrees being appointed as Clerks Class 1 through the Clerical Selection Test (31% in 1980 compared with only 15% in 1976);

Educational Qualifications. Over the last decade there has been a substantial growth in the number of tertiary qualified staff in the Service. The overall proportion of staff with degrees in the First, Second and Third Divisions has increased from 17.4% in 1970 to 27.2% in 1980. The two major reasons for this growth are:

- (i) the considerable increase in graduate appointments, particularly into the Third Division; and
- (ii) the significant numbers of officers that graduate each year under various study assistance schemes. The number of staff studying under these schemes increased from 11160 in 1976 to 12530 in 1981 (about 10% of permanent staff).

Mobility: The level of staff movements on promotion between and within departments and/or states was of a relatively low order in 1980. This is particularly evident for inter-state movements. In 1980 15.8% of promotions involved a change of department and 6.7% a change of state.

1. SIZE, GROWTH AND COMPOSITION OF APS

Size of APS

1.1 Full-time Public Service Act employment, in absolute terms, contracted considerably during the latter part of the 1970's. There are a number of reasons for this, the most obvious being the creation of the Postal and Telecommunications Commissions of 1 July 1975 when 122,000 staff separated from Public Service Act employment. The continued substantial decline from 1976 onwards reflects both the transfer of Public Service Act staff to the Northern Territory Public Service and the impact of staff ceilings restrictions.

Growth of APS

1.2 Excluding the influence of the former Postmaster-General's Department, the pattern of growth in full-time Public Service Act employment since June 1945 falls into five relatively well defined periods, as can be seen in figure 1.1:

- the first period of post war expansion lasted from 1945 to 1951 and established the highest prolonged annual average growth rate of 12.4%;
- the second phase from 1951 to 1954 saw a sharp fall in staff levels with an annual average decline of 5.4% - most of this decrease occurred in 1951;
- the third phase covers the period 1954 to 1960. During this period continued restraint on staffing levels resulted in a low average annual growth rate of 0.9%;
- the fourth period stretches from 1960 to 1976. This period showed an annual average growth rate of 4.6%. This period coincided with a relatively strong expanding economy and an expansion of Commonwealth government activities; and
- finally, the current restricted growth period which began in 1976 and reflects the transfer of staff to the NTPS and the impact of continued restrictions on staff ceilings. Full-time employment peaked in 1976 at 157,765 but has since declined to 151,761 in 1981, an absolute drop of 6004 or 3.8%. Appendix A illustrates the magnitudes of the annual growth rates in this present phase. The actual staffing level, after adjustments for net changes to Public Service Act staff, began to decline in 1975/76 when it went down by 4.2%, then a further 1.7% in 1976/77, and increased by 1.1%, 0.9%, 0.4% and 0.7% in 1977/78, 1978/79, 1979/80 and 1980/81 respectively.

1.3 In view of the current government policy towards public sector expenditure, and the consequent tight restrictions on staffing levels, anticipated growth rates for Public Service employment during the early 1980s will be markedly lower than that experienced in the period 1960-76 when there was an annual average growth of 4.6%.

Divisional Composition - Full-time Staff

1.4 Over the ten year period to June 1981 the Second Division increased in size by 92%, the Third Division by 32% and the Fourth Division by 10%. Figure 1.2 demonstrates the growth patterns of each Division over the last decade (these figures have not been adjusted for changes in Public Service Act coverage).

1.5 The growth pattern for the Second Division between 1970 and 1976 was particularly strong, with an average annual growth rate of 11.7%. There was a marginal decline in 1976/77 and a more moderate growth from 1977 to 1981 when the average annual growth rate was 3.0%. After adjusting for changes in coverage to Public Service Act employment Second Division staffing has increased by 20% since June 1975 (an annual average growth of 3.1%).

1.6 The Third and Fourth Divisions each experienced moderate growth throughout the decade, 1971-81. The Third Division increased at an average annual rate of 5.6% to 1975, followed by a slight decline in 1976 and 1977 and a marginal increase over the remaining four years to 1981. After adjusting for changes in coverage of Public Service Act employment Third Division staffing has increased by 7.1% since 1975 (an annual average growth of 1.1%). The Fourth Division increased steadily until 1976 at an average annual rate of 4.4% followed by a slight reduction during 1977; stabilized in 1978; and declined during 1979, 1980 and 1981. The increase in 1976 was largely attributable to the transfer of technical staff formerly employed under the Naval Defence and Supply and Development Acts, to the Public Service Act. After adjusting for changes in coverage of Public Service Act employment Fourth Division staffing has decreased by 9.6% since 1975 (at an annual average decline of 1.7%).

1.7 Appendix B details growth rates by Division for the period 1975 to 1980 taking account of the adjustment to Public Service Act employment due to administrative changes.

Composition by Employment Category

1.8 Figure 1.3 clearly illustrates the structural changes that have occurred in permanent, temporary and exempt employment categories during the period 1971 to 1981. The most noticeable change has been the significant increase in permanent staff. Conversely, temporary staff (except for 1975 when employment increased marginally) has had a continuous and marked decline. Exempt staff demonstrated a relatively stable trend to 1976, followed by a substantial decline to the end of 1981. In absolute terms, over the decade to 1981, permanent staff increased by 47.6% (39852), temporary staff declined by 63.0% (9218) and exempt staff decreased by 21.1% (6085).

1.9 Structural changes over the decade have consequently led to changes in composition by employment category. Details of the composition of the Service by employment category at June 1981 shown below (with corresponding June 1971 figures) illustrate the increasing trend towards permanent employment:

	June 1981	June 1971
Permanent Staff:	81.4%	65.8%
Temporary Staff:	3.6%	11.5%
Exempt Staff:	15.0%	22.7%
	100.0	100.0

1.10 Appendix C shows the net compositional movements between 1975 and 1981, after accounting for variations in coverage of the Public Service Act due to administrative changes. Between 1975 and 1981 the permanent category increased by 8.8% while the temporary and exempt categories dropped by 51.0% and 27.5% respectively.

Composition by Sex

1.11 At June 1981 women represented 34.5% of full-time staff, made up of 2.2% of Second Division staff, 24.1% of Third Division staff and 43.2% of Fourth Division staff. Over the period 1971 to 1981, the percentage increase in the number of full-time women (40.4%) was markedly higher than that for men (10.6%). As illustrated in figure 1.4, representation of women has increased as a percentage of total full-time staff, from 29.3% to 34.5%.

1.12 The increase in representation of women in full-time employment over the decade is most significant in the Third Division where they have risen from 17.1% in 1971 to 24.1% in 1981. In the Fourth Division their representation has increased from 37.6% in 1971 to 43.2% in 1981.

1.13 By way of comparison with national employment trends, it is worth noting that the proportion of the labour force who are women has increased from 33.3% in May 1971 to 37.0% in May 1981, as shown in figure 1.5.

1.14 Although the number of women in the higher levels of the Service is small, their representation at senior levels has increased substantially over recent years. This can be attributed to a number of factors, including changes to employment practices with regard to women (removal of marriage bar, maternity leave provisions etc); greater career awareness among women in the Service and the community generally; improved educational qualifications of women and so on. For example, over the period December 1970 to December 1980 the number of permanent women in the Third Division clerical/administrative group classified Class 8 or above has increased from 58 to 711, while the number of permanent women in the Second Division has increased from 1 to 23 over the same period.

1.15 The significant trend of increases in the number of women represented in the higher levels of the Service is expected to continue as:

- the average 'experience' or length of service of women increases. The median length of service of women employed as permanent officers has increased from 2.6 years at December 1970 to 4.1 years at December 1980. The corresponding figures for men were 6.8 years and 8.2 years respectively; and
- the proportion of appointees to the Service who are women increases (especially to the Third Division, para 4.2 refers).

Age Structure of the APS

1.16 The age structure of the Service has significant implications for future trends in a number of closely related areas such as separations, mobility, promotions and experience levels.

1.17 The age structure for permanent staff, as illustrated in figure 1.6, in aggregate terms, exhibits a pronounced bimodal form with a large percentage of young officers aged 20 to 35 years and a smaller but important group of officers falling into the 50 to 60 year range.

1.18 The age structure for women is basically unimodal with 63% of permanent female staff falling into the 15 to 30 year age group at December 1980. This peak (figure 1.6) drops very sharply between the 24 and 35 year age group, with the remainder spread fairly evenly over the age range 35 to 55, then tapers off to age 65. The pattern for men is considerably different to the pattern for women with the bimodal characteristic prominent in the 20 to 35 year range, followed by a less pronounced but highly significant peak in the 50 to 60 year bracket. This latter 'age hump' is significant for planning purposes because of inevitable retirements (age and invalidity retirements), and the option for staff to retire voluntarily under the provisions of the Commonwealth Employees (Redeployment and Retirement) Act. It has been estimated that approximately 60% of Second Division staff will have separated from the Service within the next 10 years.

1.19 Figure 1.7 illustrates age structures for permanent staff on a Divisional level. The distributions of Third and Fourth Division staff are very similar except that the Fourth Division distribution is more skewed towards the younger age group. The Second Division age distribution, not surprisingly, is heavily biased towards the older age group with about 40% concentrated in the 50 to 60 year age hump, and a less prominent peak of nearly 35% concentrated in the 40 to 50 year group. At December 1980 nearly 50% of Second Division officers were 50 or more years of age and 30% were 55 or more years of age.

FIGURE 1/1

NUMBER OF FULL-TIME STAFF IN THE APS
AT 30 JUNE 1945 TO 1981 (EXCL. PMG)

Note: the percentage
figures shown are
annual average growth

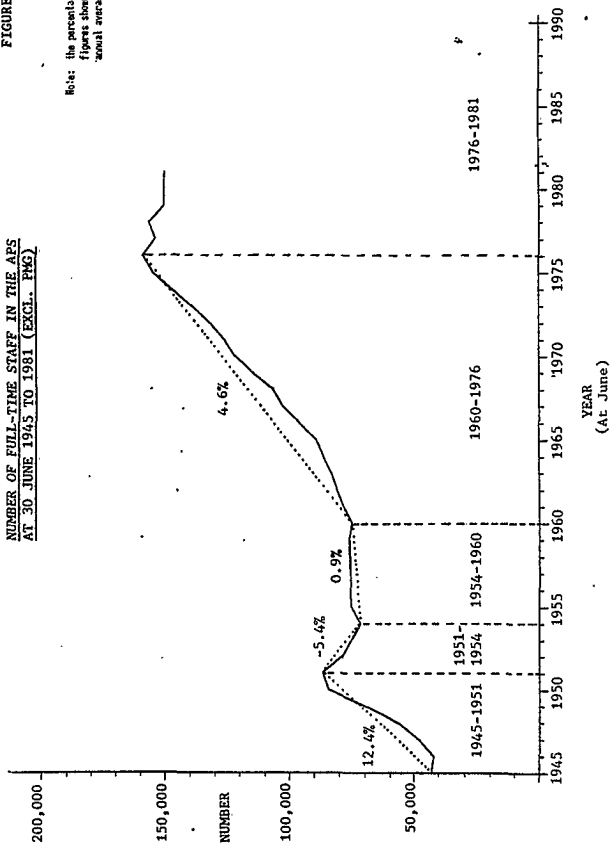


FIGURE 4.2

GROWTH OF SECOND, THIRD AND FOURTH DIVISIONS
1971 TO 1981. (Excl. PNG)

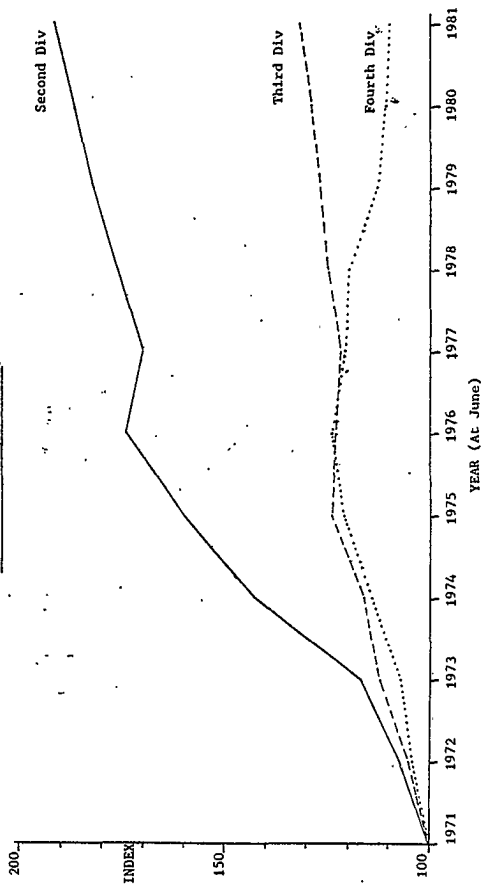


FIGURE N.3

GROWTH OF PERMANENT, TEMPORARY AND EXEMPT
EMPLOYMENT (Excl. PMC) Δ 1971 = 100

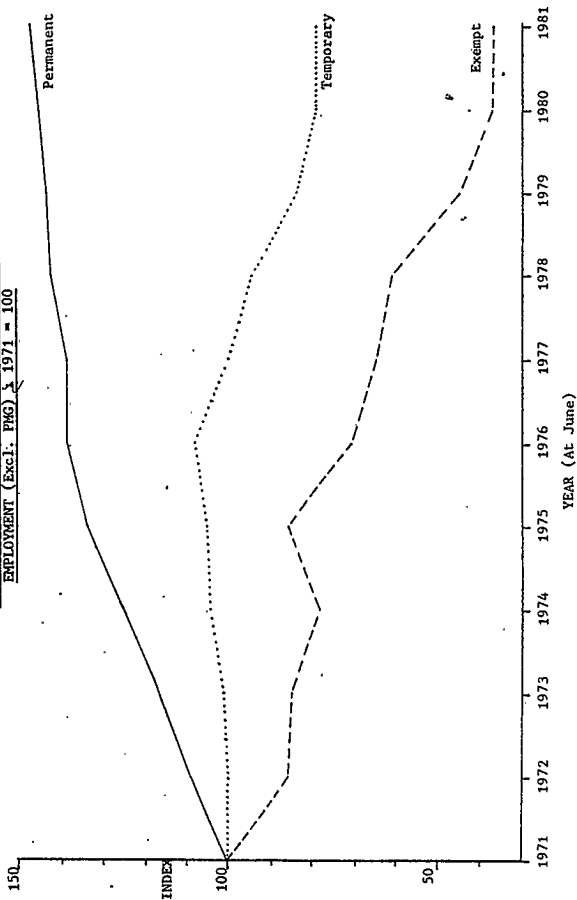


FIGURE A-4

WOMEN AS A PERCENTAGE OF THIRD DIV., FOURTH DIV.
AND TOTAL STAFF 1971 TO 1981 (Excl. PMG)

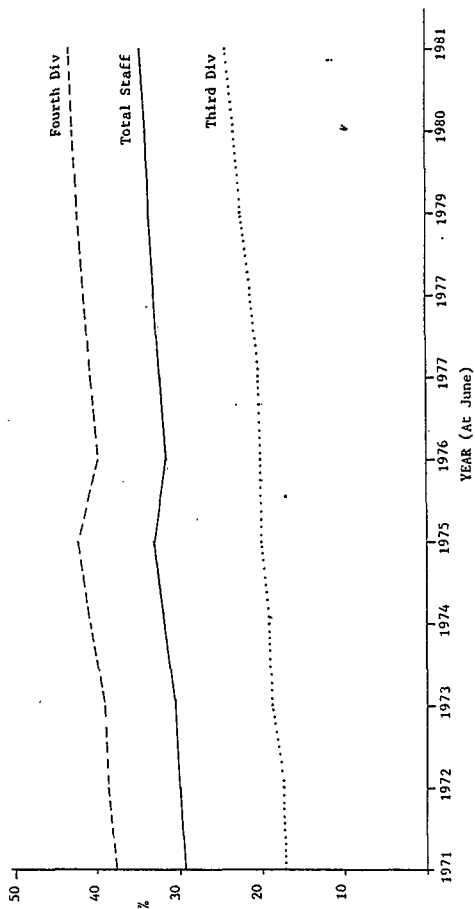
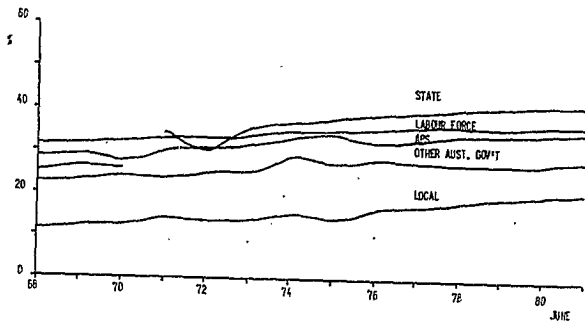


FIGURE 1.5



PERCENTAGE OF CIVILIAN EMPLOYEES WHO WERE WOMEN, BY SECTOR 1966-1981

notes:

- (1) Labour force figures are for May each year
- (2) A change in the definition of 'State Government employment' occurred in 1971
- (3) State Government includes NT after 1979
- (4) Staff of former PMG Department and the Departments of the Parliament are included in 'Other Australian Government'.

Source: Australian Bureau of Statistics

FIGURE 1.6

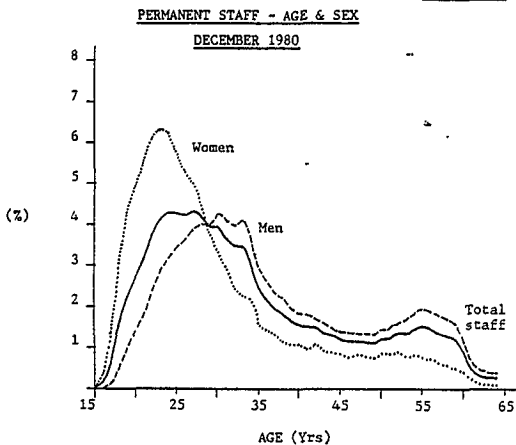
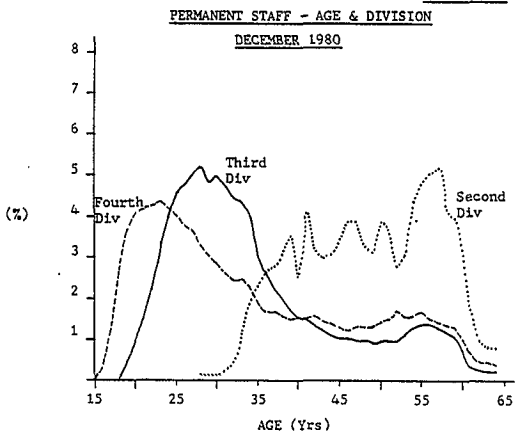


FIGURE 1.7



2. INOPERATIVE STAFF

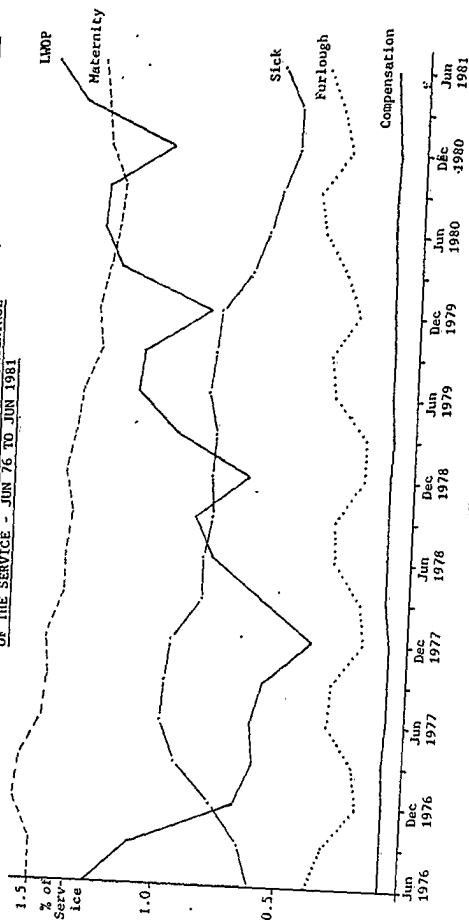
2.1 Inoperative staff are defined to be staff on continuous leave with or without pay for periods of 12 weeks or more. The following trends relating to the five major components of inoperative staff (as a percentage of total APS staff at quarterly intervals from June 1976 to June 1981) are exhibited in figure 2.1.

- Maternity leave: shows a relatively stable downward trend from the December 1976 quarter. At June 1981 officers on maternity leave represented 1.3% of total Public Service Act employment.
- Leave Without Pay: This component has demonstrated a highly variable pattern with a very substantial decline from March 1976 to December 1977. The major reason for this is believed to be the inclusion at that time of inoperative staff in departmental staff ceilings. In October 1977 revised ceiling arrangements were advised removing inoperative staff from ceilings and the trend then reversed resulting in an overall increase. There appears to have developed a somewhat predictable seasonal dip during each December quarter from 1978 onwards. At June 1981 LWOP had increased to over 1.5% of total Public Service Act staff, just above the previous maximum of 1.4% set in March 1976.
- Sick Leave: There was a substantial increase in the incidence of sick leave to mid 1977 when it peaked at just under 1.0%. This stabilised during 1978 and 1979 at about 0.8%, and since June 1979 there appears to have been a marked decline in the incidence of sick leave. Long term sick leave in the Service has important implications for overall levels of invalidity retirements. Analysis of a survey taken at December 1977 indicated that 80% of staff on long term sick leave were pending invalidity retirement. The general decline in sick leave from June 1979 coincided with a sharp drop in invalidity retirements during 1979 and 1980.
- Long Service Leave: This component of inoperative staffing has displayed a rather predictable seasonal pattern, fluctuating within a range of about 0.2% to 0.4%, with the peaks occurring during the June quarter of each year. One point of interest is the unusual trend increase from the March 1980 quarter.
- Compensation: A stable component at approximately 0.1% of total staff with no noticeable disturbances in the trend at all.

2.2 Details of the five major components of inoperative staffing are not available earlier than December 1975 in any accurate or consistent form.

STAFF ON INOPERATIVE LEAVE AS A PERCENTAGE
OF THE SERVICE - JUN 76 TO JUN 1981

FIGURE 2-1



3. SEPARATIONS FROM THE SERVICE

3.1 During 1980 the overall separation rate (1) for permanent officers was 9.5%. Resignations were the largest single component of separations from the Service accounting for 75.9% of losses during 1980. The remainder of the separations were: losses of officers due to changes in administrative arrangements (1.9%); invalidity retirements (9.7%); age retirements (8.0%); withdrawal or annulment of appointments (3.3%); and deaths and dismissals (1.2%). It has been suggested that 'losses' of staff due solely to changes in administrative arrangements, or following the withdrawal of appointment offers, are published in separation figures for reasons of statistical convenience and are not true measures of separations. For this reason these two components are excluded from the subsequent analysis. On this basis the 1980 separation rate for permanent officers is 9.0%.

Separation Rates by Division

3.2 There has been a marked similarity in the pattern of separation rates for all Divisions with a significant absolute increase in each from 1973 to 1976 followed by an overall decline to end 1980, although this decline has not returned to 1973 levels.

3.3 Figure 3.1 illustrates trends for separation rates by Division for the years 1973 to 1980. The separation rate for the Service during 1980 was 9.0% and the corresponding rates by Division were: Second Division 5.4%, Third Division 8.1% and Fourth Division 10.0%.

Resignations

3.4 The significant increase in the separation rate over the period 1973 to 1976 was followed by an overall decrease to end 1978 and a slight increase to 1980. The decrease in 1976-78 was strongly influenced by the substantial decline in resignations. Over the period 1976 to 1978 resignations dropped by 21.0%, then rose by 17.1% from 1978 to 1980, giving an overall decrease of 7.5% for the period 1976 to 1980. The drop in resignations is believed to be due to a number of factors, including:

- the effects of the overall reduction in appointments since 1976 (resignations occur most frequently in respect of staff with very short periods of service), and
- possibly, the effects of further tightening of the labour market.

3.5 Resignations comprised about 75% of separations in 1977 and 1978, 77% in 1979 and 80% in 1980. Figure 3.2 demonstrates the trends in annual resignation and retirement rates for permanent staff.

Age and Invalidity Retirements

3.6 The pattern of age and invalidity retirement rates during the 1970's exhibited relatively strong fluctuations, as seen in figure 3.3.

(1) Separation rates are defined as the number of separations from a group expressed as a percentage of staff in that group at 30 June in any particular year.

Invalidity Retirements: A slow long-term increase to 1975 was followed by extreme rises in 1976 and 1977. This trend was reversed over the following two years with a slight increase during 1978 and a very sharp decline in 1979 and 1980. Invalidity retirements increased by 324, or 80%, over the period 1970 to 1975; jumped by almost 1100, or 150% over the following two years 1976 and 1977, declined by 333, or 18%, during 1979 and further declined by 397 or 26% during 1980. The increase from 1976 is related to a number of factors, including the changing age structure of the Service; the number of ex-servicemen approaching retirement; changing community attitudes towards health; and changes in the superannuation provisions for age and invalidity retirements.

Age Retirements: A steady long term increase took place from 359 in 1970 to 522 in 1975 followed by a sharp jump of 464 (or 89%) to 986 in 1976 and a significant decline over the period 1977 to 1979 to 659 just above the 1975 level. 1980 saw a large increase of 269 (or 41%) to 928.

Over the period 1976 to 1980 invalidity retirements accounted for an increasing proportion of total retirements. This ratio peaked in 1978 when invalidity retirements accounted for over 73% of all retirements, and then fell to 55% in 1980. The corresponding ratio in 1970 was 53%.

Seasonal Trends

3.7 Figure 3.4 illustrates separation patterns for permanent, temporary and exempt employment on a quarterly basis from June 1978.

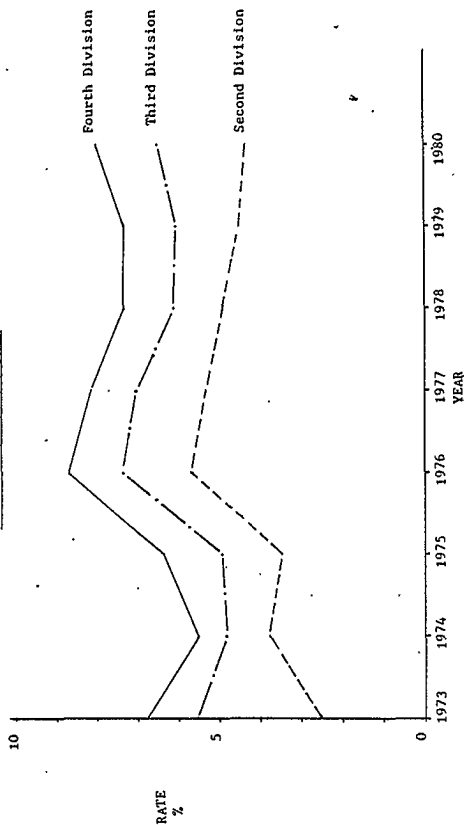
Permanent Staff: This category has demonstrated a fairly stable quarterly pattern with minor fluctuations about the 3% level over the period June 1978 to June 1981 - with peaks in the March and September quarters.

Exempt Staff: The pattern for this category has been similar to that of permanent staff, with a maximum of 11% in September 1978 and a minimum of 4% in December 1978, followed by mild fluctuations about the 5% mark to June 1981 quarter.

Temporary Staff: Large fluctuations between December 1978 to December 1979, within the range of 15% to 30%. This category also demonstrated an oscillatory pattern with the strongest fluctuations during 1979. The March 1981 figure of 29% was only slightly lower than the previous peak of 30% in the March 1979 quarter.

FIGURE 3.1

SEPARATION * RATES FOR PERMANENT STAFF BY DIVISION
1973 TO 1980 (Excl. PWG)



* Excludes separations due to administrative changes and annulments/withdrawals of appointments.

FIGURE 3.2

RESIGNATION AND RETIREMENT RATES FOR PERMANENT
AFS STAFF - 1970 TO 1980 (Excl. PNG)

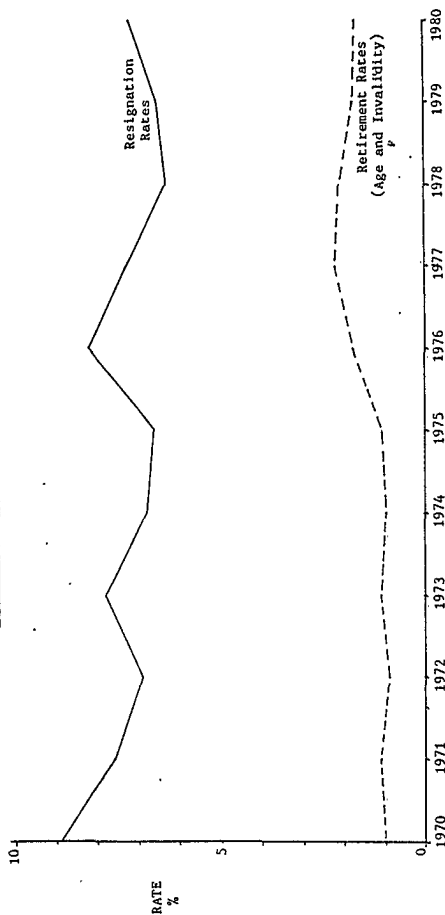


FIGURE 3.3

AGE AND INVALIDITY RETIREMENTS - PERMANENT STAFF
1970 TO 1980 (Excl. PMG)

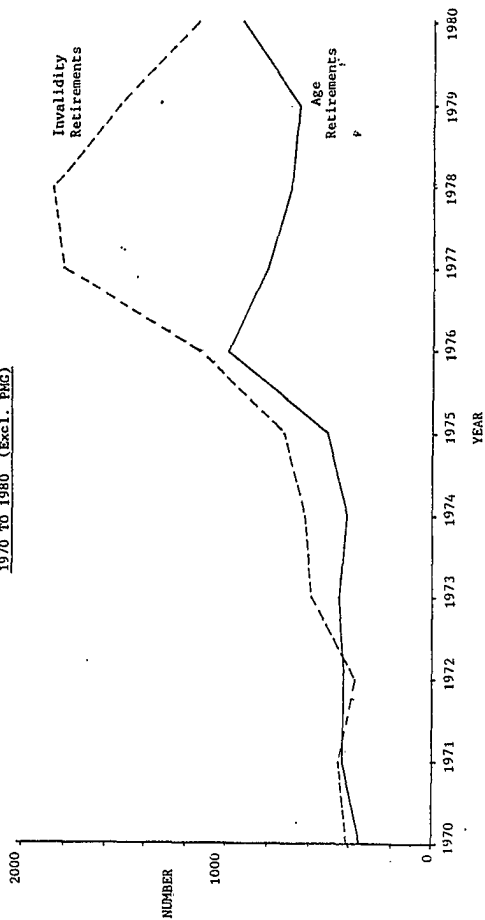
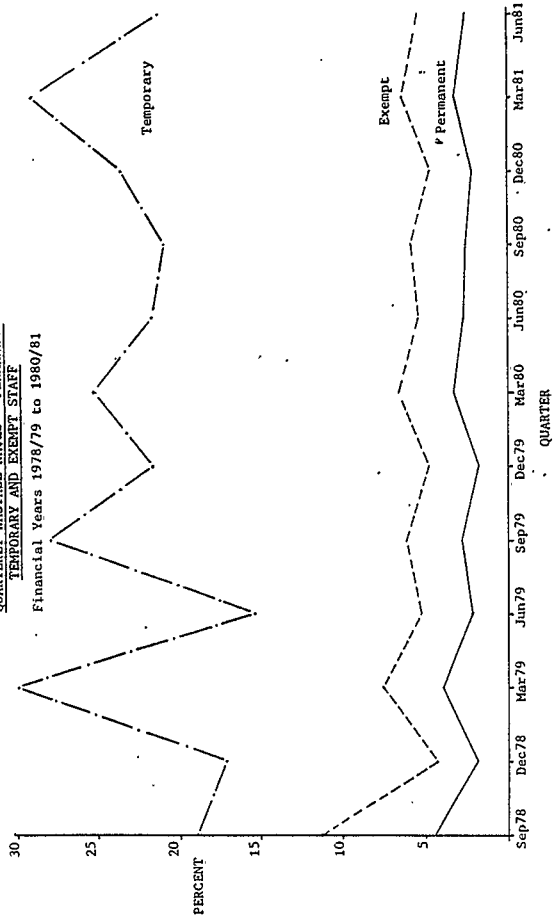


FIGURE 3.4

QUARTERLY WASTAGE RATES - PERMANENT
TEMPORARY AND EXEMPT STAFF
Financial Years 1978/79 to 1980/81



4. APPOINTMENTS

4.1 Excluding transfers of staff resulting from changes in Public Service Act coverage, there was a slight increase in the number of appointments of permanent staff from 1970 to the end of 1975 followed by a sharp downturn during 1976, due to a marked reduction in appointment levels to achieve staff ceilings. During 1977 appointment levels partially recovered although they declined again during 1979 and 1980. As indicated in figure 4.1, the downward trend has become particularly evident from 1975 onwards. The impact of reduced appointment levels has been felt mainly by non-tertiary qualified applicants (figure 4.2). Recruitment restraint was more severe in the Fourth Division and reduced recruitment to the Third Division resulted in a lower percentage of non-tertiary qualified applicants being selected as on average they do not perform as well in selection tests as those with tertiary qualifications.

Appointments by Sex

4.2 Over the period 1970 to 1980 the number of women appointed as permanent officers increased by 10.2%, compared with a decrease of 21.8% for men. The number of men appointed exceeded the number of female appointments for the period 1970 to 1973. This trend was reversed from 1974 onwards, except for 1976 when female appointments dropped considerably below the male appointment level (figure 4.1 refers). However, 1976 was greatly influenced by the transfer of (predominantly male) technical staff employed under the Naval Defence and Supply and Development Acts to the Public Service Act - such transfers being formally recorded as appointments. In absolute terms, over the decade 1970 to 1980, female appointments increased from 7053 to 7770 (peaking at 8956 in 1975) while male appointments decreased from 8574 to 6705 (peaking at 8981 in 1973). Over the decade ending 1980 female appointments to the Fourth Division increased by 8.8%, compared with a corresponding decrease of 31.0% for men. Comparative figures over the same period for the Third Division show that female appointments increased by 13.2% while male appointments dropped by 13.7%.

4.3 In 1980 38.8% of total appointments to the Third Division were women, and the corresponding figure for the Fourth Division was 65.4%.

Graduates, Diplomates and Others

4.4 Over the period 1970 to 1980 the number of graduate appointments to the Third Division has increased substantially with the overall intake of graduates increasing by 152% to 2764, as illustrated in figure 4.2. This increase reflects the change in the general community standard of education and the better performance of graduates in the Clerical Selection Test. As with other categories, there was a significant drop in the number of graduates appointed during 1976 due to recruitment restrictions in that year. One of the most significant developments in recent years has been the high proportion of staff with tertiary degrees being appointed as Clerk Class 1 through the Clerical Selection Test (CST). For example, of those staff appointed as Clerk Class 1 in 1980 31% were graduates. There were also 144 graduates appointed to the Fourth Division in 1980.

4.5 Figure 4.2 shows that appointments to the Third Division of staff with neither graduate nor diplomate status approximated 5000 annually to the end of 1975. This figure dropped very sharply during 1976 to 2445 due to severe staff ceiling constraints, and following a partial recovery during 1977, declined again during 1978, 1979 and 1980.

4.6 The number of diplomates appointed to the Third Division remained stable during the decade ending 1980 (figure 4.2 refers).

FIGURE 4.1

APPOINTMENTS OF PERMANENT STAFF - MEN, WOMEN
AND TOTAL 1970 TO 1980 (Excl. PMG)

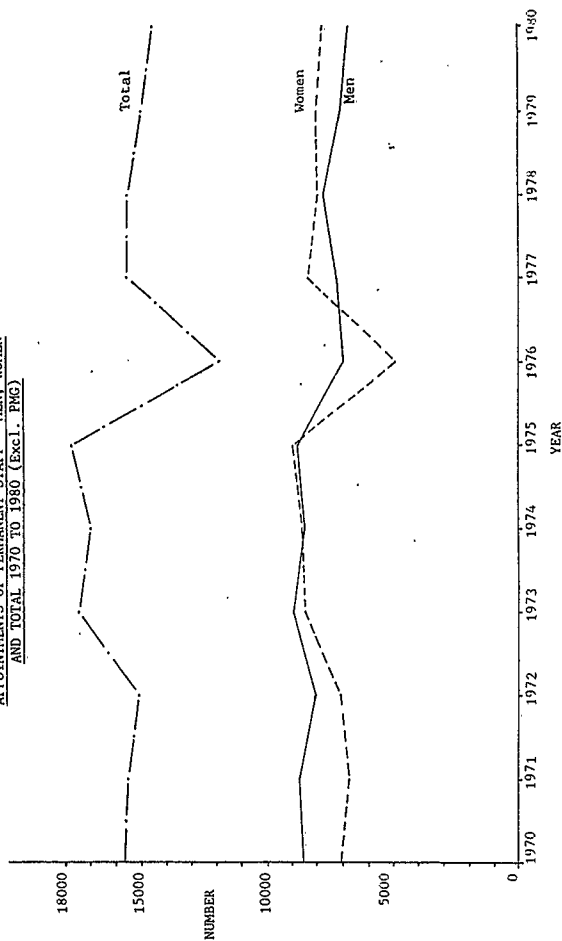
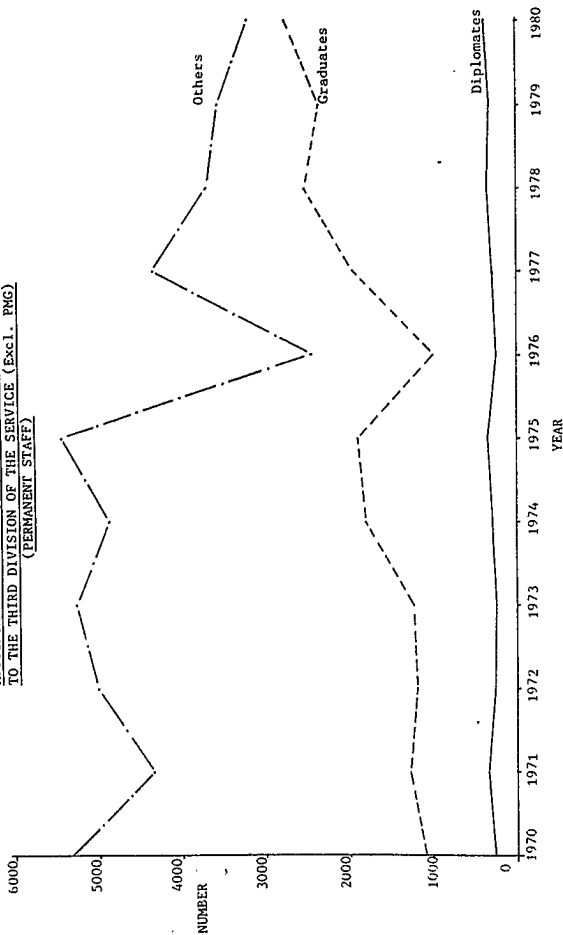


FIGURE 4.2

APPOINTMENT OF GRADUATES, DIPLOMATES AND OTHERS
TO THE THIRD DIVISION OF THE SERVICE (Excl. PNG)
(PERMANENT STAFF)



5. EDUCATIONAL QUALIFICATIONS

5.1 One of the most significant long term trends in the staffing of the Service has been the substantial growth in the number of tertiary qualified staff. The following figures for the decade 1970 to 1980 demonstrate this growth.

Percentage of First, Second and Third Division Staff with degrees, by level of highest qualification

Level of highest Qualification (degree)	December 1970				December 1980			
	Division				Division			
	1	2	3	TOTAL	1	2	3	TOTAL
Pass	53.8(a)	43.3	11.8	12.3	60.0	42.3	19.6	20.1
Honours		14.8	3.6	3.8	16.7	18.1	4.7	5.0
Higher	34.6	10.5	1.2	1.3	16.7	12.9	1.8	2.0
Level not known	-	-	-	-	-	0.3	0.1	0.2
Total	88.4	68.6	16.6	17.4	93.4	73.6	26.2	27.3

(a) Includes Honours degrees

5.2 The above figures show that the overall proportion of staff with degrees in the First, Second and Third Division has increased significantly from 17.4% in 1970 to 27.3% in 1980.

5.3 A major reason for the growth in the number of tertiary qualified staff in the Service is the increase in graduate appointments, particularly into the Third Division. In 1980, 43.5% of Third Division appointees were graduates compared with only 16.4% in 1970. In addition, significant numbers of officers graduate each year under various study assistance schemes.

Study Assistance Schemes

5.4 The percentage compositions of officers studying under various assistance schemes from 1976 to 1980 is exhibited in the following table:

	1976	1977	1978	1979	1980	1981
Assisted Part-time Study (a)	84.6	86.4	84.5	83.9	82.1	77.5
Cadetship	1.0	0.8	1.1	0.8	0.3	0.4
Final Year Scholarship	0.3	0.3	0.3	0.2	-	-
Postgraduate Scholarship	0.5	0.6	0.5	0.6	0.4	0.3
Postgraduate Study Award	-	-	-	-	-	0.2
Financial Assistance	0.2	0.2	0.2	0.2	0.2	0.2
Traineeships	13.4	11.6	13.4	14.3	16.9	21.5
Total Number Studying	11160	11240	11403	11817	13526	12530
Number studying as % of Permanent Staff	9.6%	9.7%	9.5%	9.8%	11.1%	10.1%

- (a) Was changed to the Assisted Part-time Study Scheme in 1980 from the Fees Reimbursement Scheme.

5.5 The Assisted Part-time Study Scheme was by far the largest single component averaging 83.2% over the 6 year period 1976 to 1981, followed by Traineeships which averaged 15.2%.

5.6 The Assisted Part-time Study Scheme has shown a slight decline since 1977 while Traineeships have shown a marked increase as a percentage of staff studying.

Fields of Study

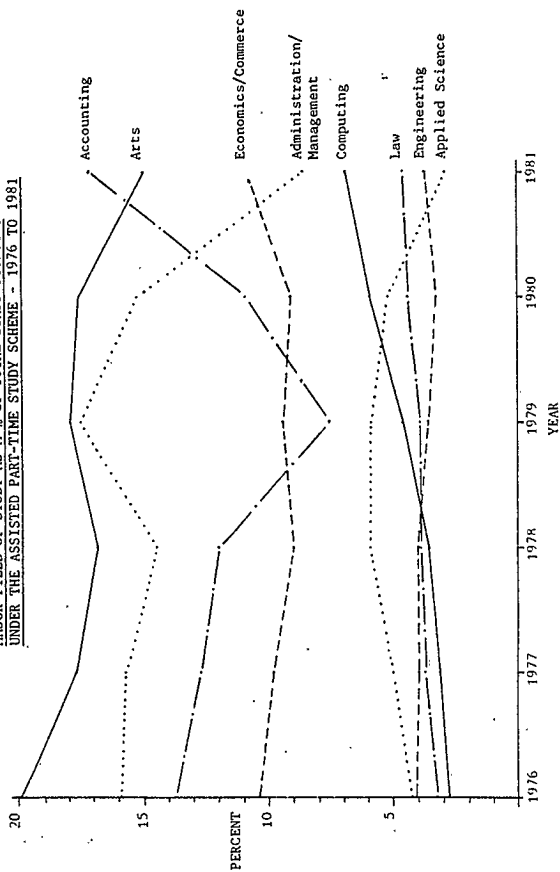
5.7 Figure 5.1 illustrates trends in the 8 most popular fields of study over the period 1976 to 1981 under the Assisted Part-time Study Scheme (previously Fees Reimbursement Scheme). The 8 major fields of study make up over 70% of the total number of staff studying under the Assisted Part-time Study Scheme.

5.8 The major fields of study exhibited steady trends from 1976 to 1978 - with Arts, Administration/Management, Accounting, Engineering and Economics/Commerce declining while Computing, Applied Science and Law increasing. However, there have been a number of sharp fluctuations since 1978:

- Arts - increased in 1979 and 1980 then decreased in 1981;
- Administration/Management - increased substantially in 1979 but has since decreased very sharply;
- Accounting decreased substantially in 1979 but then increased sharply in both 1980 and 1981;
- Economics/Commerce has increased slightly since 1978;
- Applied Science has decreased since 1978.

FIGURE 5.1

MAJOR FIELD OF STUDY AS A % OF TOTAL STAFF STUDYING
UNDER THE ASSISTED PART-TIME STUDY SCHEME - 1976 TO 1981



6. MOBILITY

6.1 Consideration of mobility, for the purpose of this paper, is restricted to the movements of permanent officers to fill vacancies by promotion. Departments are not obliged to notify the Public Service Board when internal transfers of staff occur which do not involve a change in designation, state, division, salary or department. Consequently, as complete data is unavailable mobility with regard to transfers is not considered in this paper.

Promotions

6.2 Figure 6.1 illustrates the rate of promotions of permanent officers to Second, Third and Fourth Division positions over the decade ending 1980. The following trends are evident:

- an overall substantial increase in the rate of promotions to Second Divisions positions to the end of 1973, followed by a substantial decline in promotions to the end of 1976. This was followed by a partial recovery during 1977 and 1978; however there was a further downturn during 1979 and the rate remained at that level in 1980;
- the promotion rate of Third Division officers has fluctuated between 15 and 26% over the period 1970 to 1980. It reached its highest level in 1973 when the service was growing rapidly but then dropped quite sharply in 1976 - mainly due to the staffing restrictions applied at that time;
- the promotion rate of Fourth Division officers has shown a decline over the period 1970 to 1980; there was a brief rise in 1973 and 1974 and a sharp drop in 1976; and
- the promotion rate for each Division declined over the period 1970 to 1980, indicating that the level of staff movements by promotion has somewhat diminished.

Mobility

6.3 Mobility on promotion, as measured by the proportion of staff movements involving a change of department and/or state is of a relatively low order. This is particularly evident for inter-state mobility and is illustrated in table 6.1. For example, overall mobility between states on promotion during 1980 was 6.7%, and between departments, 15.8%.

TABLE 6.1

Inter-State and Inter-Departmental
Mobility (1) on Provisional Promotion
1980

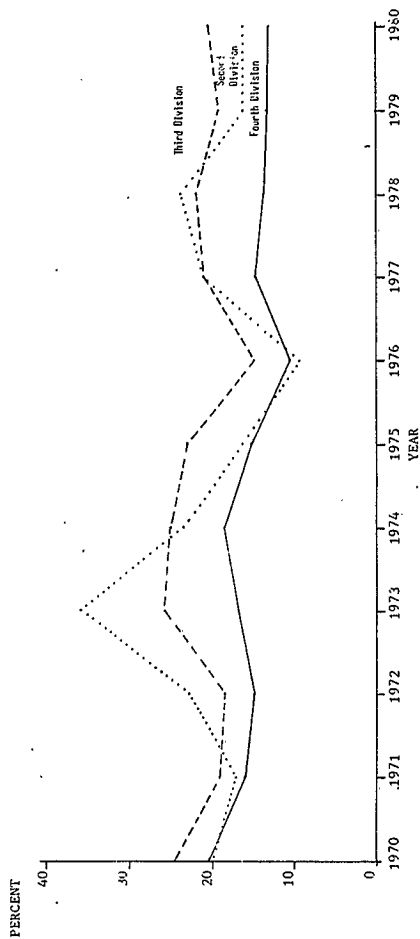
Division	Mobility on Promotion	
	State (%)	Department (%)
Second	10.8	27.2
Third	7.6	16.2
Fourth	5.1	14.9
Total	6.7	15.8

(1) Mobility on promotion has been calculated on the following basis:

In the case of inter-State mobility, the number of promotions during a given year involving a change of State divided by the total number of promotions during that year. Similarly for mobility between departments.

FIGURE 6.1

PROMOTIONS TO AND WITHIN SECOND, THIRD AND
FOURTH DIVISIONS AS A PERCENTAGE OF EACH
DIVISION (AT JUNE): PERMANENT STAFF 1970-1980



APPENDICES

RECENT STAFFING HISTORY

YEAR	ACTUAL VARIATION IN STAFFING*
	% <hr/>
1970/71	+ 3.08 ^a
1971/72	+ 4.20 ^a
1972/73	+ 4.82 ^a
1973/74	+ 5.29 ^a
1974/75	+ 6.31 ^a
1975/76	- 4.17
1976/77	- 1.69
1977/78	+ 1.15
1978/79	+ 0.89
1979/80	+ 0.43
1980/81	+ 0.70

*Note: Variations are calculated after adjusting for net changes to the coverage of Public Service Act employment (ie after taking account of transfers of staff into and out of employment under the PS Act)

(a) exclude PMG

FULL-TIME STAFF IN THE APS:
BY DIVISIONAL GROUPING: 1975 - 1981
(adjusted for changes to PS Act coverage
that occurred prior to 30 June 1981)

Year at June	Divisional Group (Excludes First Division)						Total No
	Second		Third		Fourth		
	No	%	No	%	No	%	
1975	1142	0.7	61889	39.7	93033	59.6	156064
1976	1232	0.8	60457	40.4	87860	58.7	149549
1977	1204	0.8	60023	40.8	85788	58.4	147015
1978	1242	0.8	61653	41.5	85806	57.7	148701
1979	1302	0.9	63503	42.3	85225	56.8	150030
1980	1344	0.9	65068	43.2	84257	55.9	150669
1981	1375	0.9	66277	43.7	84078	55.4	151730

Annual Percentage Growth in Divisional Group

<u>Year</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>	<u>Total</u>
1975/76	+ 7.9	- 2.3	- 5.6	- 4.2
1976/77	- 2.3	- 0.7	- 2.4	- 1.7
1977/78	+ 3.2	+ 2.7	0.0	+ 1.1
1978/79	+ 4.8	+ 3.0	- 0.7	+ 0.9
1979/80	+ 3.2	+ 2.5	- 1.1	+ 0.4
1980/81	+ 2.3	+ 1.9	- 0.2	+ 0.7

APPENDIX C

FULL-TIME STAFF IN THE APS:
 BY EMPLOYMENT CATEGORY: 1975 - 1981
 (adjusted for changes to PS Act coverage
 that occurred prior to 30 June 1981)
 (Excludes First Division)

Year at June	<u>Employment Category</u>						
	<u>Permanent</u>		<u>Temporary</u>		<u>Exempt</u>	<u>Total</u>	
	No	%	No	%	No	%	No
1975	113575	72.8	11063	7.1	31426	20.1	156064
1976	113101	75.6	8343	5.6	28105	18.8	149549
1977	113054	76.9	7578	5.2	26383	17.9	147015
1978	116483	78.3	7095	4.8	25123	16.9	148701
1979	120188	80.1	5958	4.0	23884	15.9	150030
1980	122343	81.2	5439	3.6	22887	15.2	150669
1981	123515	81.4	5416	3.6	22799	15.0	151730

Annual Percentage Growth in Divisional Group

<u>Year</u>	<u>Permanent</u>	<u>Temporary</u>	<u>Exempt</u>	<u>Total</u>
1975/76	- 0.4	-24.6	-10.6	- 4.2
1976/77	0.0	- 9.2	- 6.1	- 1.7
1977/78	+ 3.0	- 6.4	- 4.8	+ 1.1
1978/79	+ 3.2	-16.0	- 4.9	+ 0.9
1979/80	+ 1.8	- 8.7	- 4.2	+ 0.4
1980/81	+ 1.0	- 0.4	- 0.4	+ 0.7

FURTHER READING

1. P. Thorne, Mobility in the APS - A Background Paper, also, Supplement to Paper on Mobility: 'Time Spent in Classification/Level', Planning and Analysis Sub-section, Public Service Board, October 1980.
2. M. Carter, K. Tarlo, J. Trevithick, Career Patterns of Women in the Australian Public Service, Planning, Research and Information Branch, Public Service Board, May 1980.
3. R. Forster, Separations of Staff from the Australian Public Service - 1973 to 1978, Planning, Research and Information Branch, April 1979.

Information on any of the above papers can be obtained from the Director, Planning and Statistical Services Section, Public Service Board.