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**Public service workforce regulatory
frameworks in Australia – a matter of
balance**

IPAA National Conference – Perth - 2007

Three Themes

- Critical traditional frameworks built for good reasons, most still valid
- Some public sector reform has shaken if not destroyed foundations of institutions and created unintended and perverse outcomes not in the public interest
- Structures need to be rebuilt with clear ideas about what they are to do and look like.

Presentation Outline

- Recent reforms in WA and Australian public sectors
- Public service commissions and the like
- Key issues in institutional reforms
- Restoring balance in future frameworks

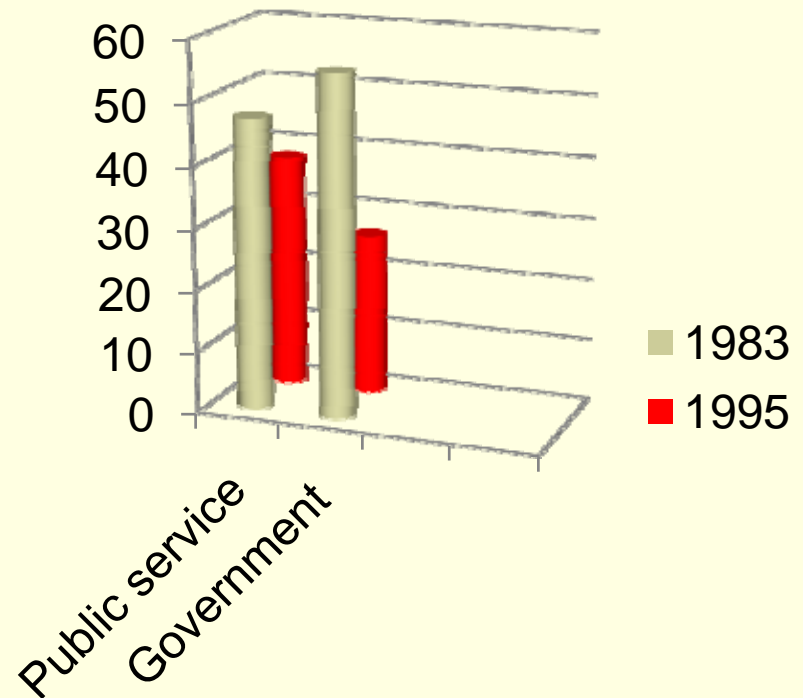
Setting the scene – career support

- **1. Would you recommend a career in the public service to your children?**

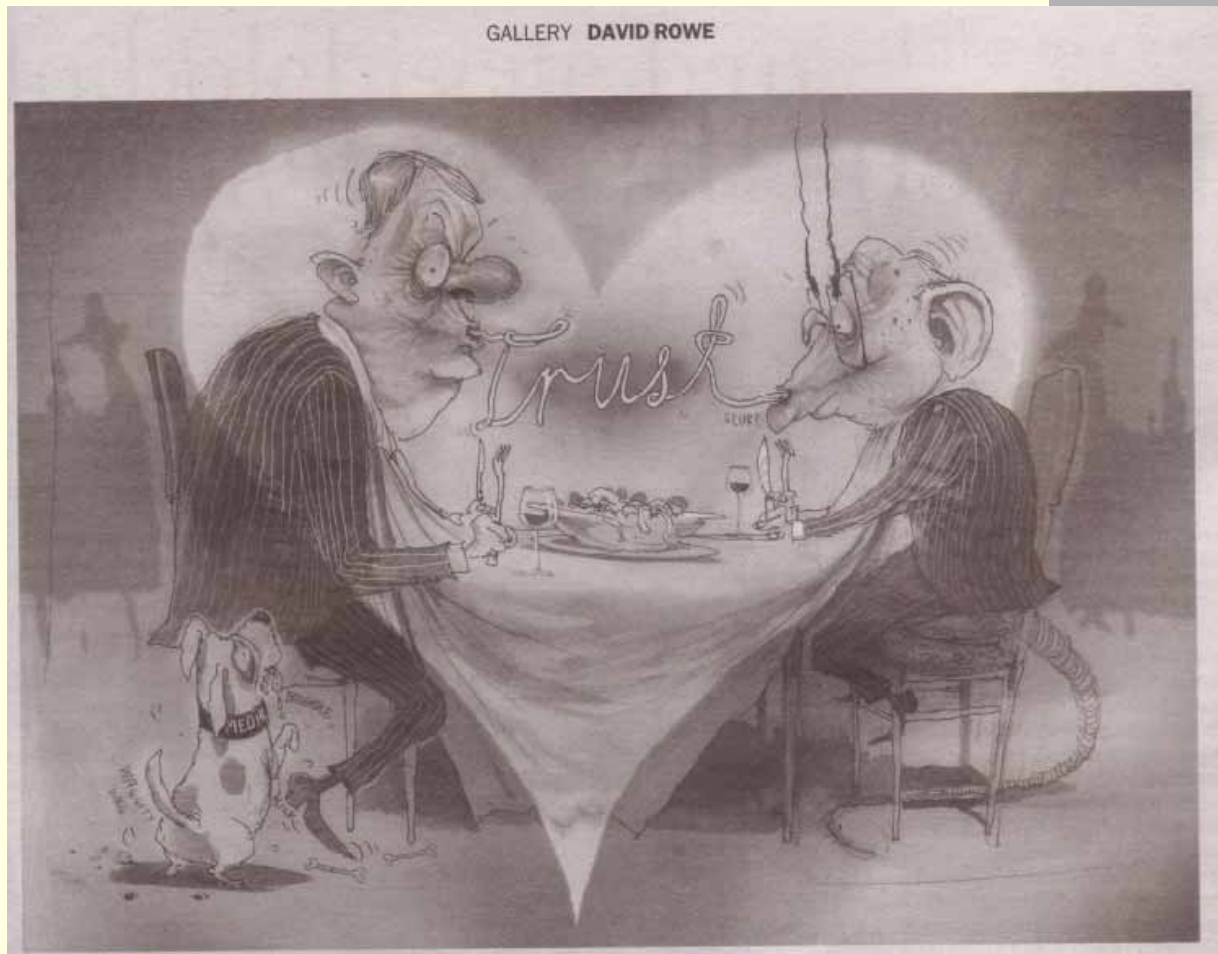
Setting the scene – declining trust

The percentage of respondents having ‘a lot or a great deal’ of confidence in the *public service* in Australia declined from 47.3 in 1983 to 37.9 in 1995.

The corresponding figures for the *federal government* dropped from 55.3 in 1983 to 26.1 in 1995 (Ryan)



Declining trust...



Setting the scene – politicization?

3. Public stoush – Podger versus Shergold – is the APS politicized?



Shaking the Foundations – public perceptions

: Politics 'eroding public service'

JESSICA STRUTT

The State's public sector watchdog has launched an extraordinary attack on the Carpenter Government, accusing it of disregarding the independence of the public service and featherbedding ministerial offices with ALP members at taxpayers' expense.

In her second-last report before

large ministerial staff created for an incumbent government at election time. "It is not appropriate that one political party should have access during an election period to such a large number of partisan staff paid for through the public purse," she said.

She recommended that the number of ministerial staff be reported to Parliament on a regular basis to ensure

Premier's control 'erodes public service independence'

JESSICA STRUTT

The State's public sector watchdog has had one last go at Alan Carpenter in a final report which says allowing the Premier to control the management of the public sector has eroded the separation between the political and administrative arms of Government.

In her last report before she finishes next week after the Government declined to renew her contract, Public Sector Standards Commissioner Alison Murray also raised serious concerns about the state of the public sector, saying it was "out of balance".

"The Premier, as Minister for Public Sector Management, delegates a number of his responsibilities under

the Public Sector Management Act to the Director-General of the Department of the Premier and Cabinet," the report, tabled in Parliament, said.

"This vesting of authority in the Minister (and subsequent delegation) has, I believe, resulted in there being not enough separation between the political and the administrative arms of the executive."

In the final part of her 10-year review of the public service, Ms Murray said she believed the public service scales had been tipped too far in favour of political responsiveness over political impartiality.

The damning report said the failure to improve the gender imbalance in chief executive appointments and senior management positions gener-

ally was highly problematic and in need of urgent address.

The report calls for the establishment of an independent body, based on the State Services Commissioner in New Zealand and the State Services Authority in Victoria, to be responsible for the recruitment, employment and performance management of chief executives.

WA Public Sector Reform

- ‘Tsunami’ of post- ‘WA Inc.’ Royal Commission ‘reforms’ introduced, including the *PSM Act 1994*
- ‘Responsiveness’ to political direction, flexibility & agility

WA Public Sector Reform

- *PSM Act* – statutory general principles of public administration & management
- Premier appoints CEO's

WA Public Sector Reform

- CEO's employers of agency staff
- Commissioner for PS Standards replaces PS Commissioner
- Department of Premier & Cabinet responsible for workforce planning

Australian Government Public Sector Reform

- Similar drivers – responsiveness & flexibility
- *PS Act 1999* – CEO's appointed by PM
- CEO's are employers and manage workforce at agency level
- Public Service Commissioner & Merit Protection Commissioner

Australian Public Service Commissions & Successors

- Australian jurisdictions are compared:
 - Legislation
 - Independence & accountability
 - Workforce powers and functions

Jurisdictions compared

Jurisdiction	Agency name(s)	Legislation	Independence & accountability	Powers & Functions in relation to PS workforce
Australian Government	Public Service Commissioner	Public Service Act 1999 Part 5	Statutory agency; appointed by the Governor for 5 year term; annual reports to Parliament.	Promotion of values and statutory Code of Conduct; employment policies and practices; power to give binding directions. Department heads are employers of public servants.

Key Issues in reform

- Independence
- Whole of government workforce management
- Employment of senior officers
- The two masters dilemma – a matter of balance
- Trust

Key Issues - Institutional Reform

- **Independence** of commissions from political influence in only 3 jurisdictions

Key Issues - Institutional Reform

- **Whole of government workforce planning, resourcing & data -**
 - Good in APSC, poor in WA

Key Issues - Institutional Reform

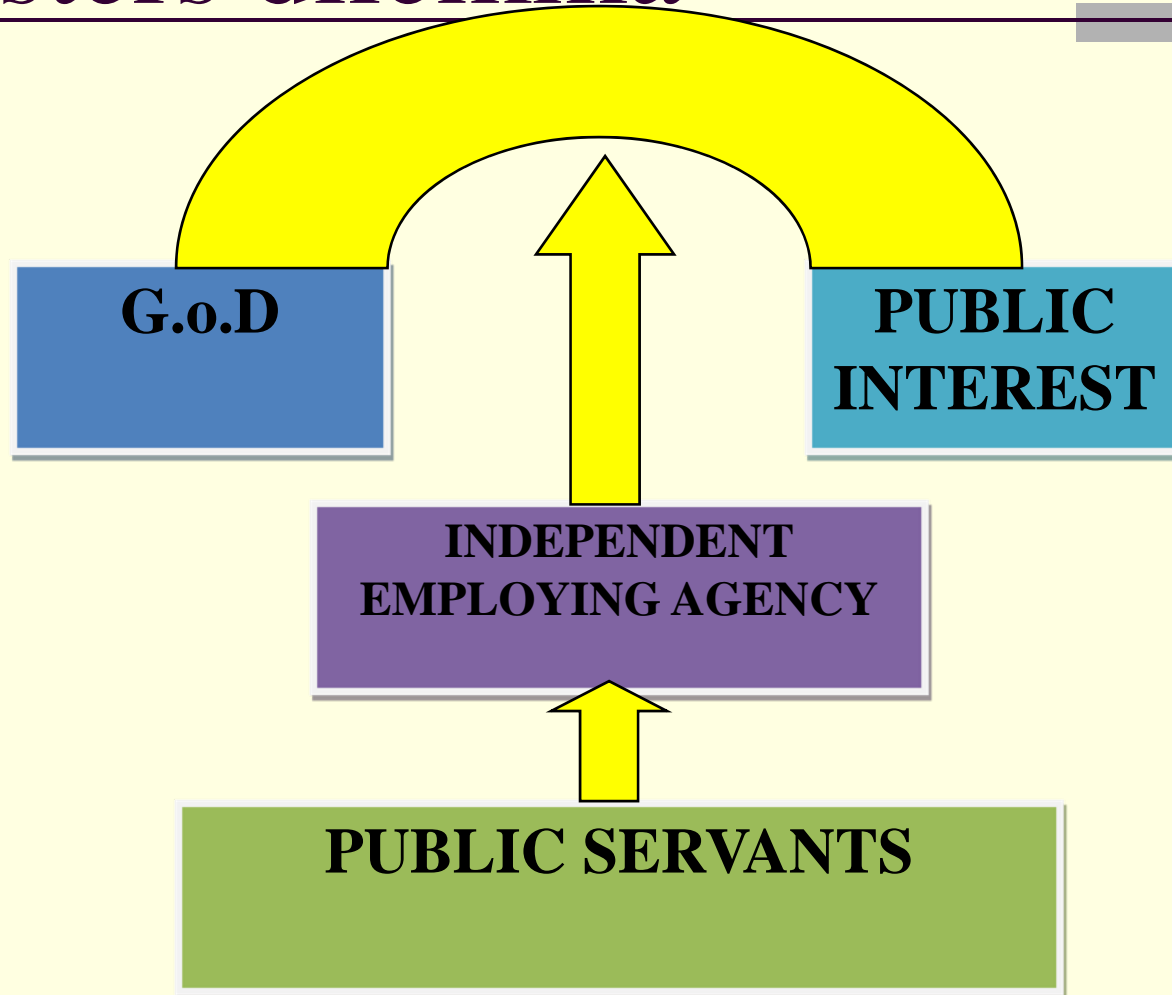
■ Senior executive employment arrangements:

- Permanent heads were created in 19th C for very good reasons
- ‘disposability’ and employment ‘precipice’ does not foster ethical and courageous action by public servants.” (Colley, 2006)

Key Issues in Institutional Reform – SES arrangements

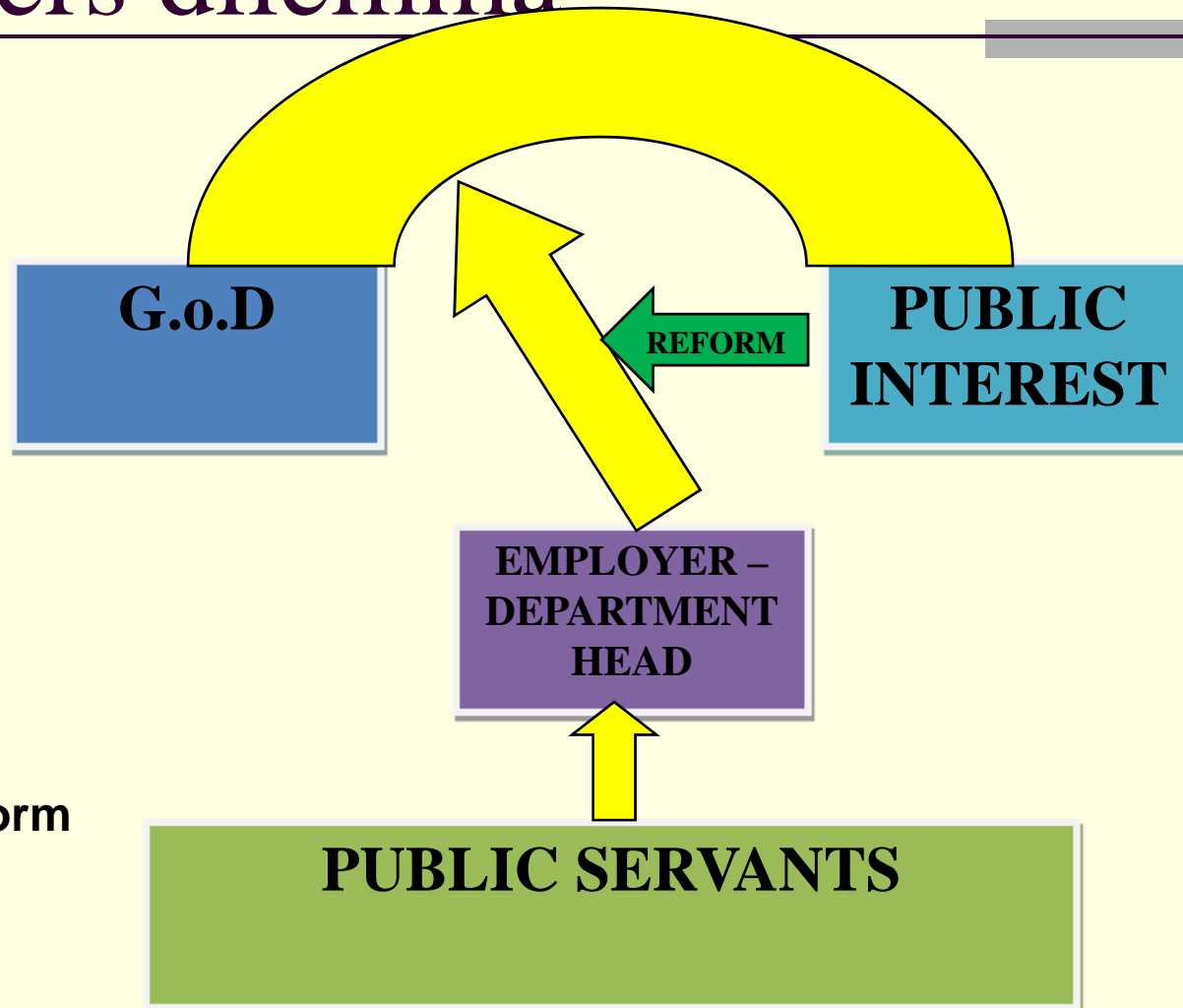
- CEO's the employers
- Frank and fearless advice is scarce
- Merit tied to responsiveness
- 'Permanency' for all but CEOs employed by independent Commissioner

Key Issues in Reform – two masters dilemma



Neutralist or
balanced
typology

Key Issues in Reform – two masters dilemma



Responsive, reformed, unbalanced typology

Key Issues in Reform

Decline in Trust and public confidence in public service

- Market-like approaches
- Clash of values – competition vs cooperation?
- Constant reorganisations

Key Issues in Reform

Decline in Trust and public confidence in public service

- Public Service is fundamentally different from private sector
- Marketing & recruitment problem for public services

Future features

- Public service is different – needs unique employment arrangements – security of tenure, independence
- Governments must show commitment to public service – mutual obligation

Future features

- Whole of government challenges require whole of government employment/deployment capacity

Conclusions

- Reform created collateral damage
- Strategic workforce planning framework and capacity required

Conclusions

- Systematic whole of sector collection of key data to understand what's going on
- Independent, boundary-riding capacity is critical

Conclusions

- Commission as central employer – a return to balance
- enhanced security of tenure
- retain appeals/review on merit and reinstate at even at higher levels

The End

