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Senior Executive Service Case Study – Victoria

RESEARCH

Australia & New Zealand School Of Government

SENIOR EXECUTIVE SERVICE CASE STUDY – VICTORIA

By Professor Brian Head (UQ) and A/Prof Linda Colley (CQU)

PREFACE

This ANZSOG Research Insights paper is one of a series of eight case studies which summarise how senior executive arrangements in the public service have evolved since the 1980s in Australia. The series includes the Commonwealth, all six states and the Northern Territory. The papers cover the legislative and policy changes that have influenced the work of each public service over recent decades, and provide a snapshot of recent arrangements for senior public servants in each jurisdiction through to around 2021.

The papers are being published as a resource that may assist students and researchers who want to understand more about the comparative arrangements across jurisdictions.

The papers were compiled by a research team led by Brian Head, Professor of Public Policy at the University of Queensland, and Linda Colley, Professor of Work and Employment at CQUniversity. Valuable research assistance was provided by Shelley Woods, Chris Salisbury and Prue Brown. The research team is grateful to a network of contact officers in each jurisdiction who assisted in checking the accuracy of the materials. They are not responsible for any errors or oversights that remain.

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Glossary

AO – Administrative Office [not the same as Departments]: Public service bodies established by the Governor in Council under s. 11 of the PAA. Each AO is led by an AO head, who is appointed by the Premier.

EO – Executive Officer (previous title for Senior Executive Service)

OPSER – Office of Public Sector Executive Remuneration (replaced by VIRT in 2019)

PAA – Public Administration Act 2004

PSM – Public Sector Management Act 1992

VIRT – Victorian Independent Remuneration Tribunal (established in 2019)

VPS – Public service departments and agencies, excludes public entities including sworn police and emergency services, schools and TAFE, public health services, and other statutory authorities responsible for service delivery functions such as transport, water and land management, and finance and insurance. The management of executive contracts, remuneration and employment matters differs between the public service and public entities.

VPSC - Victorian Public Service Commission

1 Victorian Governments

1.1 Recent history

Victoria has been governed for lengthy stretches by either the Labor or Coalition parties, with Labor holding office roughly six years longer than their opponents since 1982. The Liberals have generally governed as senior partner in coalition with the Nationals. Governments in that time have mostly enjoyed parliamentary majority status, with the exception of the first Bracks Labor administration, which governed with the support of Independent MPs for its first term.

In 1982, after 27 years of conservative rule, the Labor Party under the leadership of John Cain came to office, embarking on a "managerialist agenda, pursuing corporatisation rather than privatisation" (Colley & Head, 2013, p.869). After a series of controversies about the financial performance of state-owned businesses, however, the government pragmatically moved towards privatisation as a policy response. Under the Premiership of Joan Kirner (who inherited a fiscal crisis in 1990), a number of state assets were sold, including the State Bank and State Insurance Office, surplus land and forestry plantations (Colley & Head, 2013; Gordon, 2015).

The Kirner Labor government suffered a landslide electoral defeat in 1992 amidst spiralling state debt, public service cuts and rising unemployment levels (Gordon, 2015; Harkness, 2013; Strangio 2012). The Liberal–National Coalition government of Jeff Kennett came to power in 1992 with a clear mandate to restore Victoria's prosperity, immediately establishing a Commission of Audit to review the state's finances and using its findings to justify a "radical" policy of restructuring and privatising government services in the "ideological pursuit of smaller government" (Colley & Head, 2013, pp 869–870). Over a seven-year period, more than 50 government enterprises were privatised – including the electricity generation sector, gas utilities and public transport systems – contributing significantly to economic recovery (Colley & Head, 2013).

Against a background of rising unemployment, within weeks of taking office Kennett introduced a mini-budget that cut thousands of public sector jobs and slashed government services (Lucas, 2012). After a previous reduction of some 30,000 public sector employees under the Kirner government, public sector employment was reduced by a further 70,000 jobs in the Kennett years (1992–1999).

The Bracks and Brumby Labor governments held office from 1999 to 2010. After the "severe cuts" to the public sector by the Kennett Government, Liberal leader Ted Baillieu denied there would be more if he were elected in 2010 – "No way… we have made that very clear" (Lucas, 2012). Nonetheless, the following year, the Baillieu Government announced it would cut 3600 public service jobs, increasing the number to 4200 in the State Budget (Lucas, 2012).

Despite introducing 'modernising' public sector reforms ahead of most Australian jurisdictions, Victoria was later than others to replace its Public Service Board with a dedicated Public Service Commissioner overseeing management of the public sector; this occurred in late 1992, when the new Kennett Liberal government legislated the *Public Sector Management Act 1992*. Subsequent changes to the Commissioner's status (and title) continued during Kennett's tenure and then under Labor Premier Steve Bracks, when the *Public Administration Act 2004* introduced the State Service Authority (headed by a Chair and including a separate Public Sector Standards Commissioner and other Commissioners). An amendment to that Act in mid-2014 under Liberal Premier Denis Napthine established the Victorian Public Sector Commission, replacing the multi-member Authority with a Public Sector Commissioner.

The Napthine government instigated a hiring freeze, retrenched more than 4000 public sector workers, and did not renew fixed-term contracts (Sansom, 2014). During the 2014 election

campaign, the Labor Opposition pledged to curtail the outsourcing of publicly funded employment and "adversarial public sector bargaining disputes", create the role of Public Sector Minister, and establish a Public Sector Committee within six months (quoted by Sansom, 2014).

The current Labor government, led by Premier Daniel Andrews, was elected in December 2014.

Took office	Left Office	Premier	Party	Public service institution	Public Service Commissioner	Balance of power?
24 Nov 2018		Daniel Andrews	Labor	Victorian Public Sector Commission (VPSC)	Adam Fennessy – appointed Commissioner in June 2020 Julia Griffith (Acting) ¹ Dr Paul Grimes to Jan 2020	Majority
29 Nov 2014		Daniel Andrews	Labor	VPSC	Paul Grimes (from Jan 2018) Elizabeth Langdon (Acting – 2017) Belinda Clark	Majority
6 Mar 2013	4 Dec 2014	Denis Napthine	Liberal	VPSC (established 1 Apr 2014) State Services Authority	Commissioner - Belinda Clark (from 2014) Chair - Bruce Hartnett Public Sector Standards Commissioner Lynne Williams Greg Williams	Majority
2 Dec 2010	6 Mar 2013	Ted Baillieu	Liberal	State Services Authority	Chair -Bruce Hartnett Public Sector Standards Commissioner Greg Williams Peter Allen	Majority
30 Jul 2007	2 Dec 2010	John Brumby	Labor	State Services Authority	Chair - Bruce Hartnett Public Sector Standards Commissioner Peter Allen; Greg Vines	Majority
20 Oct 1999	30 Jul 2007	Steve Bracks	Labor	State Services Authority (from 1 April 2005)	Chair: Bruce Hartnett (2006)	Minority Nov 99 to May 2000

Table 1: Victorian governments, public service institutions and commissioners

				Commissioner for Public Employment	Peter Harmsworth (April 2005-2006) Public Sector Standards Commissioner Greg Vines (from April 2005) Commissioner for Public Employment Peter Salway (to March 2005)	Hung (44 seats out of 88) from May 2000 to Nov 2002 (with support of Independents ; majority from Nov 1999 to Nov 2002) Majority from Nov 2002
6 Oct 1992	20 Oct 1999	Jeff Kennett	Liberal	Commissioner for Public Employment (from 1998) Public Service Commissioner Public Service Board (abolished Nov 1992)	Commissioner for Public Employment Peter Salway (from Jul 1998) Public Service Commissioner Peter Salway (from 1994) Michael Schilling, (from Apr 1993) Frank Honan (acting PS Commissioner)	Majority
10 Aug 1990	6 Oct 1992	Joan Kirner	Labor	Public Service Board	Public Service Board Chair Frank Honan Maurice Keppel	Majority
8 Apr 1982	10 Aug 1990	John Cain	Labor	Public Service Board	Public Service Board Chair Maurice Keppel Ronald Cullen (Chairman)	Majority
5 Jun 1981	8 Apr 1982	Lindsay Thompson	Liberal	Public Service Board	Public Service Board Chair Ronald Cullen (Chairman)	Majority
23 Aug 1972	5 Jun 1981	Rupert Hamer	Liberal	Public Service Board	Public Service Board Chair Ronald Cullen Maurice Brown Arthur Gardner, Chair PSB	Majority

2 Victorian reform context

2.1 Historical background

Victoria's public sector, including departments and statutory authorities, was established in 1855 through its Constitution (VPSC, 2015c). Concerns about appointments based on patronage led to a Board of Inquiry (1856), a Royal Commission (1859), the *Civil Service Act 1862* and a second Royal Commission in 1870 (VPSC, 2015c). The establishment of the Public Service Board in 1883 sought to overcome patronage issues by overseeing recruitment and promotion. Two more Royal Commissions were held in the 1920s to address government inefficiencies (VSPC, 2015c).

In 1973, the Bland Inquiry was commissioned to review the role, organisation and management of the public service, finding it had become increasingly fragmented (VPSC, 2015c). This led to fresh regulatory oversight via the *Public Service Act* 1974, and increased scrutiny with the introduction of an Ombudsman.

2.2 1980s to 1990s

In the 1980s, the Public Service Board implemented a program of human resource management reform, with functions delegated to department heads.

In 1982–83, Victoria became the first Australian jurisdiction to introduce a senior executive service. Researchers have argued that public administration developments in New Zealand informed the Victorian initiative, including the subsequent authorising legislation (Goldfinch & Roberts, 2013).

In the mid-1980s, the Public Service Board "found itself relinquishing functions to the Treasury and Premier's department as part of changes wrought by the state Labor government" (O'Brien 1999: 6).

As in other jurisdictions, the influence of New Public Management from the mid-to-late 1980s – including privatisation, corporatisation and public-private partnerships – affected the trajectory of public sector reform in Victoria (Gahan, 2017). The Kennett Government embarked on significant structural change to the public service in the early 1990s. The number of departments were reduced from 22 to eight, outsourcing of corporate services was encouraged, and a purchaser-provider model was applied to separate core government functions from service delivery (Public Accounts and Estimates Committee, 2002, pp 62–63). Under the *Public Sector Management Act 1992* public service staff were employed by individual Departmental Secretaries, rather than by the Public Service Board.

2.3 2000s

Late 2014 saw a further iteration of 'super departments' (including the reunification of Health and Human Services), with some concerns expressed about the potential difficulty "for secretaries to exercise effective control of their charges" (Donaldson, 2014). A new Special Minister of State was appointed to oversee public sector administration and reform (as well as government transparency, accountability and integrity).

The effectiveness of the VPSC was examined by the Victorian Auditor-General in 2017, who found that while the Commission was fulfilling its statutory functions, its planning activities did not comply with the *Public Administration Act 2004* (VAGO, 2017). In terms of governance, the audit report found that the VPSC Advisory Board was not operating as required under legislation. All recommendations of the report directed at the VPSC were accepted and implemented.

Also in 2019, agencies were given until 1 October to comply with new rules around the use of consultants and labour-hire firms, with the appointment of consultants to require the approval of Secretaries and labour hire to be approved by Deputy Secretaries (Easton, 2019: Jul 15; VIC Govt, 2019).

In April 2021, the Ballarat GovHub became the first of three regional public service hubs to be completed (the others will be located in Bendigo and the Latrobe Valley) in an effort to allow public servants to work closer to home, and to boost regional public sector employment and economies. The Hub will employ up to 1000 staff, including around 600 existing VPS staff from eight agencies who are moving from Melbourne (Jenkins, 2021; Regional Development Victoria).

3 Legislation

3.1 Historical background

The *Civil Service Act 1862*, which came about following a Board of Inquiry in 1856 and an 1859 Royal Commission, sought to "develop a unified, politically neutral public service" and to limit appointments based on patronage (VPSC, 2015a). Ongoing concerns about patronage led to another Royal Commission in 1870 that recommended strengthening merit-based appointments and the establishment of a Public Service Board to administer recruitment and promotion. The *Public Service Act 1883* incorporated these recommendations and established a Public Service Board to oversee recruitment and promotion and to advise government on classification structures.

The role of Public Service Commissioner was operational from 1901 until 1940 – a role replaced by the return of a Public Service Board under the *Public Service Act* 1940. The PSB operated from 19 May 1940 until the Board was abolished in 1992 (Public Records Office, n.d.).

In 1972, the Bland Inquiry reviewed the role, organisation and management of the public service (VPSC, 2015a). Its recommendations led to the *Public Service Act 1974*, which created an Ombudsman to increase scrutiny of government.

3.2 1980s to 1990s

The *Public Sector Management Act 1992* abolished the Public Service Board and established the position of Public Service Commissioner, with functions (s. 45) including:

- the development of guidelines related to the functions and powers of Department Heads, procedures relating to public sector employment, and principles of merit and equity (s. 45)
- the appointment of a Tribunal to hear reviews and appeals
- to establish selection committees for the appointment of Department Heads
- to promote training the development of the senior executive service.

It also defined the composition of the Chief Executive Service and Senior Executive Service, introduced fixed-term contracts for executive officers, and defined a limited role for the Minister in managing parts of the broader public sector outside the public service (which was not explicit in earlier legislation). Department heads were granted authority to fill vacant senior executive positions, whether or not the appointee was already a public service employee (s. 18).

O'Brien (1999, p. 13) asserts that the PSM Act was "designed to subject all state employees to the same regulatory provisions as private sector employees covered by the state industrial relations system" and "to introduce a regime based on individual contracts between public servants and agency heads or Ministers, appropriate to the employee's level in the hierarchy".

The influence of New Public Management on the Kennett Government was blatantly clear. In tandem with the PSM Act, the *Employee Relations Act 1992* abolished all Victorian awards, with the government rejecting a proposal from the State Public Services Federation of Victoria to negotiate a collective agreement for public servants (Barrett & Backwell, 1998).

The PSM Act was replaced by the *Public Sector Management and Employment Act 1998,* which encompassed the whole 'public sector' rather than just the 'public service'; legislated the roles, responsibilities and performance of agency heads, and executive employment conditions; and outlined the functions of the Public Employment Minister. The Commissioner for Public Employment replaced the Office of the Public Service Commissioner. Department heads were granted the rights, powers and authority of individual employers on behalf of the Crown.

3.3 2000s

The *Public Administration Act 2004* created the State Services Authority (headed by a Chair) and incorporating the separate role of Public Sector Standards Commissioner. It confirmed the sector's role as serving the public interest (VPSC, 2015b). A decade later, the *Public Administration Amendment (Public Sector Improvement Act) 2014* replaced the State Services Authority with the Victorian Public Sector Commission. In 2019, an independent remuneration tribunal was established – via the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* – to set remuneration for public service and entity executives and MPs.

4 The VPS under global crises

This section outlines public service measures in response to the Global Financial Crisis (GFC) and the COVID-19 pandemic.

<u>GFC</u>

While governments in every jurisdiction pursued some form of quantity adjustment to the size of their public service, partisan preferences were evident when governments changed (Colley, 2012). Victoria's Labor government chose a 3% cap on public sector growth rather than job cuts, but the Liberal government elected in 2010 announced plans for 3500 redundancies (10% of the workforce) (Colley, 2012).

COVID-19

The Victorian Government took a more limited approach to price adjustment than some other jurisdictions (Commonwealth, NSW and Qld), choosing to honour VPS entitlements to wages and conditions during the pandemic. Pay increases contained in a 2019 agreement were honoured, and a new agreement was negotiated for 13 to 13.5% over four years, including extra mobility payments of 1.25% (CPSU Vic, 2020).

In June 2020, the government announced a pay freeze for senior executives. This occurred in close proximity to the determination of new remuneration bands by the Victorian Independent Remuneration Tribunal (VIRT) which took effect on 1 July (Estcourt, 2020; Towell, 2020; VIRT, 2020). Due to the effect of the freeze this determination only impacted those executives who were being remunerated below the new minimum remuneration for their classification. SES officers were required to show leadership in addressing new pressures in managing change and negotiating with employees who were often working remotely. Shared responsibility between the public and private sectors also came into focus with hotel quarantine difficulties during the pandemic, leading to the resignation of some senior public servants and ministers (Simons, 2020). The following table illustrates public service austerity measures in response to the GFC and COVID-19 pandemic.

Crisis	Party	Pay approach	Recruitment	Downsizing (approx n)	SES
GFC	Labor	Maintained	Growth capped at 3%, but set aside in natural disasters in favour of stimulus spending	No redundancies or job losses	
	Liberal (2010)	Cap 2.5% introduced in 2011		3500 redundancies announced in Dec 2011 MYR (10% of VPS)	
COVID	Labor	Honoured scheduled increases New Agreement for 13-13.5% over 4 years, including a new mobility payment.		Industrial Relations Framework (September) commits to facilitate ongoing employment.	Freeze on SES salary increases announced June 2020 (but large increases approved by VIRT from 1 July).

Table 2. Public service austerity measures in response to GFC and COVID-19 pandemic

In September 2020, the government released a framework for managing industrial relations through the pandemic, committing to a collaborative approach with unions and facilitation of ongoing employment, including the extension of certain fixed-term contracts (Vic Govt, 2020). A Remote Transition Working Group facilitated about 80% of VPS staff to work from home by June 2020 (Eccles, 2020). Then in March 2021, a revised Flexible Work Policy was announced to embed flexible working arrangements across the public service (VPSC, 2021).

Ahead of the State Budget 2021–22, the Victorian government announced it would reduce the previously guaranteed 3% annual wage rises for public servants from the following year as part of cost-cutting measures to reduce record levels of debt induced by the pandemic (Fowler, 2021). The largest single cost to government – public service wages and superannuation – were predicted to increase by 10% the following year, with the Treasurer limiting future wage growth to a minimum 1.5% (Patrick, 2021). But this will not take effect until 2024 for Community and Public Sector Union agreements (CPSU Vic, 2021).

The government's intention to reduce its reliance on contractors and consultants was circulated to agencies by the Secretary of DPC (Fowler, 2021). The 2021–22 State Budget included \$1.8B in savings over the forward estimates by implementing that policy (CPSU Vic, 2021).

The 2020–21 State Budget committed almost \$9 million over two years to invest in career mobility and skills development for the VPS through the Jobs and Skills Exchange, with more than 30,000 public servants registering for the program, which aims to increase mobility, promote flexible working arrangements, improve surge capacity and reduce the need for labour hire (VPSC, 2020c).

5 SES Policy

5.1 Description

Victorian public service executives – employed under Division 5 of Part 3 of the *Public Administration Act 2004* – are senior leaders responsible for delivering the government's objectives for their organisation (VIRT, 2019). An executive must be employed on a fixed-term contract of up to five years, but there is no limit to how many times a contract can be renewed (VPSC, 2019c). While department heads are the employers of the SES, the appointments of department heads – referred to as 'Secretary' – are approved by the Premier (VPSC, 2019c).

SES conditions and policies are governed by the *Public Administration Act 2004*, legislated by the Bracks Labor government, as well as by the *Public Administration Amendment (Public Sector Improvement Act) 2014* and other recent amending legislation. The Department of Premier and Cabinet, via a Secretariat, supports whole-of-government executive remuneration through the Victorian Independent Remuneration Tribunal (VIRT), established in 2019. The VPSC has primary responsibility for executive employment policies, standard contracts, frameworks and advice.

The previous Executive Office band framework (EO 1 to 3) introduced in 1995 was replaced by a new Executive Classification Framework (and Performance Framework), implemented in May 2020, and illustrated in the table below (VPSC 2019b, p. 2).

Previous classification	New classification	Position title
Executive Officer Band 1	SES Band 3	Deputy Secretary
Executive Officer Band 2	SES Band 2	Executive Director
Executive Officer Band 3	SES Band 1	Director

5.2 Discussion

The 1980s saw the Public Service Board embark on a program of human resources reform across the Victorian public service (VPSC, 2015b). A job classification system was introduced, with the Board subsequently delegating responsibility for a range of functions to department heads.

In 1982, Victoria became the first Australian jurisdiction to introduce an SES – two years ahead of the Commonwealth. This followed mid-1970s public sector reviews and inquiries under the Hamer Liberal government; the chain of reform proposals led to the *Public Service (Amendment) Act 1984* (see Renfrow et al., 1998: 371-72, 380).

A decade later, the Kennett government's *Public Sector Management Act 1992* replaced the 'Senior Executive Service' terminology with 'Executive Officers', who were subordinate to agency 'Chief Executives'. In October 1992, the Kennett government announced the abolition of the Public Service Board and the end of permanent appointments for senior public servants. Instead, they would be offered five-year contracts with private sector-style performance bonuses (equivalent to a year's salary over five years) and four weeks' notice of termination (AAP, 1992). The number of government departments had already been reduced from 22 to 13, with many senior roles axed in "the biggest public service reshuffle in a decade" (AAP, 1992). In 1993, all VPS executive officers were required to sign individual contracts (O'Brien, 1999).

In 2002, the Parliamentary Public Accounts and Estimates Committee reviewed the VPS, identifying inequities in terms of classification levels and gender balance. The Committee found that while the representation of women in executive ranks had increased from 19.3% in 1992 to 29.3% in 2002, it recommended that the government investigate barriers to the progression of women into executive positions (Rec. 2.4).

Other recommendations related to VPS executives included:

- develop strategies to address succession planning and executive mobility (Rec. 5.2)
- ensure greater transparency and equity in the allocation of performance pay and executive bonuses; and evaluate whether performance pay actually encourages or rewards superior performance (Rec. 5.4).

A right of return was reestablished in s.27 of the *Public Administration Act 2004* for executives whose contracts had been terminated if they were a permanent VPS employee prior to their executive appointment – except if their termination was due to misconduct under s.22 of the PAA (VPSC, 2019a).

In 2015, the Premier directed the VPSC to review the Executive Officer employment and remuneration framework – the first review of Executive Officers in over two decades. Reporting in 2016, the review found that the EO classification and remuneration framework was "out of step" with other jurisdictions and did not provide either rigour or transparency, resulting in "inconsistencies and discrepancies" in EO renumeration across government (VPSC, 2019b: 9). The review also identified:

- the need to strengthen performance management practices to create clear accountabilities (p. 9)
- a "lack of clear description of, or distinction between, the EO classification bands" with "wide and overlapping remuneration bands" (p. 10)
- that Victoria's EO employment offer was not competitive with other jurisdictions (p. 10)
- that "governance and oversight arrangements are fragmented" (p. 10)
- the cap on VPS EO numbers had not controlled the number of highly paid staff in government (p.11)
- "ad-hoc and inconsistent approaches to performance management across the VPS" (p. 11).

As recommended by the VPSC (2016), performance-related incentive payments (bonuses) for VPS Secretaries and Executives were removed in 2016 in exchange for a one-off pay increase of 4% (Donaldson, 2019; Jenkins, 2020). Previously, Victoria had been unique among jurisdictions in offering executive bonuses across the board. This significant review found that Victorian executive officers were paid less than their NSW counterparts and had less favourable termination provisions. The VPSC (2016) argued that "a series of ad hoc decisions" in policy and legislation had created "perverse incentives and undermined the goals of the executive remuneration system" (Donaldson, 2016). It was recommended that base executive salaries be increased by at least \$20,000 (Rec. 3.1) and that notice of termination be increased from four to nine months (Rec. 3.3).

The Victorian Independent Remuneration Tribunal (VIRT), established in September 2019, will henceforth determine the remuneration bands for public service and entity executives. In May 2020, Executive Officers were renamed as Senior Executives, in line with other jurisdictions.

Victoria became the first Australian jurisdiction to legislate gender equality in public sector employment through the *Gender Equality Act 2020* (enacted on 25 February 2020). The

legislation includes the establishment of a Commission for Gender Equality in the Public Sector and the appointment of a Public Sector Gender Equality Commissioner, with the inaugural role filled in September 2020. Agencies were required to complete workplace gender audits by 30 June 2021 and develop Gender Equality Action Plans by 31 October 2021. The Commission for Gender Equality in the Public Sector supports the Commissioner to oversee implementation of the Act (CGE, 2021).

A senior executive reform program is currently being implemented, including:

the consistent classification of senior executive roles across departments and agencies; robust performance management arrangements; and a more comprehensive approach to senior executive leadership development through the Victorian Leadership Academy (VPSC, 2020a, p. 92).

In response to other reviews initiated in 2015 and completed in 2018, further executive reforms are focused on:

- improving terms of employment to make Victoria's executive arrangements more attractive
- creating a new executive classification framework based on work value
- more systematic oversight and governance of the senior executive workforce (VPSC, 2020a: 92–93).

A revised version of the Victorian Public Service Executive Employment Handbook was published in February 2019 (VPSC, 2019c). In 2019–20, the VPSC "broadened pre-employment screening and established an executive induction program to improve integrity" (VPSC 2020a: 3). This followed a finding by the Independent Broad-Based Anti-Corruption Commission (IBAC) that inadequate pre-employment screening was a significant risk to the integrity of the VPS (VPSC, 2019c).

5.3 Summary of Victorian SES practices

Table 3. Comparing SES practices in Victoria 1999 and 2021

Employment Practices	· · ·		Current position (2021)						
Recruitment									
Advertised internally	Yes	2016 VPSC review of executive employment conditions recommended no changes to existing processes for executive recruitment. Review also recommended introducing a whole of government staff services panel to provide EO search and recruitment functions – implemented shortly after.	Yes						
Advertised externally	Agencies – generally Within VPS – yes		Yes						

Search Agency	As required		As required/optional – can utilise the Staffing Services Panel to conduct external executive search.
Selection body	Agency/Department Head		Agency/Department Head
Role of Portfolio Minister	Not involved		Not involved
Role of Premier	Employed Secretaries and Administrative Office heads on behalf of the Crown. Not involved in employment of subordinate executives		Employs secretaries and Public Service Body Heads. Not involved in employment of subordinate executives
Role of Cabinet	Not involved		Not involved
Role of Dept. Head	Appointed and employed subordinate executives on behalf of the Crown		Appoints and employs executives
Employment C	onditions		
Contract	Yes	Sections 25 and 26 of the <i>Public Administration Act</i> 2004	Yes
Contract timeframe	Up to 5 years	2016 VPSC review of executive employment conditions recommended removal of fixed-term contracts.	Up to 5 years
Contract Extension	Yes		Yes – a decision on contract renewal must be made no later than four months of expiry,
Redundancy/ Termination provisions	No compensation for outstanding period. Provisions in line with targeted separation packages. No right of return since 1996.	Public Administration Act 2004 re-introduced right of return and redundancy provisions for terminated executives. Victorian Public Sector Executive Employment Handbook 2019	Contract may be terminated with four months' written notice – or without notice for reasons of serious misconduct. The executive must be advised of the reasons for termination and the expected employment end date. Executives must be paid out any accrued entitlements. Pay in lieu of notice is based on 100% of the TRP.

Process re extension	Able to extend without advertising	Able to extend with advertising; agency not increase term of beyond 5 years. The to the number of con renewals.		
Performance N	lanagement			
Program in place	Yes		Yes – A new Executive Performance Management Framework was delivered to the Premier in October 2019 and published in February 2020.	
Frequency of assessment	Annual		Framework – at least annually Individual assessment - at least annually	
Types of measures	Goal based annual performance agreement	2016 VPSC review of executive employment conditions recommended to 'review and strengthen' performance management processes/agreements.	'Measurable performance goals' that incorporate "clear, connected and collaborative expectations" of performance standards.	
Purpose	Performance improvement, development, bonus opportunity		Performance improvement, staff development, whole of government objectives	
Who makes assessment	Department Head		Head of agency	
Executive Clas	sification			
Program in Place	No		Yes – A new Executive Classification Framework was implemented in May 2020.	
Frequency of Assessment			Position assessments – baseline assessment of all VPS executive positions taking place between January 2019 and December 2020. Thereafter as required by Head of agency/department	
Types of Measures		2016 VPSC review of executive employment conditions recommended to establish consistent tool to classify executive positions; change to SES classification band terminology and develop	Progress reports to Victorian Secretaries Board against the Implementation plan Agency report back to the VPSC approx. 6 months after receiving a classification assessment findings report from the VPSC.	

		standard position title	
		nomenclature	
Purpose			Provide clarity on the expectations of executives at different levels.
			Set a consistent and transparent assessment methodology for classifying public service executive positions into one of three bands, using tailored work value assessments.
			Renaming and re-ordering of bands to Senior Executive Service (SES1-SES3)
			Standard position titles model
Who makes assessment	Department Head		Head of department/agency
Remuneration			
Who determines remuneration?	Public Service Commissioner or departmental secretary (depending on level of senior executive).	2016 VPSC review of executive employment conditions recommended introducing independent remuneration tribunal – legislated in March 2019.	Determined annually by VIRT
		Victorian Independent Remuneration Tribunal established in 2019 to set executive remuneration levels and bands.	
		From 20 September 2019, the Victorian Independent Remuneration Tribunal (VIRT) is required to make a Determination setting the values of remuneration bands for executives employed in public service bodies under s21 and s24 of the Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act (Vic) 2019 (VIRTIPS Act).	

Performance P	Pay		
Availability	Performance bonuses were introduced in 1992 when the Kennett Government ended permanency for senior executives.	2016 VPSC review of executive employment conditions recommended removal of performance- based bonus payments.	No – Performance-related incentive payments (bonuses) were removed from the VPS Executive Officer employment and remuneration policies at the direction of the Premier in 2016.
Basis	Goals, targets provided in annual performance agreement		N/A
Who makes assessment	Secretary		N/A
Right of Return	n		
Availability	Only available to those who had included a right under their contract. Option to include a right of return in their contract removed in around 1996 and any existing right lost when agreed new contract.	Any right of return provisions retained in legacy contracts removed by <i>Public Sector</i> <i>Management and</i> <i>Employment Act 1998</i> <i>Public Administration Act</i> <i>2004</i> reinstated right of return for terminated EOs as a statutory condition (rather than provision purchased in EO contract). The 2016 VPSC review of executive employment conditions proposed removing the Right of Return.	Executive who has been continuously employed and was prior employed as a VPS non- executive employee is entitled to a VPS role if their EO contract is terminated for anything other than misconduct, or if the EO's contract expires.

6 Workforce data

The Victorian public service (VPS) is a sub-set of the public sector. Public health care and government schools account for almost two-thirds of the public sector workforce (VPSC, 2018a. In 2009, the VPS made up only 15% of public sector employees (VPSC, 2009). A decade later, there were 47,193 FTE VPS staff who comprised 16% of public sector employees, who in turn comprised 9% of the Victorian workforce (VPSC, 2020d, p. 10). The VPS had grown rapidly since 2014 (VPSC, 2020d, pp 13, 14).

In 2020, the VPS comprised eight departments and 43 authorities, as well as offices defined as public service employers under the *Public Administration Act 2004*. From 2020, instead of an annual workforce reports, the VPSC is publishing small releases on specific themes (including executives) throughout the year.

6.1 Discussion

In 1999, while more than half (53%) the VPS was comprised of women, only one-quarter (24.4%) of all Executive Officers were female and there were no female EO-1s (Public Accounts and Estimates Committee, 2002). By 2012, less than 20% of women in the VPS were in the highest pay quartile, compared to 35% of men. This remained unchanged five years later in 2017 (VPSC, 2018a).

In 2009, there were 649 VPS Executive Officers. By 2018, there were 1018 – an increase of almost 64% within a decade. By 30 June 2019, 50% of VPS executives were women, although less at the upper levels – 38% of Secretaries and 41% of EO1 positions (VPSC, 2020c, pp 87, 99).

Year	EO-3 F	EO-3 M	EO-3 T	EO-2 F	EO-2 M	EO-2 T	EO-1 F	EO-1 M	EO-1 T	EO T	Sec F	Sec M	Sec T
1989	16%									692			11
1999	117	292	488	27	111	156	2	11	13	663			
2009	155	225	380	85	158	243	8	18	26	649	3	7	10
2019	384	308	692	215	276	491	28	40	68	1251	3	5	8

Table 4. VPS executive numbers 1989 to 2019

Sources: VPSC. State of the Public Sector in Victoria 2008–09 and 2018–19.

The Andrews Labor Government came under criticism from the Opposition in 2018 for increasing the size of the public service executive workforce by 32% since June 2014, including the appointment of 162 additional executives in the previous year (Liberal Victoria, 2018). The Opposition said the executive workforce was costing Victorian taxpayers half a million dollars a day.

As illustrated in the table above, the number of Executive Officers in the Victorian Public Service almost doubled in the decade from 2009 (VPSC, 2020d, p. 21). This includes 90 executives who moved from public entities (VicRoads and Public Transport Victoria) into the public service in 2018–19. At 30 June 2020, executives made up 3.1% of Victorian public service employees (1450 of 34,192 FTE). Of new SES appointees since July 2019, 51.1% were women (VPSC, 2021a). A workforce planning framework was under development by the VPSC in 2019–20

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(VPSC 2020a, p. 63). Limits on the size and composition of the public service executive workforce – imposed between 2000 and 2016 – have been removed, leading to an increase in executive numbers (VPSC, 2020a, p. 93).

In July 2019, a Jobs and Skills Exchange was established to support mobility in the VPS. In conjunction with a new recruitment policy, the mobility rate between agencies doubled within a year from 12% to 24% (aggregate figures only). SES figures show that gender parity is highest at the lower ranks of the SES – 56% of SES1, 45% of SES 2, 42% SES 3 and 38% of Secretaries (the Victorian SES ranks run. In addition, the pay gap between women and men within ranks also increases with rank (a minimal 0.8% for SES 1, but almost 11% for SES 3) (VPSC, 2021b).

At June 2020, there were 1471 VPS executives – more than twice the number (691) as in June 2016 – with the percentage of executives in the VPS workforce increasing from 1.7% to 2.9%. (VPSC, 2020b). SES growth of more than 200 from June 2019 was attributed to the need to strengthen capacity to respond to the COVID-19 pandemic, bushfire recovery and other emergencies (VPSC, 2020b). While 516 new executives started in this period, 252 departed (VPSC, 2020b). VPS executives make up 57% of all executives in the Victorian public sector workforce (VPSC, 2020b).

In terms of classification levels, there were eight Secretaries, 85 Deputy Secretaries (SES 3), 567 SES2 and 811 SES1. The gender profile of VPS executives has grown from 44% female in 2015 to 51.1% in 2020 (VPSC, 2020b). The government had set a 50% target in 2016. In 2019–20, 53% of appointments to the SES were women (VPSC, 2020b).

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8 Appendix 1 – Summary of legislation, policy, and annual report extracts

Year	Public Service Commission annual reports	VPSC Directions and Amendments or Policy	Public service legislation
1862			Civil Service Act 1862
			 First act in Victoria for civil/public service. The Civil Service Act was the result of a Royal Commission that proposed to address criticisms about the public service e.g. highly fragmented with an absence of rules over appointments, promotions, termination and leave. The Commission saw department heads as having primary responsibility for people management. Sought to limit appointments based on patronage and to develop a unified, politically neutral public service.
1883			Public Service Act 1883
			Created a Public Service Board with 3 members
1889			The Public Service Act 1889
			• One inclusion was s14 which made married women ineligible for appointment and required female officers to 'retire' upon marriage.
1901			Public Service Act 1901
			Created a Public Service Commissioner

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1940		Public Service Act 1940
		Re-constituted a three-member Public Service Board
1946		Public Service Act 1946
1951		Public Service Act 1951
1958		Public Service Act 1958
		Determined that Board membership comprise a Chairman, a representative of the Government, and a representative of the public service – with the first two appointed by the Governor in Council. The Chairman was appointed until the age of 65, with the other two for no more than three years.
1974		Public Service Act 1974
		Replaced PSA 1958 and resulted from the Bland Review (This review found an increasingly fragmented public service with some core public service functions being undertaken by various statutory authorities with variable levels of Ministerial control).
1983	PSB Annual Report 1982–83	
	Introduction of Senior Executive Service in October 1982 across most departments / agencies, to increase senior staff mobility, increase public service capacity, develop 'performance-oriented attitudes'. (p. 4)	
1984	PSB Annual Report 1983–84	Public Service (Amendment) Act 1984
	Outlined how introduction of the SES and framework provided by new Public Service Act enabled	Amended PSA 1974 including s15A which required recruitment based on "the basis of relative ability, knowledge and skills in fair and

	development of a 'flexible and responsive senior management team'. (pp 12, 87-88)	open competition which assures that all receive equal opportunity"; fair and equitable treatment of all; and "equal pay shall be provided for work of equal value with appropriate consideration being given to the different requirements of various occupational employment categories".
1985	PSB Annual Report 1984–85	
	'Consolidation of organisational change' – major mid- year seminar at which 70 SES officers identified issues central to driving a positive change process in senior PS ranks; included strategies for improved program delivery and clearer management values. (pp 9-10; 14-15)	
	Canvassed issues around senior executive recruitment and SES remuneration levels, relative to the private sector. (pp 26-29)	
1986	PSB Annual Report 1985–86	
	Overview of yearly PSB priorities included progress on "realising the potential of the SES system to strengthen performance" of VPS agencies. (p4)	
	Outlined approaches to SES performance management and executive staffing issues in various VPS agencies. (pp 23-24)	
1987	PSB Annual Report 1986–87	
	PSB created a Management Improvement Division to 'promote effective, efficient and equitable delivery' of government services and programs; included development of Performance Improvement Plans for SES officers. Report also outlined development of executive-related classifications and remuneration review. (pp 10; 19-22: 31-33)	

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1988	<i>PSB Annual Report 1987–88</i> PSB undertook "service-wide development programs to enhance the management performance of senior executives"; also implemented SES staff review to identify 'high calibre managers'. (pp 10-12: 30-31)	
1989	PSB Annual Report 1988–89 Key ongoing PSB activity was "continued development of the SES as a public sector-wide resource"; included initiatives in SES recruitment, training, assessment and classification. Personnel Management Division continued to oversee executive-related initiatives. (pp 10; 26-27)	
1990	PSB Annual Report 1989-90 PSB identified VPS staff with 'high level management potential' through an executive development assessment centre program; also introduced 'development planning', established a Management Education Program, revised procedures for performance appraisal and performance pay following its SES review process. (p. 6)	
1991	 PSB Annual Report 1990–91 Following its review of public service personnel management (producing the Power Report), Victorian government declared intention to abolish the PSB and establish a 'Public Service Management Commission'. (pp 2-3) PSB undertook a review of SES mobility, reporting "low level of inter-agency executive mobility"; also undertook review of SES performance management and development planning systems. (pp 12-13) PSB reported on several reform measures to improve effectiveness of the SES, relating to executive 	

			
	development, performance management/appraisal, and remuneration. (p. 23)		
1992	PSB Annual Report 1991–92 In response to government initiatives, PSB undertook to "contain and, where possible, to reduce both numbers and levels [of SES officers]." PSB reported a subsequent reduction in SES numbers and limitation of temporary SES appointments. (pp 21-22)		 Public Sector Management Act 1992 Repealed PSA 1974 Abolished the Public Service Board with and many of its powers devolved to department heads. The Office of the Public Service Commissioner was established, and employment guidelines and minimum standards (as well as a code of conduct) were developed. Departmental heads and senior executives employed on individual contracts.
1993	 OPSC Annual Report 1992–93 First report by Office of the Public Service Commissioner, established November 1992 under Public Sector Management Act 1992; new organisation structure established to manage VPS workforce. (pp1-2) Public Sector Management Act 1992 introduced reforms to employment status and remuneration of SES officers; principal among these was move from tenured to 5-year contract positions, in addition to a modified recruitment, selection and training process to "allow the Victorian Public Service to better compete in the executive job market." (pp 5-8; 9-11) 	Former Public Service Board powers with respect to public service executive employment split between the Department of Premier and Cabinet, Department heads, and the OPSC. Department of Premier and Cabinet in collaboration with OPSC had responsibility for setting public service executive employment policy, oversight and co-ordination. Department heads managed employment including recruitment, classification, remuneration and performance management. All VPS executive officers were required to sign individual contracts.	
1994	OPSC Annual Report 1993–94 Outlined several OPSC initiatives related to SES officer attraction and retention: guidelines on executive recruitment and selection; guidelines on performance management and performance pay (as well as executive remuneration and executive contracts); measures to monitor executive mobility,		

	such as establishing an executive officer database. (pp 8-12) Also outlined initiatives related to SES officer management and training, such as Executive Development Programs to offer "opportunities for selected executives to broaden their managerial experience and formal education as preparation for more senior management appointment"; as well as engagement in the Griffith University-aligned Public Sector Management Course aimed at senior supervisors. (pp 14-15)		
1995	OPSC Annual Report 1994–95 OPSC undertook several SES-related activities, including "a significant level of 'broadbanding' was introduced and a range of guidelines brought together in an executive officer handbook". (p. 1) Outlined several OPSC initiatives related to SES officer retention and development: succession planning/workforce profile management; remuneration and contract reviews; expansion of the executive officer database; accountability and mobility processes; restructuring of executive employment bands (reduced from nine to three); and furthering opportunities for executive training/development. (pp 11-18)	 Equality in the Workplace: Women in Management The principal purpose of this project was to assess, from the viewpoint of employees, whether the public sector was making the most efficient use of the human resources available in terms of the talent that women can bring to the decision-making ranks of an organisation. 	
1996	OPSC Annual Report 1995–96 Outlined several 'executive issues' OPSC addressed over the year, including reviews of remuneration levels and performance management systems; standardising executive contracts; and broadening the executive officer database. (pp 18-19) Also outlined development initiatives, such as participation in the 'Leadership 21' and 'Leadership Consortium' programs. (p. 23)		

1997	OPSC Annual Report 1996–97 Outlined OPSC initiatives across several priority areas, including in planning and reporting – expanded executive officer database (p. 8); employment conditions and remuneration – reviews of remuneration levels and performance management systems (p. 12); and staff development – Executive Development Programs "to build the leadership capability of the public sector", comprising leadership/extension programs (p. 15) and reviews of VPS 'executive competencies'. (p. 19)		
1998	OPSC Annual Report 1997–98 OPSC gave highest priority to preparing structures to implement new legislative framework contained in the <i>Public Sector Management and Employment Act</i> 1998, including introduction of new VPS office of the Commissioner for Public Employment, replacing OPSC from July 1998. (pp 3-7) Also outlined SES-related initiatives, such as examining VPS executive turnover; reviewing executive remuneration and performance management; identifying leadership competencies; and continuing Executive Development Programs. (pp 8-12)	Division of responsibilities established under the <i>Public Sector Management Act 1992</i> were maintained	 Public Sector Management and Employment Act 1998 Gave department heads the rights, powers and authorities of individual employers. The Commissioner for Public Employment and the Office of Public Employment replaced the Office of the Public Service Commissioner Public sector employment and conduct principles (s7) were established. The employment and conduct principles in the new Act included the need for employment to be based on merit and that equal employment opportunity must be provided.
1999	<i>CPE Annual Report 1998–99</i> First report by Commissioner for Public Employment, outlining progress against new VPS Principles as established by statute in the <i>Public Sector</i> <i>Management and Employment Act 1998.</i> (pp 3-6) Also outlined implementation of new Commissioner Directions concerning VPS application of 'the Principles' (pp32-34); and progress in conducting	Responsibility for public service executive employment policy in conjunction with DPC transferred to Department of Treasury and Finance (Public Sector Industrial Relations)	

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	executive training and leadership development		
	programs. (pp43-47)		
2000	CPE Annual Report 1999-2000 Outlined application of VPS Principles and reviewed implementation of Commissioner Directions, including compliance with the merit principle in executive appointments (pp34-36, 44-45); also measured executive participation in leadership development workshops and programs (including a Senior Executive Forum). (pp38-40) Detailed establishment of a Government Sector Executive Remuneration Panel (comprising the Commissioner and representatives from relevant departments), responsible for "a more vigorous approach to monitoring and reporting on executive remuneration in the Victorian public sector" (entities outside the VPS). (p. 40) Reported reduction in VPS executive numbers by department portfolio (Table 3.8 p. 59)	 Government election commitment to achieve budget savings by reducing public service executive numbers and to subsequently to control growth in the number of public service executives Reduced the number of executives by 124 by 30 June 2000 Each Department allocated a number of executives to be assigned across the departmental portfolio (an executive envelope) Departments seeking an increase in the allocated number of executives required to obtain approval of the Premier (via the Department of Premier and Cabinet) 	
2001	<i>CPE Annual Report 2000–01</i> Section of report dedicated to executive employment in the public sector entities, including data on remuneration plus decisions and operations of the GSERP panel. (pp 4.1-4.4)		
2002	<i>CPE Annual Report 2001–02</i> Outlined VPS participation in executive development programs, including the Senior Executive Forum, and engagement with the 'Leadership Consortium' group of organisations working to "collectively enhance the leadership and management capability within organisations". (p74)	DTF responsibilities for public service executive employment policy transferred to Department of Premier and Cabinet (Office for Workforce Development)	

			Γ
	Also outlined GSERP efforts to equate public sector entity executive remuneration to comparable private sector pay levels. (pp88-89)		
2003	CPE Annual Report 2002–03 Section of report dedicated to executive employment and remuneration in the public service and in public sector entities. Reports public service executive numbers by level from 1992 to 2003. (pp88-102)	 <i>"Is It Worth It?", Social Factors That Influence People to Seek and Accept Senior Roles</i> Undertaken by Monash University on behalf of the Office of Public Employment, this report: aimed to examine the factors that influence people (men and women) to seek and accept senior level appointments in the Victorian Public Service (VPS) provided a literature review as background information to focus on the preferences and motivations of individuals and on the organisational policies, systems and cultures that impact on the individual's preferences and interests analysed the Victorian Public Service Census (2001-2002) and data from seven VPS focus groups in order to determine how the VPS compares against the factors noted in the literature review presented a discussion of how, and whether, the literature, focus groups and VPS statistics present a consistent picture of the VPS, along with recommendations on how the VPS might approach the issues presented in the report. 	

2004	 CPE Annual Report 2003–04 [Final report of CPE] Section of report dedicated to GSERP policies related to public sector entity executive employment and remuneration, included: comparison of public service and public sector entities with respect to executive employment (p. 62) application of outcomes of public service executive remuneration review (undertaken within Department of Premier and Cabinet) to public sector entities Public service executive numbers (pp 73-78) 	 A Fair Go for Women: Good Ideas for Managing People A compilation of ideas for employing women, particularly in leadership roles and non- traditional jobs; ideas were gathered between 1997 and 2003 as part of the Victorian Public Sector People Management Awards. Career Progression, Human Capital Development, Wages and Work-Family Balance: Labour Market Equity for Women in the Victorian Public Sector Undertaken by Monash and Deakin Universities, for the Office of Public Employment, to explore issues around achieving equity for women in the public sector. Unpacking the Stereotypes about Leadership Aspirations and Commitment This research project was commissioned in 2001 to look at understanding the leadership aspirations and commitment of young people. Women in Senior Roles Summary paper (issued by Office of Public Employment) of two studies: Senior Women Executives and The Cultures of Management, and Is it Worth It? Social Factors that Influence People to Seek and Accept Senior Roles Both studies mapped out trends and issues regarding women and senior roles. 	 Public Administration Act 2004 Created the State Services Authority, comprising a Chairperson as head of the Authority, the Public Sector Standards Commissioner (PSSC) and other Commissioners. As head of the Authority the Chairperson was the equivalent of the public sector commissioner role. Part 2, section 8 outlines public sector employment principles, which include that 'equal employment opportunity is provided'. PSSC responsible for promoting high standards of integrity and conduct in the public sector, including the public sector employment principles.
		Senior Women Executives and the Cultures of Management: A brief cross-comparison of	

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		public, private and higher education organisations
		This report summarises findings and an analysis of differences and similarities between the three sectors included in the research.
		The project had three major objectives:
		 To provide an in-depth analysis of the lived experience of women at senior executive levels. To identify, document and evaluate extrinsic (work/family policies) and intrinsic (cultural, relational and deep-structural) factors that support and sustain women in senior managerial roles. To investigate the extent to which the presence of senior women in substantial numbers has transformed managerial cultures in selected organisations.
		Retirement, Retention and Resignation Survey
		Gender Pay Equity in the Victorian Public Sector: An Empirical Study
		Work-Life Balance in the Victorian Public Sector
		Meeting our future:
		Victorian Public Service workforce needs
		Examines strategic workforce planning in the Victorian Public Service
2005	SSA Annual Report 2004–05 [Inaugural report of the new State Services Authority, established by the <i>Public Administration Act 2004</i> , for April to June 2005 only; also incorporates CPE Annual Report for July 2004 to April 2005] Section of SSA report on public service executive	Responsibility for public service executive employment policy transferred to State Services Authority in conjunction with DPC as of April 2005. Achieving Equality and Optimal Participation: Indigenous Employees in the Victorian Public Sector

	policies related to public sector entity executive employment and remuneration, such as contract conditions and performance incentive payments. (pp 1.18-1.19)	 Pay Equity: How to Address the Gender Pay Gap The Victorian Government established an inquiry into gender pay equity in Victoria. This report includes analysis of current and historical data to identify the extent of gender pay equity in Victoria. 	
2006	SSA Annual Report 2005–06 Outlined details of annual market review of public service and public entity executive remuneration, noting an "increasing gap between private and public sector salaries, termination arrangements for senior executives, and the standard executive contract". (p18) Also outlined results of major review of public service executive remuneration/employment arrangements, including guideline rates for executive remuneration increases, salary sacrificing arrangements, and introduction of triennial remuneration reviews. (p38) Reported public service executive employment numbers (pp36-38)	Public Sector Reforms and Public-Private Executive Labour Prepared by RMIT for the SSA, this report formed part of the 2005 annual review process of Victoria's public service executive remuneration and compared remuneration levels for roles of similar work value from other Australian public services and from the private sector. The purpose of these comparisons is to determine the degree of competitiveness of Victorian pay levels against other target benchmarks and to form a basis for determining the extent of any increase to existing remuneration levels.	
		Standards: Application of the Public Sector Employment Principles Application of the Public Sector Employment Principles Standard (No 1) 2006, issued by the Public Sector Standards Commissioner Applies to first 4 public sector employment principles under Section 8 of the PAA 2004. Applies to all public sector bodies and their employees. Four principles:	

		a) Employment decisions are based on merit	
		b) Public sector employees are treated fairly and	
		reasonably	
		c) Equal employment opportunity is provided	
		d) Public sector employees have a reasonable avenue of redress against unfair or unreasonable treatment.	
2007	SSA Annual Report 2006–07		
	SSA commenced designing a framework for new executive leadership development programs and retention strategies, to be implemented in the following year. (p. 25)		
	State of the Public Sector in Victoria Report 2006-07		
	First <i>State of the Sector</i> report. Reporting of executive numbers and remuneration transferred to this report from the annual report.		
2008	SSA Annual Report 2007–08		
	SSA collaborated with State Coordination and Management Council to establish the Victorian Leadership Development Centre, promoting "a renewed focus on succession planning and talent management in the VPS senior executive ranks" (in conjunction with existing leadership development and executive training programs). (pp26-27)		
	SSA published the <i>Victorian Public Service Executive Employment Handbook</i> , detailing the policy framework for employing VPS executives. (p. 34)		
2009	SSA Annual Report 2008–09		
	Outlined VPS participation in executive leadership development programs and workshops, including the		

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	Symposium for Future Public Sector Leaders and the Public Sector Management Program. (pp 30-31)		
2010	SSA Annual Report 2009–10 Outlined VPS participation in executive leadership development programs and workshops under guidance of the Victorian Leadership Development Centre. (pp 38-39)	 Policy on executive remuneration for public entities in the broader public sector Prepared by the State Services Authority, the purpose of this policy was to set out better practice approaches and approval procedures for the determination of and accountability for executive remuneration in Public Entities in the Victorian Public Sector. [VIC has a Government Sector Executive Remuneration Panel (GSERP) (comprising the SSA Chair and representatives from relevant departments) which oversees this policy and advises on public sector entity executive remuneration.] 	
2011	SSA Annual Report 2010–11 Outlined VPS participation in executive leadership development programs and workshops under guidance of the Victorian Leadership Development Centre. (p. 28) Fact sheet #2: A brief history of public administration in Victoria	 Victorian public service executive employment handbook Provided employees and executives with information about the policy framework for employing executives based on the <i>Public Administration Act 2004</i> and other useful information on executive employment within the Victorian public sector. Separations in the Victorian public sector 2005–06 to 2009–10 research report Explores the demographic characteristics of separating employees, as well as external factors which may influence public sector separation rates. The information in this report is intended to provide public sector organisations with an overview of separation patterns across the public sector over the past five years. This 	

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		should assist organisations in interpreting their own separation rates over this period by	
		providing a whole of public sector context.	
		Securing Victoria's Future Prosperity: A Reform Agenda	
		Scope of the inquiry was to identify the key reform areas that the State Government should target to improve productivity, labour force participation and Victoria's overall economic competitiveness.	
2012	SSA Annual Report 2011-12		
	Outlined VPS participation in executive leadership development programs and workshops under guidance of the Victorian Leadership Development Centre. (p. 28)		
	State of the Public Sector in Victoria Report 2011-12		
	Executive reporting extended to include a profile of executive employment and leadership development initiatives		
2013	SSA Annual Report 2012–13		
	[Final report of the SSA]		
	Outlined VPS participation in executive leadership development programs and workshops under guidance of the Victorian Leadership Development Centre. (p18)		
	Outlined VPS participation in executive leadership development programs and workshops under guidance of the Victorian Leadership Development Centre. (p. 18)		
2014	VPSC Annual Report 2013–14 First report by new Victorian Public Sector Commission, established by amendment to the	Department of Premier and Cabinet assumes principal responsibility for executive employment policy with support from VPSC	Public Administration Amendment (Public Sector Improvement) Act 2014

	Public Administration Act 2004. (pp2-3) Outlined VPS participation in executive leadership development programs and workshops under guidance of the Victorian Leadership Development Centre, including the Senior Executive Leadership Program (SELP) aimed at 'high potential deputy secretaries and chief executives'. (pp 14-15) State of the Public Sector in Victoria Report 2013-14 Reported on the improvement in gender equity in executive employment		Established the Victorian Public Sector Commission
2015	VPSC Annual Report 2014–15		
	Outlined VPS participation in executive leadership development programs and workshops under guidance of the Victorian Leadership Development Centre, including SELP as well as new 'women's learning circles' and other initiatives focused on women and leadership. (pp12-13)		
2016	VPSC Annual Report 2015–16	Review of Victoria's Executive Officer	
	Outlined VPS participation in executive leadership development programs and workshops under guidance of the renamed Victorian Leadership Development Programs, following VLDC merger into VPSC to "foster a culture of leadership development to promote a sustainable, highly-skilled, diverse and professional leadership capacity which consistently meets the needs of the Victorian Government and the community it serves". Programs included SELP as well as 'women in leadership' training. VPSC commenced a review into the VLDP "so that it builds highly skilled, mobile, diverse and professional leaders". (pp 6-7)	 Employment and Remuneration Framework Found that the executive classification and remuneration framework was out of date and out of step with other jurisdictions. ====================================	
2017	VPSC Annual Report 2016–17		

	"VPSC has been engaged to develop a range of frameworks, products and tools designed to promote equity, effectiveness and productivity across executives within the VPS"; included a Classification and Remuneration Framework and frameworks for executive performance management and leadership development. This follows creation of Victorian Leadership Academy (replacing former Victorian Leadership Development Programs) to "ensure our public service leaders are equipped with the right skills and capabilities to lead an effective and impactful public service to deliver on the Government's priorities now and into the future". (pp6-7)		
2018	VPSC Annual Report 2017–18 VPSC redeveloped the VLA's leadership development offerings, designing a 'new VPS leadership approach'; this included a "focus on the individual capabilities of senior executives within the context of their current responsibilities". (pp6, 11) Under direction from the Premier, VPSC commenced a major review of executive employment conditions across the public sector, to develop new approaches to executive classification and performance management within the public service. The aim is to attract and retain a high performing executive	 <i>Circular 2018–1: Gifts, benefits and hospitality</i> Updated in June to provide additional guidance on implementing the minimum requirements, particularly on how to record and report any offers. The minimum accountabilities for managing gifts, benefits and hospitality are binding on Victorian public officials and their employers under the <i>Standing Directions of the Minister for Finance</i>. [The VPSC publishes an annual register]. 	
	 workforce and provide greater consistency and transparency on executive employment matters across the public sector (pp11-12) State of the Public Sector in Victoria Report 2018-19 Includes reporting of perceptions of senior leaders drawn from the public sector staff perception survey – the People Matter Survey. Highlights role of leaders in fostering an engaged workforce and in supporting positive behaviours 	Circular 2018-05 VPS executive pre- employment screening policy Issued with agreement from the Secretaries Board, the policy addresses integrity risks associated with inadequate pre-screening and sets a minimum screening standard. Sep: Secretaries Board agrees to a new VPS Executive Classification Framework	

2019	 VPSC Annual Report 2018–19 The VPSC supported departments and their agencies to commence implementation of a new executive classification framework, which was endorsed by the VSB in September 2018. The new classification framework promotes consistency, fairness and objectivity in the classification of executive roles. It drives high performance, supports career development and helps foster a positive workplace culture. The framework provides clarity on the expectations of the work that executives at different levels will undertake and classifies executive positions into one of three bands. It includes the introduction of a standard position titles model, with deputy secretaries being classified as SES band 3, executive directors as SES band 2 and directors as SES band 1. The framework is expected to be fully implemented by December 2020. State of the Public Sector in Victoria Report 2018-19 Provides and overview of reforms in executive employment and leadership development initiatives 	 Victorian Public Service Executive Employment Handbook (Revised version published 22 Feb 2019 in line with a reissued Standard Executive Employment Contract) Provides the policy framework for employing executives under the Public Administration Act 2004. VPS Executive Performance Management Framework Victorian Public Service Executive Classification Framework The framework incorporates a re-titling of executive bands from Executive Officer to Senior Executive Service to align with other jurisdictions. 	Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 Requires the Victorian Independent Remuneration Tribunal (from Sep 2019) to determine the values of remuneration bands for executives employed in public service bodies. <i>Public Administration Amendment Bill 2019</i> Opposition bill about standards, not passed at the time of writing (March 2020).
2020	VPSC Annual Report 2019–20 In 2019–20, the VPSC "broadened pre-employment screening and established an executive induction program to improve integrity".	<i>Standard Executive Employment Contract</i> [Updated Feb 2020]	Gender Equality Act 2020 Victoria is the first jurisdiction in Australia to hold its public sector to account on gender equality.