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TITLE: Senior Executive Service Case Study – Australian Public Service

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SERIES: ANZSOG Research Insights

NUMBER: 17

DATE: 2021

PUBLISHER: Australia and New Zealand School of Government

ISSN: 2653-7281

DOI: 10.54810/JZSO5617

CITATION: Head, Brian and Linda Colley. *Senior Executive Service Case Study – Australian Public Service: ANZSOG Research Insights No. 17*. Melbourne: Australia and New Zealand School of Government, 2021.

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Senior
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Case Study –
Australian
Public Service

SENIOR EXECUTIVE SERVICE CASE STUDY – AUSTRALIAN PUBLIC SERVICE

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.

The production of these reports has been made possible by funding from the Australian Research Council (DP180102592).

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1 Australian federal political and institutional context

The pace of change in the political and institutional context has escalated in recent years. The volatility in the past decade, with four first-term prime ministers replaced in party rooms, earned Australia an ironic title of “coup capital” of the world (Tiernan & Holland, 2018). This political instability and its high turnover of cabinet ministers posed significant challenges for the APS and departmental secretaries. However, despite two counter examples of secretaries being dismissed by prime ministers John Howard (6) and Tony Abbott (3) on assuming office, “most governments have relied on a cadre of professional civil servants to head departments and agencies even after power changes hands” (Aulich, 2019, Dec 11). **Table 1** provides a summary of the recent political and institutional context for this case study.

Table 1. Australian governments, public service institutions and commissioners

Election	Left Office	Prime Minister	Party	Institution Name	Public Service Commissioner/ Chair, Public Service Board	Balance of parliamentary power?
18 May 2019		Scott Morrison	Liberal	APSC	Peter Woolcott	Majority
24 Aug 2018		Scott Morrison	Liberal	APSC	Peter Woolcott	Majority (minority from Oct 2018 with Independents)
15 Sep 2015	24 Aug 2018	Malcolm Turnbull	Liberal	APSC	John Lloyd 2014–2018 Peter Woolcott (9 Aug 2018)	Majority (1 seat after 2016 election)
18 Sep 2013	15 Sep 2015	Tony Abbott	Liberal	APSC	John Lloyd (from 2014); Steve Sedgwick	Majority
27 Jun 2013	18 Sep 2013	Kevin Rudd	Labor	APSC	Steve Sedgwick	Minority (with support of Greens and Independents)
24 Jun 2010	27 Jun 2013	Julia Gillard	Labor	APSC	Steve Sedgwick	Majority (minority from Aug 2010 with support of Greens and Independents)
3 Dec 2007	24 Jun 2010	Kevin Rudd	Labor	APSC	Steve Sedgwick (2009–2014); Lynelle Briggs	Majority
11 Mar 1996	3 Dec 2007	John Howard	Liberal	APSC	Lynelle Briggs (2004–2009); Andrew Podger (2002–2004); Helen Williams (1998–2002); Peter Shergold	Majority
20 Dec 1991	11 Mar 1996	Paul Keating	Labor	APSC	Peter Shergold (1995–98) Dennis Ives	Majority
11 Mar 1983	20 Dec 1991	Robert Hawke	Labor	Australian Public Service Commission (APSC) Public Service Board to 1987	Dennis Ives 1990–95 John Enfield 1987–90 Peter Wilenski (Chairman, Public Service Board, 1983–87)	Majority

11 Nov 1975	11 March 1983	Malcolm Fraser	Liberal	Public Service Board	Sir William Cole (1978– 83); Sir Keith Shann (1977– 78); Sir Alan Cooley (1971–77)	Majority
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2 Public service reform context

Early years from the 1970s

The 1970s marked the beginning of a period of increased review and reform of the Australian Public Service (APS) reflecting a change in political and public expectations of the role and capacity of the service (APSC, 2009) and expecting evidence that public resources were being expended well (Verspaandonk et al., 2010). In these decades, three major reviews of the public service were undertaken: the 1974–1976 Royal Commission on Australian Government Administration (Coombs Commission), the 1982 Joint Committee on Public Accounts report on senior APS management, and the 1983 Reid Review of Commonwealth Administration. All three reviews recommended actions to create a more open, efficient and responsible public service, and the establishment of a centrally co-ordinated senior staff group to support this work with its own recruitment and mobility policies (APSC, 2009). The Coombs Commission recommended abolition of the Divisional job structure on the basis that it precluded promotion from 4th to 3rd Division and placed a disproportionate value on formal qualifications (Coombs, 1976). Importantly, the Reid Review also highlighted the importance of quality financial and personnel management (Verspaandonk et al., 2010).

The rise of New Public Management in the late-1980s and 1990s led to comprehensive reform of the federal bureaucracy.

Influenced by the new, private sector-inspired theories sweeping much of the OECD world, departments were restructured, employment arrangements were overhauled and service delivery was outsourced... [B]y the turn of the century the NPM project was substantially complete (Shaw, 2012, p. 117).

Ongoing reforms in the 1980s and early 1990s reflected an increasing interest in managing the size of the APS and reducing central control over APS agency budgets, employee numbers, personnel management and policy development; while also continuing to strengthen a culture of responsiveness to government, parliament and the community through increased efficiency, effectiveness, accountability and 'managing for results'. The introduction of the Financial Management Improvement Program in 1984 also supported this direction with the devolution of financial management to agency heads as a measure of performance control (Verspaandonk et al., 2010) and a focus on business planning, public accountability and performance measurement (APSC, 2009). Throughout this same period and into the early 1990s, the pursuit of 'efficiency' drove a reduction in APS staff numbers between 1987 and 1990; followed by a small rise, before another very significant reduction of staff from 1993–2000. APS staff increased incrementally since then (Verspaandonk et al., 2010), but there were ongoing concerns about the overall size of the APS and about the role and number of the SES in particular (Beale et al., 2011).

Evaluation of APS programs was part of the 1980s reforms through Managing for Results initiatives, linking policy with implementation for outcomes. Although embedded in APS practice in 1992, the requirement for formal evaluation was discontinued in 1997, before once again becoming flagged as a future priority following the 2018-19 APS Review (Graves, 2020).

By 1997, Australia had experienced one of the most extensive privatisation programs in the OECD and, in contrast to the UK and US, was more likely to relinquish services outside of core public services (Colley & Head, 2013, p. 868).

1999 Public Service Act

Reform objectives for the Public Service Act in 1999 were built on ideas emerging in the preceding decade. The discussion paper *Towards a best practice Australian Public Service* issued in 1996 identified several concerns that were typical of this period: that the Australian Public Service was falling behind overseas best practice regarding increased contestability of services; failure to ensure the least cost to taxpayers for services; and the absence of a focus on innovation. Also contributing to the new thinking for the Public Service Act were provisions in the *Financial Management and Accountability Act 1997* outlining formal responsibilities for agency heads for the effective, ethical and efficient use of resources (APSC, 2009; Minns, 2004).

While awaiting the outcome of the Public Service Bill in 1997 (the legislation was reintroduced in 1999), the Minister Assisting the Prime Minister for the Public Service announced that the government would move ahead with the implementation of some administrative reforms. The APS Values and Code of Conduct, for example, would be implemented through the issuance of Public Service Commissioner Directions. A package of administrative reforms was launched in March 1998 (Minns, 2004). The *Public Service Act 1999* then provided a firm legislative basis for a devolved management structure wherein Secretaries and the SES were more precisely held accountable for results, their exercise of powers, and compliance with and promotion of the Code of Conduct and APS values (Minns, 2004). In addition, employment powers were located with agency heads.

The new millennium

The first decade of the new millennium saw three phases of public sector reform: blunting the impact of New Public Management; integrative governance; and more extensive integration and capacity building under the Rudd Government (Halligan, 2010).

2007 Rudd Government

In September 2009, Prime Minister Kevin Rudd established an advisory group, chaired by Terry Moran, “to review Australian government administration and develop a blueprint for reform” (AGRAGA, 2010: Foreword). The Advisory Group on Reform of Australian Government Administration identified a problem with ‘classification creep’ at executive levels and recommended reviewing the size and role of the SES (Easton, 2014). Its report, delivered in March 2010 – *Ahead of the Game: A Blueprint for Reform of the Australian Public Service* – recommended that the Government review “the size, capability and work level standards for each level of the Senior Executive Service (SES) before any net growth in the SES occurs” (AGRAGA, 2010: Rec 6.2, p. 56). The Blueprint also proposed clarification of the roles and responsibilities of Secretaries, revisions to appointment and termination processes, specification of performance management, and the creation of a Secretaries Board and a leadership group. Many of the recommendations were later formalised in the *Public Service Amendment Act 2013* (Halligan, 2013, p. 11). The report also noted that while there was a good gender balance at lower levels in the APS, this had not translated through into the SES (AGRARA, 2010).

2013 Conservative governments

In the lead-up to the 2013 Federal Election, the Coalition committed to cut 12,000 APS jobs “to end the waste” and to launch a Commission of Audit to review government finances and the scope of public sector activity (Tiernan, 2013, Sep 9). In 2014, the National Commission of Audit queried the layers and spans of control in the APS, recommending that the Public Service Commissioner’s roles and responsibilities be assumed by the Secretary of the Department of Employment and that the Merit Protection Commissioner’s role be abolished (NCOA 2014b:

Rec. 6). It also recommended cutting the APS by 15,000 employees and scaling back its scope by outsourcing many of its service and support functions (O’Flynn 2014, May 2).

In 2015, the Australian Public Service Workforce Management Contestability Review found that the legislative description of “merit” was unclear and its meaning had become distorted. It also identified a lack of clarity about the role of the APSC (McPhee, 2015).

2016 Gender Equality Strategy

Balancing the Future: Australian Public Service Gender Equality Strategy 2016–19 sought to address gender imbalance in the APS (APSC, 2016). With men making up 64% of SES 2 and 3 positions, the strategy committed to achieve “gender equality in APS leadership”. By 2018, nine of the 18 Departmental Secretaries were women (Heron, 2018), although their number was reduced by four by early 2020. Three of the five Secretaries terminated in late-2019 by Prime Minister Scott Morrison were women, while another – Health Secretary Glenys Beauchamp – retired in February 2020 to be replaced by a man (Australia’s Chief Medical Officer Professor Brendan Murphy – the first medical doctor to head a department since the Whitlam government) (Jenkins, 2020, Jan 24). From February 2020, there were 14 APS departments. In May 2021, only five of the Secretaries (36%) were women.

The forthcoming *APS Gender Equality Strategy 2021–26* sets out a continuing pathway to realising the benefits of a gender equal workplace. This Strategy will also shape implementation across the APS of the five priorities within the Government’s 2020 Women’s Economic Security Statement.

2019 Public Service Review

In May 2018, Prime Minister Malcolm Turnbull announced a broad-ranging review of the APS, hailed as the largest of its kind in 40 years. CSIRO Chairman and former Telstra CEO David Thodey was appointed to lead the review panel, with instructions to “ensure the APS is fit for purpose in the decades ahead” (Thodey et al., 2019a, p. 4). The Interim Report of the Independent Review, presented to the Morrison Government in March 2019, flagged priorities for change, including transformation of the APS “governance and leadership model”, and suggesting a “reinforced role” for the APS Commissioner in the appointment and performance management of the SES (Thodey et al., 2019a, pp. 15, 28).

The Final Report of the Independent Review of the APS was submitted to Phil Gaetjens, Secretary, Prime Minister and Cabinet (PM&C) on 20 September 2019. The review recommended streamlined management and adoption of best practice ways of working to reduce hierarchy, improve decision-making and attract the right expertise and resources to the APS. The Government response announced on 13 December 2019 agreed to accept 15 recommendations in full, 20 recommendations in part, noted 2, and did not agree to 3 recommendations (see **Table 3**). In the meantime, Prime Minister Scott Morrison announced major machinery of government changes, including the reduction of APS agencies from 18 to 14 and the termination of five Secretaries (Morrison, 2019, Dec 5). Machinery of government changes announced by Prime Minister Scott Morrison in December 2019 took effect in February 2020.

A new APS Workforce Strategy was released in March 2021 highlighting three key areas of focus to 2025: Attract, build and retain skills, expertise and talent; Embrace data, technology and flexible and responsive workforce models; Strengthen integrity and purposeful leadership (APSC, 2021d, p. 6).

Also in 2021, the Chair of a Senate Committee inquiring into the current capability of the APS workforce expressed concern about the overuse of labour-hire contractors in some agencies, a

phenomenon he described as a “shadow workforce” (FPARC, 2021, pp 38–39). A 2020 analysis of some 120,000 federal government contracts found that reliance on outsourced labour had doubled in the past five years, now costing more than \$5 billion a year (Mannheim, 2020c).

3 Australian public service legislation

The early years

The earliest appointments to the APS were made under s.67 of the Australian Constitution. Australia's first public service legislation was the *Commonwealth Public Service Act 1902*. When it came into force on 1 January 1903, there were 11,374 Commonwealth officers employed under the Act (Minns, 2004). Its purpose was "to bring some order (commonality) to the disparate assortment of organisations – the Post Office, Defence, Trade and Customs – inherited from the colonies on or shortly after establishment of the Commonwealth" (Nethercote, 2007, pp 61–62).

Amendments in 1922 introduced a Public Service Board and clearer definitions of the role of department heads, with promotions and transfers governed by amendments in 1925 (Nethercote, 2007). The Act was further amended in 1935 (relating to graduate recruitment), 1946 (promotions appeals) and 1960 (general recruitment), then remained relatively stable until the 1970s, with separate legislation (Public Service Bill No. 2, 1966) introduced to remove the prohibition on the permanent employment of married women (the Marriage Bar) (Nethercote, 2007).

The 1970s and 1980s

By the 1970s, the *Public Service Act 1922* was becoming unwieldy, out of date with social changes and under increasing pressure by employee unions, although it remained relatively unchanged until the following decade (Nethercote, 2007; Verspaandonk et al., 2010).

The *Public Service Reform Act 1984* (the Reform Act) was the first statute to set out the conditions of the senior executive service (SES) including arrangements for selection, development, mobility, promotion and tenure (APSC, 2009). The Reform Act drew on a 1983 policy paper – *Reforming the Australian Public Service* — which called for a more open, efficient and responsive public service management (Minns, 2004) and enshrinement of the merit principle (Verspaandonk, et al., 2010). The Reform Act described the role of the SES as providing high level policy advice, with officers able to be flexibly deployed across the service, recruited and promoted without political interference by the (then) Public Service Board, subject to distinct retirement rules, and open to external candidates with a capacity for fixed-term appointments (Beale et al. 2011).

Two years later, the *Public Service Legislation (Streamlining) Act 1986* reflected some new directions for APS personnel management, including the relaxation of citizenship requirements for appointment to the APS, the devolution of a range of personnel management powers from the Public Service Board to Departmental Secretaries, and a provision relating to retirement, promotions and appeals (Minns, 2004). In 1987, the Hawke government abolished the Public Service Board, establishing in its place the Public Service Commission; matters concerning personnel, pay and conditions were largely devolved to departments, and responsibilities for management of the SES were accorded to the new Commission (Minns, 2004).

The 1990s

The *Prime Minister and Cabinet Legislation Amendment Act 1991* included amendments to restructure the SES from six into three bands and to introduce a Specialist SES category. The Act also established and defined the respective powers of the new Public Service Commissioner and departmental Secretaries regarding the management of the SES. Changes to the management of SES positions were determined in further Public Service Act amendments in 1992, including increased flexibility in the transfer/deployment of SES and

retirement provisions (Minns, 2004). Relevant to the role and accountability of the SES, there was a heightened campaign for the devolution of administrative management and performance and accountability measures to support endeavours to modernise the service. The *Financial Management and Accountability Act 1997*, for example, supported the shift of administrative responsibility to agency heads for the effective, ethical and efficient use of resources.

Public Service Act 1999

The Public Service Act in various forms has been the central statute regulating the structure, responsibilities and management of the APS. The Public Service Bill 1997, reintroduced in 1999, became the *Public Service Act 1999*, which formalised many of the administrative reforms of the two decades before it (APSC, 2003). The Act reflected a broad shift from a rules-based to a principles-based approach through the introduction of the APS Values (APSC, 2009). The Act is importantly supported by three major pieces of subordinate legislation – the Public Service Regulations, the Public Service Classification Rules and the Australian Public Service Commissioner’s Directions. The legislative framework was supported by the Public Employment (Consequential and Transitional) Regulations 1999 and the Prime Minister’s Public Service Directions 1999 (Minns, 2004).

The *Public Service Regulations 1999* primarily set out provisions relevant to the Australian Public Service Commissioner, the Merit Protection Commissioner, the employer powers of agency heads, non-ongoing employment arrangements, independent selection advisory committees, the review of APS actions and the use and disclosure of personal information. The functions and powers of the Public Service Commissioner included the authority to issue binding Directions on APS employment matters and to report on an annual basis on the state of the public service (Minns, 2004).

The Public Service Classification Rules outline the APS-wide framework for classification by work level standards. This describes work value and the characteristics of work performed at each APS classification level. Agencies are required to adopt the work level standards in allocating all levels of classification (APSC, 2018a).

As well as outlining the general structure of APS employment, the Act specified the employment framework for the SES (Minns, 2004). The role of the SES was to provide APS-wide strategic leadership for an effective and cohesive APS, to promote the 11 APS Values, implement APS Employment Principles and comply with the Code of Conduct. The SES must also promote co-operation and accountability between agencies and provide high-level contributions in one or more of: specialist expertise, policy advice, program delivery and/or regulatory administration (APSC, 2018c; Beale et al., 2011).

The role of the Public Service Commissioner, under the Act, focuses on ensuring merit-based processes, the representation of the Commission on all SES selection panels, agreement on financial benefit offers for retirement from the SES, and the issuance of Directions about SES employment matters – including engagement, promotion, redeployment, mobility, and termination.

2013 amendments

The *Public Service Amendment Act 2013* amended provisions to formalise the appointment and termination, roles and responsibilities of Secretaries (sections 57–59); to establish the Secretaries Board, its membership and functions (s. 64); functions of the SES (s. 35) and matters related to their retirement (s.37); and to add “Australian” to the title of the Public Service Commission and Commissioner (Parts 4 and 5) and legislate the Commissioner’s functions (s.

41). Section 48A allowed for the Governor-General to appoint Special Commissioners to assist the Commissioner with reviews, on the proviso that the Prime Minister “must not recommend that a person be appointed as a Special Commissioner unless the Prime Minister has consulted the Commissioner about the appointment”. Part 6 of the Act amended the APS Values and Employment Principles.

Current regulatory status

Some recent amendments to the *Public Service Act 1999* became necessary consequential to other legislation relating to Statute Law (2014), Framework Reform (2015), Public Governance and Resources (2017) and National Security (2018).

The *Public Service Classification Rules 2000* (the Classification Rules) are the legislative instrument under s. 38 of the *Public Service Act 1999* that outlines the APS-wide framework for classification (APSC, 2019d).

The APS Commissioner’s Directions provide guidance on managing recruitment and employment – including APS Values, recruitment and selection, performance management, the movement of APS employees between agencies, handling of suspected code of conduct breaches, delegations, and a range of other employment matters.

Amendments to the 2016 Directions, agreed by the Secretaries Board in April 2019, focused on enhanced performance management, placing responsibility on all supervisors and employees as well as agency heads (APSC, 2019a).

4 The APS under global crises

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

Global Financial Crisis (GFC)

While governments in every jurisdiction pursued adjustments to the size of their public service, partisan preferences were evident when governments changed (Colley, 2012). At the national level, successive governments took contrasting approaches. The Rudd Labor government, in power for the early part of the GFC, took an economic stimulus approach to recovery, but nonetheless implemented a relatively modest downsizing program of 2000 APS staff. The Abbott Liberal-National Coalition government elected in 2013 committed to wide-reaching austerity measures. Public servants were “targeted for economies” with agencies forced to find “productivity offsets” and reduce employment conditions in return for modest pay increases (Williamson et al., 2016, p. 47). The Abbott government pledged to cut 16,500 jobs – with almost 15,000 lost by 30 June 2015 – and it implemented a freeze on external recruitment except for “critical” positions (Williamson et al., 2016, p. 52).

As a result, the APS workforce was much diminished in the post-GFC period, with lower levels maintained thereafter due to a staffing cap set at 2006–07 Howard Government levels (CPSU, 2020b).

COVID-19 pandemic

In February 2020, before the global pandemic was officially announced, a parliamentary committee had argued for the staffing cap to be abolished, concerned that “the pendulum has swung too far” towards privatisation and outsourcing of services (LCARC, 2020, Rec. 2.86).

The Australian Government announced a variety of price adjustments so that public servants could 'share the economic burden', including a stay on salary increases for senior public servants announced in March 2020 and a six month-deferral of wage increases for other public servants, announced in April 2020 and effective for 12 months (Morton, 2020a). Public servants in 74 agencies were due for 2% wage increases during that period, and industrial agreements for 26 agencies were due to expire (Dingwall, 2020). The Community and Public Sector Union argued (but unsuccessfully) against the decision, claiming the lessons from other post-recession recoveries showed that governments should instead be investing in public service capacity (CPSU, 2020a).

In November 2020, the government announced a new APS wages policy that removed the 2% wages cap and tied future adjustments to the private sector (Morton, 2020b). A review of SES performance bonuses was also announced in addition to the ongoing freeze on SES remuneration (Morton, 2020b). The interim review report noted that bonuses were uncommon, but there should be greater consistency in their application and greater transparency (APSC 2021h). Wage freezes for the APS were applied across the board, including for the SES and Secretaries.

In March 2021, the Australian Services Union requested the SES pay freeze be overturned for senior ATO executives who they said had been crucial to the pandemic response (Canales, 2021). Meanwhile a conservative think tank, the Institute of Public Affairs (IPA), argued that austerity measures had not gone far enough, calling for a cut of 20% for salaries over \$150,000, plus a freeze on wages and recruitment across all public services in Australia until the unemployment rate fell back to 5% (Kehoe, 2020; Roskam, 2020). A former APS Commissioner urged caution, arguing that appropriate remuneration should be subject to "careful market assessment" (Andrew Podger, quoted by Canales, 2021).

To support the government's response to the pandemic, the APS needed to adapt quickly to deploy resources to priority areas, manage a surge in demand for government services, and continue business-as-usual activities (ANAO, 2020, pp 6–7). With APS workforce numbers at their lowest per capita level, mass secondments were necessary to meet emerging demands. In March 2020, the APS Commissioner announced the establishment of a Workforce Management Taskforce to manage public service mobility during the crisis (Woolcott, 2020), with 2240 staff deployed to other agencies, mainly Services Australia, to meet critical needs (ANAO, 2020). In July, a National Framework for Public Sector Mobility (2020) was endorsed by Commonwealth, State and Territory public service commissioners to facilitate and coordinate the movement of staff across borders.

Pandemic requirements led to a rapid increase in the APS workforce, with an extra 5770 jobs added in the first half of 2020, mostly on temporary contracts, and not including those additional workers employed by labour-hire firms (Mannheim, 2020b). In September 2020, the Secretaries Board announced measures to enable the continuation of staff deployments, including a proposal for an APS 'surge reserve' "to provide Australia with the capacity to rapidly mobilise Australian Public Service (APS) volunteers in large numbers in response to a crisis" (Gaetjens & Woolcott, 2020). The Surge Reserve is now a permanent fixture in the APS with around 2000 APS employees registered to be able to 'surge' to critical areas when required. A new National Framework for Public Sector Surge Mobility has been agreed and published. This updated Framework broadens the purpose beyond the COVID-19 response to other potential surge requests (APSC 2021i).

By 31 December 2020, APS numbers had fallen 11% from their peak in June 2012 – with almost 20,000 fewer public servants (APSC, 2021b). The shedding of 1700 temporary APS

employees in the second half of 2020 who had been hired to boost the workforce during the pandemic contributed to this fall (Dingwall, 2021).

The Government confirmed in the Federal Budget in October 2020 that, notwithstanding a temporary increase of up to 8000 staff to help drive post-pandemic economic recovery, it aimed to return to 2006–07 staffing levels by 2023 (Burton, 2020; Mannheim, 2020a; Williams & Whyte, 2020). However, the 2021–21 Federal Budget announced the end of seven years of tight control of APS staffing levels, with the headcount estimated to rise by nearly 5400 over 2020–21 figures (Australian Treasury, 2021). Agencies with the largest predicted growth were Health and Home Affairs, with 500 new staff each. However, Services Australia was to shed more than 800 staff following a temporary reprieve in 2020 (Birmingham, 2021: 164; Dingwall, 2021). Senator Birmingham predicted “moderate growth” for the APS until Australia recovers its “equilibrium and normal rates of economic and population growth” (Birmingham, 2021: 15). The Surge Reserve would become a permanent feature of the APS (Birmingham, 2021, p. 16).

The following table illustrates APS austerity measures in response to the GFC and COVID-19 pandemic. These could be generally categorised as low austerity from 2009 to 2013, higher austerity from 2013, and low austerity under the pandemic conditions.

Table 2: Responses to GFC and COVID-19 pandemic

Crisis	Party	Pay approach	Recruitment	Downsizing (approx n)	SES
GFC	Labor (to 2013)			2000 voluntary redundancies	
	Liberal-National (from 2013)	Cap 1–2%	Freeze on external recruitment except for ‘critical’ roles	16,500 redundancies planned (15,000 gone by 30 June 2015)	
COVID	Liberal-National	Deferral of increases for 6 months, between April 2020 – April 2021 Wage cap changed from 2% cap to being tied to private sector wage growth (November 2020)	Pre-pandemic staffing cap (from 2006-07) to be maintained beyond the pandemic Thousands of temporary staff recruited for pandemic roles		Freeze on increases March 2020 Review of SES performance bonuses

Nearly half (49%) the respondents to the 2020 APS Employee Census had worked directly on COVID-related tasks or activities, while more than half (53%) were working from home or away from the office at the time of the survey (APSC, 2021a).

5 SES policy

The role of the SES

The role of the Senior Executive Service (SES), as articulated in the *Public Service Act 1999* (s. 35(2)) is “to provide APS-wide strategic leadership of the highest quality that contributes to an effective and cohesive APS”. The functions of the SES are to provide professional/specialist expertise, policy advice, program or service delivery, and/or regulatory administration at a high level, and to promote cooperation within and between agencies, as well as the APS Values, Employment Principles and Code of Conduct.

The APSC (2018c) notes that members of the SES have a role that goes beyond that of other APS leaders, including that of supporting Secretaries as stewards of the broader APS.

Creation of a Senior Executive Service

In 1964, six standard classifications had been established for senior public servants with policy advising and top management responsibilities across all departments. Two decades later, the concept of the SES had been emerging from a range of APS administrative reviews with similar recommendations. The *Reforming the Australian Public Service* review in 1983 was the first to describe the group as a ‘senior executive service’. The *Public Service Reform Act 1984* legislated a new Senior Executive Service “to create a unified, cohesive senior staffing group with distinctive selection, development, mobility and tenure arrangements” (APSC, 2009).

All members of the existing Second Division of the APS were automatically included in the SES (Halligan, 2013). The scheme was based on the US SES system, with a major contrast in “the lack of a bonus package as an incentive to perform” (Halligan, 2013, p. 7).

Persistently low levels of women at senior levels led to the establishment in 1988 of the Senior Women in Management (SWIM) program, then in 1990, a Senior Executive Leadership program was developed to meet the general need for professional development (Minns, 2004).

The 1990s

Following a 1990 report by the Senate Standing Committee on Finance and Public Administration on performance pay for the Senior Executive Service, the original six senior classification levels were restructured into a three-band structure “to enhance the optimum use and flexible management of the SES” (APSC, 2009; SSCFPA, 1990).

The three SES Bands translate to the following job titles:

SES Band 1	Assistant Secretary (AS) Branch Head Group Manager (GM) Executive Director (ED)
SES Band 2	First Assistant Secretary (FAS) Division Head Group Executive Director (GED)
SES Band 3	Deputy Secretary (DEPSEC) Deputy Chief Executive Officer

The 1992–94 Enterprise Agreement –*Improving Productivity, Jobs and Pay in the Australian Public Service* – established performance pay for SES and Senior Officer staff across all agencies. In 1993, the Australian National Audit Office had found that almost all senior staff

received extra salary under the scheme, raising questions about its purpose (Verspaandonk et al., 2010).

Other administrative reviews, including the Public Service Review Group (McLeod Review, 1994) and a discussion paper on reform of the APS – *Towards a Best Practice Australian Public Service* (1996) – gave voice to developing ideas about the need to strengthen the capacity of the SES, in order for it to modernise and adapt to change. The McLeod Review challenged the idea that the APS should continue as “a monopoly provider of advice” and service delivery (O’Neill, 1997). These culminated in the revision of SES responsibilities, capabilities and selection criteria in the *Public Service Act 1999* (APSC, 2009). A Senior Executive Leadership Capability Framework was launched in 1999, describing the SES as a group that shapes strategic thinking, achieves results, exemplifies personal drive and integrity, cultivates productive working relationships and communicates with influence (APSC, 2009; Minns, 2004).

In the meantime, the Keating Government had introduced contracts for Secretaries and encouraged consideration of contracts for the SES (MacDermott, 2010, p.14). Since then, the Prime Minister – “who is not constrained by the merit principle” – has had the authority to appoint departmental secretaries for contracts of up to five years (Shaw, 2012, p. 117). The issue of politicisation of the public service came to public attention following the election of Prime Minister John Howard in 1996 when six incumbent Secretaries were terminated, with a relative outsider appointed as Secretary of PM&C and titular head of the APS:

Commentators... detected a decisive shift away from a politically neutral, career public service in the direction of a more politicised public service on United States lines, where a change of presidency leads to major changes across the senior echelons of the public service (Mulgan 1999, p. 1).

As time passed, it became clear that the mobility of SES officers between agencies had not been realised to the extent hoped (APSC, 2009). This may have been due in part to the impact of new ideas and reforms in the 1980s and 1990s to reduce central public service control over budgets and employment matters, including staff numbers (APSC, 2009; Beale et al., 2011). These ideas reflected the understanding that if agencies were to be individually accountable, they should have greater control of allocated resources, and also emphasised the link between productivity and improvements in pay and conditions (Beale et al., 2011). These ideas were exemplified in the transfer of responsibility for the effective, ethical and efficient use of resources to agency heads through the *Financial Management and Accountability Act 1997* and also in the transfer of employer powers and responsibility for individual industrial agreements to Agency Heads within the *Public Service Act 1999* (APSC, 2009; Beale et al., 2011).

2000s A new millennium

Throughout the first decade of the new century, the focus shifted to an SES that could deliver forward-looking, citizen-centric, innovative and strategic policy, while being outward looking, flexible and adaptive, and able to develop and invest in staff, and foster collegiate relationships within the SES (APSC, 2009). A 2005 statement by the APS Management Advisory Committee – *One-APS One-SES* –highlighted the pursuit of a service that shares APS wide values, ethical standards, a standard level of capabilities and commitment to collaborate (APSC, 2009). The statement also reinforced the statutory role of the SES and expectations of agility, flexibility collaboration and a commitment to self-development (Beale et al., 2011).

This period was also characterised by some significant failures in program delivery which the ANAO had suggested was due to insufficient senior management oversight. The Beale review

recognised that rapid growth in SES numbers since 2003 raised questions about costs and equity, with the APSC setting a cap on SES numbers from 2010.

The SES under Rudd

In 2009, Prime Minister Keven Rudd announced the establishment of an Advisory Group, to be chaired by PM&C Secretary Terry Moran, to develop a ‘blueprint for reform’ of the APS. The report, *Ahead of the Game – Blueprint for the Reform of Australian Government Administration* (AGRAGA, 2010) supported the need for the SES to drive reform and innovation, and model appropriate behaviours. It recommended a review of the size, role and classification structures of the SES before any net growth (AGRAGA, 2010: Rec. 6.2, p. 56). The Blueprint also proposed clarification of the roles and responsibilities of Secretaries, revisions to appointment and termination processes, and performance management, and the creation of a Secretaries Board and a leadership group. Many of the recommendations were later formalised in the *Public Service Amendment Act 2013* (Halligan, 2013, p. 11).

The following year, a review of the Senior Executive Service led by Roger Beale examined workforce growth, classification creep, pay dispersion and the role of the SES. The Beale Review acknowledged growing policy and operational complexity, an increase in stakeholder engagement, the impact of changing technology, increased concerns about national security, the Global Financial Crisis, and a plethora of other issues such as climate change, immigration and the ambitious Council of Australian Governments (COAG) reform agenda. The findings and recommendations of the Beale Review supported established ideas about the flexible deployment of SES being critical to meeting policy and operational challenges, to APS efficiency and effectiveness, and of the APS as “one-APS”. An audit of SES positions found a significant number of misclassified roles across all SES levels, disproportionately in SES Band 3 (Beale et al., 2011). The review found 172 SES Band 1s were misclassified, 66 Band 2s and 26 Band 3s. As a result of this review, the work level standards for SES Band 3 were amended to strengthen the relevance of innovation, policy, and political/administrative risk in decisions to allocate positions at this level (Beale et al., 2011).

Unlike Liberal Prime Minister John Howard, who had dismissed six departmental secretaries, Kevin Rudd, on attaining the Prime Ministership, retained all the Secretaries he had inherited –

including several with histories of close association with the conservative side of politics or records that gave reason for Labor to query their non-partisanship – gave hope to the Australian Public Service (APS) leadership that a corner had been turned which future governments of either persuasion would follow (Podger, 2013, Sep 20).

Through Special Minister of State Senator John Faulkner, Rudd sought to strengthen non-partisanship of the SES by:

- involving the Public Service Commissioner in appointments and terminations
- removing performance pay for Secretaries
- setting the standard contract period at five years (instead of three) and
- introducing a code of conduct for ministerial staff (Podger, 2013, Sep 20).

Under the Howard Government, Secretaries had been awarded annual bonuses based on performance: 5% (satisfactory), 10% (superior), 15% (outstanding) and 20% (exemplary). Labor committed to remove performance bonuses for Secretaries if elected, believing that the practice “undermined the independence of the public service by providing mandarins with financial incentives to satisfy the prime minister of the day” (Davis, 2008, Jul 8). In lieu of the bonus,

Secretaries were awarded a 14% increase to their base salary, plus a 4.3% annual increase in line with the Remuneration Tribunal's award to other senior office holders in June that year (Burgess, 2008, Jul 11). The policy change was argued to "restore the integrity of the public service and ensure their capacity to provide frank and fearless advice" (quoted by Davis, 2008, Jul 8).

2012 reform – APS work level standards

The first set of core capabilities for the SES had been issued in 1987 (APSC, 2009). Since 2012, agencies have been required under the Classification Rules to adopt SES work level standards developed by the APSC, whose classification methodology assists agencies to measure the work value of new and existing SES roles. The methodology consists of:

- *SES work level standards – an official statement that provides a general description of the work performed at each of the three approved SES classification levels, and*
- *an evaluation tool – to assist agencies in measuring the work value of SES roles against the work level standards (APSC, 2019d).*

New SES Work Level Standards were released in May 2021 to provide a degree of differentiation between SES levels (Bands 1, 2 and 3) and identify four streams of SES functions: delivery; public policy; regulatory and professional/specialist (APSC, 2021g).

Conservative government

In 2013, within hours of his swearing-in, Prime Minister Tony Abbott sacked three departmental secretaries, a move former Public Service Commissioner Andrew Podger (2013, Sep 20) described as

... a failure to respond positively to Kevin Rudd's attempt ... to restore the concept of a public service with a significant degree of independence from political pressures. It has also (again, sadly) clarified that the Public Service Amendment Act 2013 does not provide any serious constraint on prime ministerial discretion over secretary appointments and terminations.

The government of Malcolm Turnbull (from 2015) saw the appointment of Martin Parkinson (previously not renewed as Treasury Secretary by Tony Abbott) to head Prime Minister and Cabinet. Turnbull's Chief-of-Staff, Peter Woolcott, was appointed as Public Service Commissioner following the resignation of John Lloyd, while Scott Morrison's Chief-of-Staff, Phil Gaetjens, was appointed as Treasury Secretary – and later Secretary of PM&C when Morrison became Prime Minister.

In 2015, the Australian Public Service Workforce Management Contestability Review (McPhee, 2015) reported that the SES capability was not being used strategically and identified a lack of clarity about the role of the APSC (McPhee, 2015, p. 53).

In 2018, the introduction of an SES Cap (APSC, 2018d) set an upper limit on the number of SES roles for each agency.

The APS Review

The APS Review flagged a number of priorities for change, including transformation of the APS "governance and leadership model", a number of initiatives for the Secretaries Board, and a reinforced role for the APS Commissioner in the appointment and performance management of SES officers (Thodey et al., 2019, pp 15, 28). The Review of the APS Report contained a

number of recommendations on the SES and APS leadership. These recommendations and the government's responses are outlined below in **Table 3**.

There is some disagreement as to whether the government response was indeed "consistent with the Secretaries' Board advice". Andrew Podger (2019), for one, considered this "both odd and worrying". If it were true, he said, "it demonstrates to the rest of the APS the leadership's lack of frank and fearless advice".

Table 3 APS Review recommendations re SES or APS leadership

#	Recommendation	Government response
1	Implement APS transformation through strong leadership, clear targets, and appointment of a secretary-level transformation leader	<p>AGREED The Government has asked the Secretaries Board to implement agreed initiatives of the APS Review and other priority actions, as part of the Government's broader APS reform agenda. The Board will conduct a three-month detailed planning sprint in early 2020 to develop an integrated set of reforms to build APS capability and lift its performance.</p> <p>[Change to be led by Secretary PM&C supported by the Public Service Commissioner].</p>
23	Identify and nurture current leaders and staff with potential to become future APS leaders	<p>AGREED</p> <p>The APSC, supported by the Secretaries Board, will complete benchmarked capability assessments for all SES Band 3s (deputy secretary equivalents) in 2020 and will commence capability assessments for all SES Band 2s and 1s in the first half of that year. These assessments will help target development, guide career paths, and identify under-performers.</p> <p>The Board has commenced a pilot EL2 talent development initiative under way. Findings from this project will inform future Board decisions on identification and support of future leaders at the EL level.</p> <p>The Secretaries Board will support development of the APS leadership pipeline, with the APSC to regularly advise on APS-wide capability and development of current and future APS leaders.</p>
30	Ensure that Machinery of Government changes are well planned and evaluated, enabling a dynamic and flexible APS that responds swiftly to government priorities	<p>NOTED Decisions on machinery of government changes are a matter for the Prime Minister and will be guided by the Prime Minister's judgment on appropriate administrative arrangements to deliver the Government's priorities. The Secretaries Board will share lessons on the effective implementation of machinery of government changes.</p>
32	Streamline management and adopt best practice ways of working to reduce hierarchy, improve decision-making, and bring the right APS expertise and resources	<p>AGREED</p> <p>The Secretaries Board is focused on ensuring that the structure and hierarchies of APS agencies support the effective and efficient delivery of outcomes for Australians. As a first step, in 2020 the APSC will update 2014 guidance on optimal management structures, which was designed to flatten management structures and increase spans of control, and conduct a <u>review of SES</u> and non-SES classification levels and structures. The Secretaries Board will, in their own departments and through portfolio</p>

		agencies, apply the updated guidance and use the review of classifications to ensure decision-making is simple and that there are no more layers of clearance than necessary.
37	Strengthen the primacy, role and performance of Secretaries Board within the public service	AGREED IN PART Consistent with the Secretaries Board's advice , the Government does not agree that the Secretaries Board requires additional legislative or ministerial authority. The Government considers that existing arrangements are effective ¹
38	Clarify and reinforce APS leadership roles and responsibilities	NOT AGREED The Government accepts the Secretaries Board's advice not to proceed with this recommendation. The Government considers that current roles and responsibilities of the Secretary of PM&C, the APS Commissioner and portfolio Secretaries work effectively in practice and there is no need to alter these or further clarify them in legislation. The APS Commissioner will establish an Advisory Board to help ensure the APSC best discharges its responsibilities.
39a	Ensure confidence in the appointment of all agency heads	AGREED IN PART Consistent with the Secretaries Board's advice , the Government does not agree with initiatives in recommendations 39a and 39c... The Government reiterates its commitment to the apolitical nature of the APS, as set out in the Public Service Act 1999...
39b	Ensure that performance management of Secretaries is robust and comprehensive	
39c	Ensure that robust processes government the termination of secretaries' appointments	

Source: PM&C (2019). *Delivering for Australians – A world-class Australian Public Service: The Government's APS reform agenda*. Canberra: Commonwealth of Australia. Retrieved from <https://pmc.gov.au/sites/default/files/publications/delivering-for-australians.pdf> on 13 Dec 2019.

In response to Rec. 32 of the Thodey Review, the APSC commissioned a review of SES and non-SES classification levels against best practice and emerging workforce needs (APSC, 2021c). In response to Rec. 23, APS Secretaries undertook a targeted succession risk assessment in 2020 to inform the development of leadership pipelines. The assessment found that while “long-established capabilities, such as conceptual and analytical thinking and strategic planning, remain essential”, soft skills – including the ability to engage with multiple stakeholders and mobilise diverse teams – should be core leadership capabilities for the future (APSC 2021d, p. 16).

Only half (49%) of respondents to the 2020 APS Employee Survey agreed that their SES managers effectively identified and developed talented people (APSC, 2021a: 7). This question attracted the least positive responses in the SES section of the survey.

Other initiatives, including the establishment of Professional Streams, the APS Academy and Mobility Framework are underway. The APS Academy, to be established in July 2021, will “lead the transformation of APS learning and development practice” by extending networks with academic institutions and specialist providers, with a focus on “building capabilities central to the ‘APS craft’: in short, leadership, integrity, governance, policy, delivery and engagement” (APSC, 2021d, p. 22).

A Snapshot of current SES employment conditions

The Senior Executive Service (SES) Recruitment and Movement policy sets out requirements for recruitment and selection, remuneration and redeployment (APSC, 2021e). Agencies must consider excess SES employees internally, those from a Redeployment Register, as well as current merit lists before commencing a recruitment process. All selection panels must include the APS Commissioner or an approved representative and the Commissioner must also certify selection processes. An SES Cap sets the limit on the number of SES positions in each agency.

The *Executive Remuneration Management Policy* sets out arrangements for the management of SES remuneration including 'grandfathered' arrangements and those requiring approval of a remuneration package in excess of the notional amount (APSC, 2020b). The APSC website states:

"Policy objectives are to maintain appropriate pay relativity between Secretaries and the most senior members of the SES and other staff to better reflect their respective roles and responsibilities, in accordance with the Remuneration Tribunal's Review of Secretaries' Remuneration. And, also, to support the Government's Workplace Relations Bargaining Policy 2015 which provides a framework for agencies to implement terms and conditions of employment that are affordable and support modern and agile public sector workplaces." (APSC, 2016)

The Remuneration Tribunal (2020) determines the classification structure for Departmental Secretaries and the quantum of remuneration for the Secretaries of PM&C and Treasury, while other Secretaries are assigned to pay points by the PM&C Secretary under subsection 14(3) of the Public Service Act.

The SES Selection process seeks to attract and select high calibre candidates with established broad skill-sets from diverse backgrounds from both the private and public sectors.

"The Australian Public Service Commissioner or a representative of the Commissioner must participate as a full member on all SES selection exercises. The representative plays an important role in ensuring that SES selection exercises uphold merit, as defined in section 10A of the Public Service Act 1999 (the PS Act) and meet relevant requirements in Part 3 of the Australian Public Service Commissioner's Directions 2016 (the Directions)".

In 2019, former APS Secretary Allan Hawke argued that performance pay can lead to "patronage, subordinate sycophancy, playing and paying favourites, oiling the squeaky wheel, toadyism and other inappropriate practices" (quoted by Jenkins, 2019: Sep 27). The same year, 114 SES were paid bonuses ranging from \$2867 to \$661,145 as illustrated in the table below (APSC, 2020a), which is a comparatively low proportion of the total SES.

Table 4: Performance bonuses by SES band, 2019

Band	Total N	n (%) with bonus	Range (\$)	Average (\$)
SES 1	2022	83 (4.1%)	2867 – 22,646	11,763
SES 2	553	27 (4.9%)	8468 – 261,284	65,990
SES 3	123	4 (3.3%)	26,072 – 661,145	216,503
Total	2698	114 (4.2%)		

Source: APSC (2020a). *APS Remuneration Report 2019*, Table 5 (p. 34)

Note: Range is from 5th to 95th percentile.

In addition to a COVID-related freeze on executive remuneration, a review of SES performance bonuses was announced in November 2020 to inform the development of a consistent approach across all Commonwealth agencies (Morton, 2020b). Pending the outcomes of the review, agencies were urged to “exercise restraint to the furthest extent possible in keeping with community expectations” (Morton, 2020b). The review panel comprises the Secretaries of PM&C and Finance, plus the APS Commissioner. An Interim Report released in March 2021 found the assessment, application and reporting of bonuses was inconsistent, requiring increased rigour and enhanced transparency. The panel recommended that clear guidance be drafted for Commonwealth entities based on principles of community expectations, “rigour and restraint”, and delivery of public benefit (APSC et al., 2021, p. 4).

Terminations and incentives to retire

An SES employee may resign at any time by providing written notice to the agency head. If retiring, the agency must consider an adjustment to the SES Cap unless the role is still required (APSC, 2021f).

Under section 29 of the *Public Service Act 1999*, agency heads may terminate an SES employee if justified through one of the terms specified within the Act. A notice to terminate on any grounds can only be given after the issue of a certificate by the Public Service Commissioner – stating that all relevant requirements and Directions have been met, and that the Commissioner considers that termination to be in the public interest (s. 38).

Under Section 37 of the *Public Service Act 1999*, an agency head may also offer an SES employee an incentive to retire in writing. The agency head must notify the employee that they will become entitled to a specified payment if the employee retires within a specified time. This can be offered where the employee is excess to requirements or no longer has the skills or qualifications required to perform at their SES classification. The offer must reflect a balance between sufficient incentive to retire and the proper use of public money. If the incentive is not accepted, an agency head may redeploy the employee at the same or lower classification or terminate the employment under section 29 of the PS Act (APSC, 2021f).

Table 5 Employment Practices – Senior Executive Service – Commonwealth

Employment Practices	1999 position	Major changes since 1999	Current position @ 2021
Recruitment			
Advertised internally	Yes	<p>Circular 2008/1 - Amendments to the Public Service Commissioner's Directions 1999 — Engagement of non-ongoing Senior Executive Service employees</p> <p>The change clarifies the capacity of APS agencies to engage a Senior Executive Service (SES) employee on a non-ongoing basis for no more than 12 months without the employment opportunity needing to be notified.</p> <p>https://www.apsc.gov.au/circular-20081-amendments-public-service-commissioners-directions-1999-engagement-non-ongoing-senior</p>	Senior Executive Service (SES) Recruitment and Movement Policy, 2021
		<p>Yes</p> <p>Circular 2015/3 repealed the requirement for SES vacancies to be notified in the Gazette. Henceforth at the discretion of the agency head.</p>	Advertised in the Gazette only at the discretion of Secretaries.
Advertised externally	Yes	<p>Yes – subject to following:</p> <p>2015 amendment to Public Service Commissioner's Directions 2013 – vacancies notified external to Gazette at discretion of agency head</p>	<p>Agencies are bound by the Dept of Finance <i>Recruitment Advertising Policy</i>.</p> <p>The policy prohibits advertising in major daily newspapers unless an exemption is approved by the Agency Head and includes rules for outsourcing recruitment.</p> <p>Yes – if decided by agency head</p> <ul style="list-style-type: none"> – on recruitment website within 4 weeks of Gazette – print media such as Indigenous, local, regional or rural media without seeking an exemption – only after consideration has been given to displaced SES employees

			and those on the redeployment register.
Search Agency	Sometimes, not often	No Change	External recruitment agency must satisfy the requirements of section 10A(2) of the PS Act (Employment Principle on merit) and Part 3 of the Commissioner's Directions (Recruitment and Selection)
Selection body	<p>Departmental Secretary or delegate convenes panel, with SES officer from another department representing the PSC.</p> <p>Panel makes recommendation to Dept. Secretary.</p>	<p><i>Public Service Act 1999</i> – Agency heads become responsible for SES employment decisions – must meet requirements of Commissioner's Directions.</p> <p>2008 amendment to <i>Public Service Commissioner's Directions 1999</i> – APS agencies may engage an SES employee on a non-ongoing basis for no more than 12 months without having to notify.</p> <p>2015 Amendment to <i>Public Service Commissioner's Directions 2013</i> – agency heads no longer need Commissioner's endorsement of selection process.</p> <p>Changes to policy agreed by Secretaries Board on 5 December 2018 for implementation 1 February 2019 – see next column re one month's notice of intention to fill vacancy, no obligation to use merit list, Band 3 processes require invitation to Commissioner and Band 1 and 2 require Commissioner's approval of agency nominations of Commissioner's representative.</p>	<p>Title is Selection Advisory Committee</p> <ul style="list-style-type: none"> – Chaired by agency – Commissioner's representative for Band 1 and 2 processes may be nominated by agency but must be approved by Commissioner. Must participate as full member of panel that includes short-listing, assessment and agreeing to and signing the selection report. <p>Band 3 selections must attract an invitation to the Commissioner (who may delegate) and 1 and 2 can include Commissioner representatives nominated by the agency.</p> <p>Gender balance is desirable.</p>
		<p><i>Circular 2018/5</i> introduced new processes relating to the Commissioner's role in SES recruitment</p>	<p>Selection processes for all SES roles must include the full participation of the APSC or Commissioner's representative.</p>
Role of Portfolio Minister	No formal involvement. Sometimes apprised of process.	No	No formal involvement discussed in sources
Role of Prime Minister	None	No	None

Role of Cabinet	None	No	None
Role of Dept. Head	Recommends on advice of panel to PSC.		<p>Agency Head develops selection processes that are fair, transparent and compliant (see Merit and Transparency Policy).</p> <p>Agency head is delegated decision maker.</p> <p>Must give one month's notice to Commissioner where possible.</p> <p>Agency head is not bound by recommendations of selection committee.</p> <p>Agency head must consider SES cap and agencies ASL.</p> <p>Agency head may decide to transfer SES at level without merit selection process</p>
Employment Conditions			
Contract	For external appointments only. Internal appointments retain permanency.	No change	<p>Internal appointments retain permanency.</p> <p>External candidates can be employed as either on-going or non-ongoing.</p>
Contract timeframe	Up to 5 years	No Change	Up to 5 years
Contract Extension	Only if original contract less than 5 years and then only to take service to 5 years.	No Change, but management of selection and remuneration devolved to agency head	Agency head may extend but only where the initial term was less than 5 years. The agreement can be extended to a maximum of 5 years in total.
Redundancy/ Termination provisions	<p>Act provides for PSC to have discretion (S44).</p> <p>Assuming no job to go to, formula used by PSC is 1/3 of one month's salary for each 4 months of service forgone. Minimum of 4 months' pay, maximum of 12 months.</p>	<i>Public Service Act 1999</i> – Management of provisions devolved to agency heads.	<p>Agency head may terminate SES employment (s29)</p> <p>Must be justified on grounds set out within s29 or s37 (excess staffing)</p> <p>S38 requires that the notice of termination cannot be issued with a Commissioner's certificate stating that all requirements have been met.</p> <p>Termination must be in writing and cite grounds.</p> <p>Fair Work Act s119 sets out entitlements where employee is found excess to requirements.</p>

			Terminations resulting from breach of Code of Conduct must be notified in Gazette within 3 months. S37 allows agency head to offer an incentive to retire payment to an SES employee
Process re extension	No specific process; subject to negotiation between parties	No change, but management devolved to agency head	Agency head may decide
Performance Management			
Program in place	Yes	Amendment to <i>Commissioner's Directions 2016</i> in July 2019	Yes
Frequency of assessment	Annual cycle based on performance agreement.	At least annually	At least annually
Types of measures	Subject to performance agreement detail	No Change	Negotiated on basis of individual performance plan – varies by agency
Purpose	Performance management and bonuses	No Change	Meet accountability requirements and provide basis for any assessment of eligibility for bonus – process varies by agency.
Who makes assessment	Dept Secretary or delegate	No change	Assessment by line Manager – decisions regarding ratings and/or remuneration taken by agency head or delegate or committee – process varies by agency
Remuneration			
	Determination of PSC	<i>Public Service Act 1999</i> – decision making devolved to agency head except where Commissioner's approval is required for amounts in excess of notional amount.	Determined by agency head (s.20) except where in excess of notional amount where Commissioner's approval is required.
Performance Pay			
Availability	Yes	<i>Public Service Act 1999</i> – management devolved to agency heads and subject to differences between agencies	Varies by agency
		Performance bonuses for Secretaries were abolished in 2008 by the Rudd government in lieu of a 14% increase in base salary and annual increments in line with the rest of the APS.	

Basis	Performance bonuses between 8% and 15% of salary.	<i>Public Service Act 1999</i> – management devolved to agency head and subject to differences between agencies	Arrangements differ by agency but generally where offered, must evidence <i>extraordinary performance/exceeds expectations</i> assessment level
Who makes assessment	Dept Secretary or delegate	No change	Agency head or delegate
Right of Return			
	Appointments to SES from within the Service (97% of SES) retain permanency.	No change	Internal appointments to the SES retain permanency – returning to the APS after receipt of redundancy benefits may limit employment.

6 Workforce data

At the 1984 creation of the SES, there were 1651 SES employees (1.2% of the SES) (APSC, 2009). In the following decade and a half, growth of the SES was disproportionate to that of the APS (78% vs 30%) (Halligan, 2013:17). The Advisory Group on Reform of Australian Government Administration (AGRAGA, 2009), noted that while SES numbers had grown by 41% from 1994 to 2008, public service positions at the lowest end of the scale (APS1-2) had reduced by 95% and 71% respectively (AGRAGA, 2009: 3; 17).

At the same time, representation of women in the SES ranks have grown – from 36% in 2008 and to 43% in 2017 – reaching top-level parity in 2018, with nine of the 18 Secretaries women (APSC 2017 – *APS Statistical Bulletin 2016-17*; Heron, 2018). However, while women made up two-thirds of all PM&C employees in 2017, there were only two women among the nine top executives (Gothe-Snape, 2018).

In 2017, the Women Leaders Index ranked Australia second (after Canada) among G20 countries in terms of female public sector leaders – with the disclaimer that these countries have different public sector structures and may collect and report data differently (Global Government Forum, 2017). In the UK in 2019, 43% of senior civil servants were women – a significant increase from only 17% in 1996 (Institute for Government, 2019).

The overall proportion of women in the APS reached 59.9% at December 2020, in most cases exceeding parity with men at every level up to and including EL1. The proportion of female SES employees has increased from 40% in 2014 to 49% in 2020, with women reaching parity (50.5%) with men at the SES Band 1 classification for the first time in December 2020. The Australian Government has agreed to Respect@Work's recommendation that the *Workplace Gender Equality Act 2012* be amended to include the public sector (Williamson & Colley, 2021).

The following table illustrates two decades of change in the composition of the SES relative to the APS.

Table 6 – APS SES by classification and gender 2000 to 2019

APS Band	CLASSIFICATION												Total SES	% F	Total APS	% APS/ SES
	SES1				SES2				SES3							
Year	M	F	Total	%F	M	F	Total	%F	M	F	Total	%F				
1989*	1098	135	10.9	10.9	337	29	366	7.9	73	5	78	6.4	1677	10.1	139274	1.2
2000	832	315	1147	27.5	276	74	350	21	90	13	103	12.5	1600	25	113,463	1.4
2009	1221	747	1968	38	371	192	563	34	103	30	127	23.5	2658	36.5	161,259	1.6
2019	1058	993	2051	48.5	355	232	587	39.5	80	62	142	44	2780	46	147,163	1.9

Source: APS Employment Data – 30 June 2019 release. <https://www.apsc.gov.au/aps-employment-data-30-june-2019-release>

*1989 figures are for ongoing employees only, while the other years are for total number of employees

Extracted from Table 10: All employees: base classification by gender, 30 June 2000 to 30 June 2019

Data from December 2020 show the SES still comprising 1.9% of the APS workforce (APSC, 2021b). In terms of gender equality, the proportion of women at SES 2 increased to 44% (from 39.5 in June 2019) with 46% for SES 3 (up from 44%) (APSC 2021b: 21). Parity was almost reached in total numbers (48.9%) in 2020 (APSC 2021b, p. 22). In terms of mobility, in

December 2020, 64% of the SES had worked in multiple agencies (APSC 2021b, p. 26). Of those recruited to the SES in 2020, only six were recorded as coming from the private sector; however, data on previous employment is missing for 64 of the 81 people joining the SES (or 79%) (APSC 2021b, Table 56).

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8 APPENDIX 1: APS SUMMARY OF LEGISLATION, POLICY, AND ANNUAL REPORTS

YEAR	Public Service Board/Commission Annual Report	State of the Service Report	Public Service Commissioner Directions and Amendments or policy	Legislation
1973				<p><i>Public Service Act 1973</i></p> <p>Substituted 'Australian' for 'Commonwealth' in the title of the Service and removed the requirement for an oath or affirmation of allegiance to the Crown (APSC, Ch. 6)</p>
1975				<p><i>Public Service Acts Amendment Act 1975</i></p> <p>Provided for Remuneration Tribunal determination of pay rates for permanent heads, in place of annual parliamentary appropriation, as had applied from the commencement of the 1902 Public Service Act (APSC, Ch. 6).</p>
1976	<p>1976 Coombs Commission (recommended abolition of the Divisional structure on the basis that it precludes promotion from fourth division to third division and places a disproportionate value on formal qualifications)</p>			<p><i>Public Service Amendment (First Division Officers) Act 1976</i></p> <p><i>Established new procedures for appointing permanent heads, providing for submission to the Prime Minister of the names of suitable persons by a committee, comprising the Board Chairman and at least two serving permanent heads. The Prime Minister was not obliged to recommend to the Governor-General the appointment of a nominated person but, if not doing so, the</i></p>

				<p><i>alternative appointee was to be appointed for a fixed term of five years, with eligibility for reappointment. On completion of the term, a former officer was entitled to be reappointed to the APS or could elect to retire (APSC, Ch. 6 – Towards the end of an era).</i></p>
1979				<p><i>Commonwealth Employees Redeployment and Retirement Act 1979 (repealed in 1986)</i></p> <p>“Facilitated the retrenchment of public servants surplus to requirements” and required that the permanent head “ensure the efficient, effective and economical use of the department's staff” (Verspaandonk et al, 2010).</p>
1984	<p>Preparation for legislative reform under Public Service Bill that will increase responsiveness to ministerial leadership, improve efficiency, promote equity, create a more open PS and improve the quality of senior management.</p> <p>Reinforcement of Westminster system to mediate concerns about a powerful bureaucracy.</p> <p>SES to replace the former second division of the public service to provide higher level policy advice, assume high-level managerial and professional responsibilities and develop an APS identity.</p> <p>SES to be managed by the PS Board; open to outside applications; increase the number of female SES;</p>			<p>June: <i>Public Service Reform Act 1984</i></p> <p>Sets out conditions for the SES.</p> <p>“...legislates the new senior executive service to create a unified, cohesive senior staffing group with distinctive selection, development, mobility, promotion and tenure arrangements” (APSC, 2009).</p> <p>Greater political role in appointing and managing departmental secretaries (no longer ‘Permanent Heads’) (Verspaandonk et al.,2010). Devolution to Secretaries some powers of the Public Service Board to “create, classify and abolish public service offices” (APSC, Ch. 6 – Towards the end of an era). Board maintains the ability to classify SES positions.</p>

	<p>PS Board rep to be on all selection panels; the Board to develop system of SES staff appraisal and an assignment pool.</p> <p>New SES arrangements provide no appeal mechanism re promotion.</p> <p>Authority for creating and abolishing positions has been moved to the Secretaries of departments and their delegates, but Board can direct reclassification.</p> <p>Board introduced a Senior Executive Management Program (to promote knowledge, esprit de corps/public service ethics) and increased sponsorship of access to other courses.</p> <p>Senior executive conferences – senior executive fellowships.</p> <p>Redeployment and retirement of SES to be handled under the Act (post Reform Act).</p> <p>Consideration began to be given to the reduction of the number of senior executive staff levels.</p> <p>Noted recent high salary increases of SES.</p>			<p><i>Merit Protection (Australian Government Employees) Act 1984 (Cth) (repealed in 1999)</i></p> <p>The Merit Protection and Review Agency was established to ensure actions taken in relation to Commonwealth employees are fair and equitable (Verspaandonk et al, 2010).</p>
<p>1985</p>	<p>Promoting proficiency, equity and responsiveness – acknowledge renewed attacks on the performance and productivity of the APS and debate around the role of the public sector.</p> <p>Senior executive staffing unit created</p>			

	<p>SES remuneration noted as being behind those in the private sector</p> <p>Board developing an approach to mobility</p> <p>Board established a senior executive Inventory – central registry of staff, background and skills.</p> <p>Work started on SES staff appraisal scheme for assessing performance.</p> <p>Redeployment and retirement of SES on invalidity grounds established.</p> <p>Six levels of SES being reconsidered in pursuit of flatter structures – removing unnecessary levels of control and communication.</p>			
<p>1986</p>	<p>Measures to streamline APS work processes for 21 century – increase productivity and cost effectiveness.</p> <p>Difficult economic situation</p> <p>Expanding series of program management performance reviews in the search for greater productivity at lower cost – office structures review - claims there is a change in education level, capacities and attitudes in staff body.</p> <p>Note need to continue to enhance recruitment selection development and assignment of SES.</p> <p>Note disparities between private and public sector senior executive remuneration – partial reason for reduction in outside applicants?</p>			<p><i>Dec: Public Service Legislation (Streamlining) Act 1986</i></p> <p>Amends parts of the <i>Public Service Act 1922</i>, substituting a new section 10 – Constitution of the APS and section 5 – Head of the Public Service Board, as well amendments related to Secretaries of Departments (ss 16 and 27) and fixed-term appointments (s. 28).</p>

	<p>Still very significant gender disparity</p> <p>Concept of SES mobility still not widely accepted.</p> <p>Consultation during this year over performance appraisal system for SES – still considering options – different models to be tested.</p> <p>Note high need for training for SES across a wide range of topics.</p> <p>In this year, Senior Executive Staffing unit embarked on project to increase EEO in SES-starting with women - drawing attention to conditions such as maternity leave – selection criteria monitored to ensure that consistent with EEO policy – where possible included women in selection advisory committees</p>			
1987				<p><i>Administrative Arrangements Act 1987 (Cth) (now defunct)</i></p> <p>Abolished the Public Service Board and replaced it with the Public Service Commission.</p> <p><i>“The Australian Public Service Management Advisory Board is established to advise the Government on significant management issues and act as a forum for consideration of major management activities (replaced by the Management Advisory Committee in 1999)” (Verspaandonk et al, 2010).</i></p>

1990			Senior Leadership Program developed (Minns, 2004)	
			SES selection criteria and work level standards reviewed	
1994			The Keating Government introduced contracts for Secretaries and encouraged consideration of contracts for the SES.	<i>Prime Minister and Cabinet (Miscellaneous Provisions) Act 1994</i> Restructured the SES into three bands and provided for fixed-term appointments for departmental Secretaries (Verspaandonk et al, 2010).
1995			Public Service and Merit Protection Commission (PSMPC) established through the amalgamation of the Public Service Commission and the Merit Protection and Review Agency.	
1997			Devolution of responsibility for setting SES pay and employment conditions to agency heads (Lafuente, et al., 2012, p. 11)	<i>Financial Management and Accountability Act 1997</i> Part 7 outlines special responsibilities of Chief Executives in terms of the control and management of public money and public property.
1998				<i>March: Regulation 12 of the Public Service Regulations</i> Requires the Public Service Commissioner to present an annual State of the Service Report to Parliament (MacDermott, 2008, p. 157).
1999	First full financial year since the implementation of the Government's	Work on identification required by APS leaders a priority.	Senior Executive Leadership Capability Framework established, with	<i>Public Service Act 1999</i>

	<p>public sector reforms by administrative means in February 1998</p> <p>Movement in management focus away from central regulation and prescription to flexibility, devolution of employee powers to agency heads and increased accountability.</p> <p>Inclusion in regulation of Values and Code of Conduct and requirement for Agency Heads to be bound by them and uphold them.</p> <p>First State of the Service report relating to the 97-98 financial year. As a result of regulatory requirements to report on key issues and challenges facing the APS.</p> <p>Developed series on Public Servants Accountability, Rights and Responsibilities</p> <p>Want to strengthen and develop future leaders –Senior Executive Leadership Capability Framework – five core criteria for high performance – will be used for selection to SES (five interlinked criteria with underlying capabilities which describe those behaviours).</p> <p>At this point, Commissioner has responsibilities re SES approving selection processes and displaced SES cases.</p> <p>There is a Band 4 Committee to foster most career development and mobility needs of most senior SES.</p>	<p>75% of those promoted to SES within this year commenced work in APS as part of graduate recruitment</p> <p>More than 80% promoted within their agency</p> <p>Department of Environment and Heritage included clause in their SES AWAs requiring them to adhere to APS Values when achieving Key Result Area outcomes.</p> <p>80% of participating agencies has performance assessment system in place for SES for 12 months or more.</p> <p>AFFA trialling 360 def feedback for SES as development tool</p> <p>ATO performance pay based on achieving outcomes and not evidencing competencies.</p> <p>Office of Parliamentary Council introduce system of obtaining feedback from client agencies and contribute to performance appraisal for SES.</p> <p>Public Service Commissioner continues to exercise promotion and appointment functions in relation to the SES with agencies responsible for selection processes.</p> <p>Promotions to SES are not reviewable, but inclusion of representative of PSC</p> <p>SELCF sets out new statement of requirements and selection criteria for the SES that acknowledges former SES selection criteria but also</p>	<p>SES selection to be based on the new Framework (MacDermott, 2008, p. 158)</p> <p>Introduction of performance pay for Secretaries (MacDermott, 2008, p. 14.)</p> <p>Barratt v Howard [1999] FCA 1183 rules that the Prime Minister does not require cause to dismiss a Secretary.</p>	<p>Streamlined the employment powers of departmental secretaries (including those of dismissal) (MacDermott, 2008, p. 158)</p>
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	<p>Continue to have an SES Adviser</p> <p>Started work on a Career Development Assessment Centre (CDAC) for high potential staff in the SES feeder group – p14</p> <p>Managing downsizing in this year</p>	<p>more recent expectations. Reinforces role across APS</p>		
1999			<p><i>Public Service Commissioner's Directions 1999</i></p> <p>Covering the APS Values, diversity in employment, Code of Conduct breaches, SES employment and delegation</p> <p>SES employment requirements specified for promotion and engagement, mobility, re-deployment, involuntary assignment at lower classification, assignment from specialist to non-specialist classification, non-SES to SES classification, retirement and termination of employment.</p> <p>https://www.legislation.gov.au/Details/C2004H03942</p>	<p>“Regulations are introduced into Parliament requiring the Public Service Commissioner to present an annual State of the Service Report to Parliament” (MacDermott, 2008. p. 157)</p>
2000	<p>Further implementation of the governments reform agenda – future focussed, innovative, professional, service oriented.</p>	<p>Performance requirements applied to Comcare's SES include upholding and promoting APS Values</p>		

	<p>APS Values seen as fundamental instrument</p> <p>Strengthening leadership as a theme</p> <p>Once again revised criteria for Senior Executive Leadership Capability Framework introduced in 1999 and the Career Development Assessment Centre first centre conducted. New core criteria and must seek Commissioner approval to include portfolio specific criteria.</p> <p>First full year of accrual accounting in APS which focuses on outputs and outcomes frameworks.</p> <p>Implementation of PSA 1999 saw agency heads become directly responsible for making SES employment decisions as long as meet PSC Directions. Commissioner must endorse SES selection process and SES incentive amounts to retire.</p> <p>AWAs in place for SES staff.</p>	<p>Staff statistics show less than 2.9% SES as non-ongoing.</p> <p>Picture of older APS performing more complex tasks with some improvements in gender equity. Suggestion of leadership replacement challenges but these differ by agency.</p> <p>DEWRSB commissioned report in SES Remuneration survey – covered 95% of SES. Packages and increases considerably less than private sector and slightly less than state government. Also found that performance-based bonus payments more widely used.</p> <p>Different performance pay systems in different departments</p> <p>Intro of 5 core criteria of the Leadership Framework for selection of SES – balance of each criterion can be decided by agency.</p> <p>Encourage SES to attend orientation within first 12 months – the large numbers failing to do this is of concern.</p>		
2000				<p>SES roles are classified under Section 8 of the <i>Public Service Classification Rules 2000</i></p> <p>https://www.legislation.gov.au/Details/F2006C00682</p>
2001	<p>Still dealing with new employment frameworks introduced through PSA 1999.</p>	<p>Increased differentiation has emerged in the wages and conditions</p>		

	<p>Training and development focused on 5 areas – career development, expertise development, seminars, leadership extension, individual development.</p>	<p>for the SES (and non-SES) between and within agencies.</p> <p>Development of leadership capabilities remains a priority.</p> <p>Nearly all SES on AWAs</p> <p>Significant widening of SES salary bands since decentralisation.</p> <p>96% of SES employees in agencies with published salary ranges are paid at maximum of range for that agency.</p> <p>SES base level salary ranges have increased significantly compared with non-SES.</p>		
2002	<p>PS Board became the Australian Public Service Commission</p> <p>Evaluations confirm the usefulness of the Senior Executive Leadership Capability Framework (SELCF), but more information needed about how to apply it.</p> <p>Statement that individual agencies are often best placed to undertake significant elements of leadership development in the context of their own cultures and organisational issues – Commission should complement.</p>	<p>Report results of review of SELCF – most portfolio secretaries preferred no change.</p> <p>The depth of understanding of some SES of their parliamentary accountability rights and responsibilities is a concern – linked with low orientation attendance and general need for training in this area.</p> <p>Increasing number of SES B3 are non-ongoing.</p> <p>Increased overlap of salaries between salary ranges of SES Bands and EL2s</p> <p>Ongoing modest increase in women in the SES.</p> <p>Ongoing concerns around ageing of SES.</p> <p>Increase to half of new SES attending orientation</p>		

<p>2003</p>	<p>The Commission approved the strategic framework for a new Integrated Leadership Strategy (ILS)</p> <p>This will clarify the capabilities required at different levels. Will inform new development opportunities</p>	<p>Slight increase in women in the SES</p> <p>Continued interest in the depth of understanding of some SES of their parliamentary accountability rights and responsibilities – survey of agencies</p> <p>Ongoing concern around the increased overlap of salaries between salary ranges of SES Bands and EL2s.</p> <p>Ongoing concern around ageing SES.</p> <p>Nearly a quarter of agencies do not have measures in place to meet government requirement for SES employees to make written statement of a conflict of interests.</p> <p>Higher levels of satisfaction by SES than other levels with the handling of underperformance.</p> <p>Orientation attendance dipped again</p>		
<p>2004</p>	<p>Developed and released ILS which builds on SELCF</p>	<p>Continued slow increase in number of women in SES.</p> <p>Concern remains around attendance at training.</p> <p>After consultation, it appears that the arrangements for APS SES appointments are more robust than other jurisdictions</p> <p>Decline in mobility of SES may be of concern.</p> <p>Slight increase in attendance at SES orientation.</p>		

		<p>Continued interest in the depth of understanding of some SES of their parliamentary accountability rights and responsibilities – still not addressed.</p> <p>Continued concern around requirement for conflict of interest statements by SES.</p>		
		<p>Public Service Commissioner, 2003–04 <i>State of the Service Report</i> (Canberra, 2004).</p> <p>See Appendix 4 – Jurisdictions' Arrangements for the Appointment of Secretaries, Chief Executives and Senior Executives</p>		
2005	<p>Commission continues with package of SES development programs including: LAFIA program of overseas study + ANZSOG program MPA</p> <p>Developing new package of leadership programs mapped to ILS targeting each of the three levels under SES.</p> <p>Commission developed the new SES leadership series 'Ministerial Conversations' to connect government through collaborative processes across agencies to hear Ministers' portfolio policy perspectives.</p> <p>Band 3 forum series-opportunity to explore current strategic issues</p> <p>SES Breakfast series</p>		<p><i>One APS – One SES</i></p> <p>Outlines expectations of a single SES across a single, devolved APS.</p>	

	<p>SES snapshots</p> <p>SES HR Roundtable</p> <p>Problems delivering SES orientation within timeframes</p>			
2006	<p>Implemented new leadership programs for SES – 2 x residential leadership programs for SES Band 2 and 3, aligned with ILS.</p> <p>Delivered Ministerial conversations.</p> <p>Delays and slippage with contracting and consulting for training SES packages.</p> <p>Redesigning and improving CDACs using 360 deg feedback tool mapped to ILS.</p> <p>Designed and delivered SES Band 2 course (leading across boundaries + SES band 3 Leadership mastery</p> <p>Developed concepts for SES Band 1 training</p> <p>Distributed to SES – statement to the SES ‘One APS – One SES’ – clarified expectations on delivering outcomes for government of the day.</p> <p>Leadership Learning and development consultant panel refreshed with 90 key areas under 4 sub-panels, two of which were L&D for SES, SES leadership development.</p>			

	<p>Delivered Finance essentials aimed at SES Band 1 developed during this year</p> <p>Executive Fellows Program Band 2 and 3.</p> <p><i>Supporting Ministers, Upholding the Values</i> good practice guide launched to assist agency heads and SES develop agency specific advice.</p> <p>Problems delivering SES orientation within timeframes</p>			
2007	<p>Residential leadership programs for all SES levels</p> <p>Capability and networking events for all SES</p> <p>Implementing machinery of government changes good practice guide distributed to SES</p> <p>SES virtual team established within the Commission</p> <p>Review reaffirmed the importance of declaring personal interests for SES and other senior staff – revised guidelines released in 2007</p> <p>Problems delivering SES orientation within timeframes – BUT IMPROVING</p>		<p><i>Appointment of Departmental Secretaries</i> (all appointments of departmental secretaries will be for five years)</p>	
2008	<p>PM in speech to SES outlines vision for stronger strategic and policy skills and enhanced integrity and accountability of government.</p> <p>Leader to Leader series – stage for strategic discussions – share info</p>		<p><i>Circular 2008/1 - Amendments to the Public Service Commissioner's Directions 1999</i> — Engagement of non-ongoing Senior Executive Service employees</p>	

	<p>and stimulate debate – programs for skill such as program management, financial management and regulation.</p> <p>Linking Leaders for regional SES to network and engage.</p> <p>Government decision not to offer any new AWAs – remuneration set through PSA 1999 determinations set out at 24(1).</p> <p>Problems delivering SES orientation within timeframes – BUT IMPROVING</p>		<p>The change clarifies the capacity of APS agencies to engage a Senior Executive Service (SES) employee on a non-ongoing basis for no more than 12 months without the employment opportunity needing to be notified.</p> <p>https://www.apsc.gov.au/circular-20081-amendments-public-service-commissioners-directions-1999-engagement-non-ongoing-senior</p> <p>Determination under Section 61: Secretaries' remuneration and other conditions (performance bonuses for departmental secretaries cease)</p>	
2009	<p>Commission promotes the ethics and integrity agenda + efficiency and effectiveness. + innovation and engagement + continuous improvement.</p> <p>Theme includes being ready for the future.</p> <p>Problems delivering SES orientation within timeframes</p> <p>Intro of Merit and Transparency Policy - applicable to all including agency heads and SES</p> <p>https://www.apsc.gov.au/government-s-merit-and-transparency-policy</p>			
2010	<p><i>Ahead of the Game: The Blueprint for the Reform of Australian Government Administration</i> released 2010 – focus on capability development in APS due to rising expectations, technology/complexity/tight budgets.</p>		<p>Leadership board and leadership forum established: Secretaries Board (departmental secretaries and the APS Commissioner) and APS 200 (senior SES from a range of APS agencies) (Verspaandonk et al, 2010).</p>	

	<p>Commission received functions for policies for employment conditions, work-level standards and workplace relations from Department of Education, Employment and Workplace Relations.</p> <p>Commission focus on - ready for the future/ethics and integrity/engagement with clients and delivery/agency performance and capability/leading by example</p> <p>Budget for work from Blueprint includes review of size and growth of SES with temporary caps on growth.</p> <p>Work to revise SES work level standards and capability expectations.</p> <p>Commission published the SES census which identified the SES capabilities that will be required over the next five years and the need to rethink current strategies for development of SES.</p> <p>Problems delivering SES orientation within timeframes</p> <p>Commission held special event to commemorate 25 years of the SES.</p>			
2011	<p>Commissioned SES review delivered – new WLS have been developed</p> <p>Problems delivering SES orientation within timeframes</p> <p>No net growth in SES prior to completion of SES review</p>			

	Developing statement of SES leadership behaviours			
2012	<p>Reviewing all SES leadership programs</p> <p>Revising SES WLS</p> <p>Implementing recommendations of SES review</p> <p>Public Service Amendment Bill 2012 introduced to Parliament March 2012 – actions include to implement the recommendations of the Blueprint and clarify role of SES to include whole of APS responsibilities.</p>		Revised SES Work Level Standards issued	
2013	<p>2013 National Commission of Audit (queried the layers and spans of control in the APS)</p> <p>Through this period supporting the government with amendments to the PSA 1999 – which commenced on July 2013.</p> <p>Completed APS Classification Review including Work Level Standards (WLS) for SES – now in place.</p> <p>Implementing new approaches to talent development SES Band 2 and 3.</p> <p>The 2013 Commissioner's Directions amended to make the Recruitability Scheme consistent with merit provisions found in the PS Act and extended to SES positions.</p>	<p>Directions no longer have a separate clause dealing with movement at level and new requirements. No longer separate conditions for involuntary assignment to lower levels for SES. Senior Executive (Specialist) classifications removed. Process for assignment from a non-SES classification to an SES classification simplified. No longer separate clause relating to SES termination of employment. Retained note that Commissioner must issue certificate.</p>	<p><i>Commission Advice 2013/03: Legislative changes to matters relating to SES employment</i></p> <p>The Amendment Act redefines the constitution and role of the SES in section 35, emphasising that the SES is to provide APS-wide strategic leadership of the highest quality that contributes to an effective and cohesive APS.</p> <p>s37 clarifies conditions for Incentives to Retire.</p> <p>The changes expand on the nature of the function of the SES and each SES employee to encompass the provision of one or more of the following:</p> <ul style="list-style-type: none"> • Professional or specialist expertise • Policy advice 	<p>Public Service Amendment Act 2013</p> <p><i>“provided a legislative basis for the revised roles of a number of actors foreshadowed in Ahead of the Game, including formalising a range of secretary roles, a secretaries’ board, the senior executive service and the public service commissioner. Reformulated public service values were also enacted”</i> (Halligan 2013, p.11).</p> <p>Part 1 Secretaries; Part 2 Secretaries Board; Part 3 SES</p>

	<p>Events including all programs SES supporting one-APS agenda.</p> <p>Increased attendance at SES orientation.</p> <p>Refreshed Band 1 and Band 2 leadership programs</p> <p>Incorporated Indigenous content into a number of SES programs</p>		<ul style="list-style-type: none"> • Program or service delivery • Regulatory administration. <p>In addition, the SES are required to promote cooperation within and between agencies, including to deliver outcomes across agency and portfolio boundaries and, by personal example and other appropriate means, promote the APS Values, the APS Employment Principles and compliance with the Code of Conduct.</p> <p>Two other amendments, both to section 37 'Incentive to Retire', clarify that:</p> <ul style="list-style-type: none"> • a notice under section 37 can be given to an SES employee whether or not the employee has reached the minimum retirement age specified in section 30; and • a retirement under section 37 means that the SES employee has been 'retired involuntarily', rather than has been 'compulsorily retired'. <p><i>Public Service Commissioner's Directions 2013</i> – aimed at reinforcing whole-of-government working and <i>Public Service Amendment Act 2013</i></p> <p>Directions no longer have a separate clause dealing with movement at level and new requirements. No longer separate conditions for involuntary assignment to lower levels for SES. Senior Executive (Specialist)</p>	
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			<p>classifications removed. Process for assignment from a non-SES classification to an SES classification simplified. No longer separate clause relating to SES termination of employment. Retained note that Commissioner must issue certificate.</p> <p>Changes to the layout and presentation of the Directions include the removal of the previous SES-specific Chapter. There are several changes where redundant, ambiguous or unused provisions in the Directions relating to SES employment matters have been deleted, clarified or simplified. These are:</p> <ul style="list-style-type: none"> • Movement at level between agencies: there is no longer a separate clause dealing with SES movement at level and the previous requirement in relation to SES movements between agencies that the 'losing' agency head must be consulted and agree to the movement has been removed. Clauses 2.24 and 2.27 of the new Directions set out requirements applying to movements within or between agencies applicable to all APS employees, including SES employees. • Involuntary assignment to a lower classification: there is no longer a separate clause relating to an assignment of an SES employee to a lower 	
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			<p>classification. The same principles apply to all APS classifications, and this is now covered in clause 2.24 of the Directions.</p> <ul style="list-style-type: none"> • SES (Specialist) arrangements: an agreed outcome of the SES Review was that the Senior Executive (Specialist) classifications should be abolished. This has been effected through an amendment to the Public Service Classification Rules 2000, and all references to Senior Executive (Specialist) employment matters have therefore been deleted from the Directions. • Assignment from a non-SES classification to an SES classification: it continues to be possible for an APS employee holding an APS classification which is listed in the same Classification Rules Group as an SES classification to be assigned to the SES classification on an ongoing basis (i.e. 9 to 11). The process has been simplified to require the Commissioner's agreement before the assignment is finalised. See clause 2.26 of the Directions. (As an example, the classifications of Chief of Division Grade 1 and Senior Executive Band 1 are included 	
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			<p>in Group 9 of the Classification Rules.)</p> <ul style="list-style-type: none"> • Termination of employment: there is no longer a separate clause relating to termination of employment at SES level. Clause 7.2 of the Directions sets out procedures applicable to termination of employment, including a note highlighting that an SES employee's employment cannot be terminated unless the Commissioner has issued a certificate under section 38 of the PS Act. <p>https://www.apsc.gov.au/commission-advice-201303-legislative-changes-matters-relating-ses-employment</p>	
2014	<p>Implementing new SES leadership programs and delivered talent development programs – now a complete suite of training for SES.</p> <p>Establishment of formal networks of SES-level Indigenous and disability champions</p> <p>Review on use of SES cap commenced.</p>		<p><i>Circular 2014/4 – Amendments to the Public Service Classification Rules 2000</i></p> <p>Advises amendments, effective 1 Dec 2014, to work level standards across the APS, including SES.</p>	

<p>2015</p>	<p>Until July 2015, the Commissioner's Directions 2013 required all SES selection exercises that resulted in promotion or engagement be endorsed by the Commissioner – After this date, not required – see Directions amendments column</p> <p>Still administering the CAP – downward trend in numbers continue.</p>		<p>Circular 2015/3: <i>Amendments to the Australian Public Service Commissioner's Directions 2013 (2015 Measures No.1)</i> – Subclause 2.9(2) has been repealed. This subclause required that SES vacancies must be notified externally to the Public Service <i>Gazette</i>, for example on a recruitment website – Now at discretion of agency head.</p> <p>Agency Heads will no longer need to obtain the Commissioner's endorsement of the Commissioner's representative's certification of a selection process that results in a decision to engage or promote a person as an SES employee.</p> <p>https://www.apsc.gov.au/circular-20153-amendments-australian-public-service-commissioners-directions-2013-2015-measures-no1</p> <p>Circular 2015/3: <i>Amendments to the Australian Public Service Commissioner's Directions 2013 (2015 Measures No.2)</i> – removed the requirement for agencies to obtain the agreement of the Australian Public Service Commissioner to the amount to be paid to a Senior Executive Service (SES) employee as an incentive to retire.</p> <p>https://www.apsc.gov.au/circular-20157-amendments-australian-public-service-commissioners-directions-2013-2015-measures-no-2</p>	
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2016	Amendment to the APSC Directions 2013 – SES incentive to retire decisions devolved to agencies	<p><i>Balancing the Future: The Australian Public Service Gender Equality Strategy 2016–19</i> implemented</p> <p>Commits to achieving gender quality in the APS leadership (APSC, 2016)</p>	<p><i>Public Service Commissioner's Directions 2016</i></p> <p>Designed to provide greater flexibility for agency heads by removing red tape, support efficiency gains for agencies through recruitment, streamline and simplify.</p> <p>Provide for the sharing of merits lists across agencies in specified circumstances, including for SES vacancies</p> <p>Measures to support the engagement of persons with disability</p> <p>https://www.apsc.gov.au/circular-20161-commencement-australian-public-service-commissioners-directions-2016</p>	
2017	<p>The development of talent programs continue to be a focus.</p> <p>Further review of SES orientation (accountability and decision making) program and SES Band 2 leadership program</p>			
2018	Secretaries Board endorse a proposal that SES talent will be managed at a cross-APS level	<p>Secretaries Board endorsed a set of leadership capabilities for senior leaders.</p> <p>The proportion of female SES employees increased substantially to 45 per cent in 2018, up from 36 per cent in 2009</p>	<p>Introduction of SES Cap (APSC, 2018d)</p> <p><i>Circular 2018/5 – SES Recruitment</i></p> <p>The changes to SES recruitment practices outlined in this Circular have the support of Secretaries and were agreed at the meeting of the</p>	

			<p>Secretaries Board on 5 December 2018.</p> <p>Agencies are asked to follow these processes from <u>1 February 2019</u>.</p> <p>Where appropriate, the <i>Australian Public Service Commissioner's Direction 2016</i> will be amended to support these changes.</p> <p>Where an agency identifies a vacancy at the SES Band 3 level, advance notice is to be provided to the Australian Public Service Commissioner (the Commissioner). Where possible, notice should be provided <u>one month</u> before advertising the vacancy.</p> <p>There is no obligation for an agency to make an offer of employment to any person on a merit list, including in circumstances where additional information has been sought for a particular candidate. Agencies will not be required to provide the Commission with reasons for a decision not to use an existing merit list.</p> <p>The Commission will develop a more centralised process for sharing SES merit lists, and further advice will be provided in due course.</p> <p>For all <u>SES Band 3</u> vacancies, agencies are expected to invite the Commissioner to participate in the selection process. If the Commissioner is not available to participate, he will nominate a representative, or request</p>	
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			<p>that the agency propose a suitable person.</p> <p>For all <u>other SES</u> vacancies, the agency will propose a Commissioner's representative.</p> <p>An agency will require the Commissioner's approval of the proposed representative, prior to the commencement of the selection process.</p> <p>https://www.apsc.gov.au/circular-20185-ses-recruitment</p>	
2019	2019 Thodey Review (recommended streamlined management and adoption of best practice ways of working to reduce hierarchy, improve decision-making, and bring the right APS expertise and resources)		<i>Australian Public Service Commissioner's Amendment (2019 Measures No. 1) Direction 2019</i>	
			<i>Circular 2019/3 – Amendments to the Australian Public Service Commissioner's Directions 2016</i>	
2020	Government implements a stay for senior Public Servants' salary increases	The proportion of female SES employees has increased from 40% in 2014 to 49% in 2020, with women reaching parity (50.5%) with men at the SES Band 1 classification for the first time in December 2020.		
2021	The APSC commences a review of SES and non-SES classification levels against best practice and emerging workforce needs as part of		The Senior Executive Service (SES) Recruitment and Movement policy sets out requirements for recruitment and selection, remuneration and redeployment (May).	

	the Australian Government's APS reform agenda.		<i>Work level standards: Senior Executive Service (May)</i> Provide a degree of differentiation between the levels of SES roles, i.e. at SES Bands 1, 2 and 3, including in those dimensions where the degree of differentiation may not be obvious.	
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