

# **Finance and Public Administration Legislative Committee**

## **ANSWERS TO QUESTIONS ON NOTICE**

**Prime Minister and Cabinet Portfolio**

**Australian Public Service Commission**

Estimates 2005-06 – Supplementary Budget Estimates, May 2005

**Question: PM 69**

**Topic: Indigenous Employment in the APS**

**Senator Chris Evans asked:**

1. What is the current percentage of proportional representation of Indigenous people compared to non-Indigenous people in the APS? When were the most recent figures assessed?

As at 30 June 2005 (the most recent data available), the number of ongoing Indigenous employees was 2770, out of an ongoing APS population of 123,242. This equates to 2.2%.

2. How long has it been declining for?

In the past 15 years (the span of the most recent dataset), the highest proportion of ongoing Indigenous employees was 2.7% in both 1998 and 1999. In numeric terms, the highest Indigenous population was 3319 at June 1996, the lowest in the year 1991 at 2442. The population peaked again at 3022 at June 2003. In proportional terms, the decline is in its sixth year. In numeric terms, this is the second year of decline.

3. How much has it declined since 1996?

In 1996 the proportion was 2.6% or 3319 ongoing Indigenous employees out of a population of 128,759 ongoing employees. In 2005 the proportion is 2.2% or 2770 ongoing Indigenous employees, out of an ongoing APS population of 123,242.

4. What are the reasons for this decline?

As noted in the 2004 State of the Service Report, the main factor explaining the decline in Indigenous employment is likely to be the reduction in entry-level opportunities, traditionally an important source of engagements for Indigenous employees.

5. What are the current separation rates? How much have they increased by? Is it true that this year's separation rates are the highest they've been in a decade?

Indigenous separations can be looked at in two ways – either as a proportion of Indigenous employees, or as a proportion of total separations. Using the first method, 15.3% of all ongoing Indigenous employees separated during 2004-05. During 2004-05, 48 ongoing Indigenous employees were transferred out of coverage of the Act but remained in Commonwealth employment. Excluding these employees, the separation rate was 13.6%. The comparable separation rate for the APS overall was 8.5%.

In using the second method described above, as a proportion of all ongoing separations, Indigenous separations fell this year, from 4.9% to 4.2% of all separations. The number of Indigenous separations actually rose, from 356 to 437 (or 389, if those continuing in Commonwealth employment are excluded), but the increase was proportionally less than that for the APS overall.

Please see Attachment 1: Separation rates of Indigenous employees 1995–96 to 2004–05.

6. What concrete measures is the public service taking to increase Indigenous employment in the APS? When were they introduced? How are they funded?

The APS Employment and Capability Strategy for the Aboriginal and Torres Strait Islander Employees, launched in August 2005, aims to provide a framework for agencies to develop and implement initiatives that :

- give tangible employment outcomes for Indigenous Australians;
- provide better service delivery for Indigenous clients;
- support agencies' workforce planning and capacity building, and
- build a vital and responsive public service.

The initiatives being implemented under the Strategy will:

- support the whole-of-government agenda by building public sector capability to do Indigenous business;
- provide pathways to employment by removing barriers to the effective employment of Indigenous Australians;
- support Indigenous employees by maximising their contribution to the workplace;
- support employers by helping them to align their Indigenous Employment Strategies with their workforce planning and capacity building; and
- develop and strengthen cross-agency partnerships to support working together to promote Indigenous employment.

Key measures currently in place include:

Measure	Introduction	Funding
APS-wide graduate recruitment	2005	Appropriations
Entry-level traineeship	2004	Appropriations
School-to-work transition	2005	Appropriations
Indigenous APS 1-4 development workshop	2002	Cost recovery
Indigenous APS 5-6 development workshop	2005	Cost recovery
Indigenous EL development programme	2005	Cost recovery
Indigenous exchange placement programme	2004	Appropriations
APS-wide Indigenous Cadet recruitment	2005	DEWR

7. Has the APS Commission set targets? If so, when did they set them?

No

8. When did the government announce these measures?

An Indigenous Employment Strategy was published in 2002. In March 2005 a cross-Commission working group was established to expand and update the existing strategy – resulting in the August 2005 launch of the APS Employment and Capability Strategy for Aboriginal and Torres Strait Islander Employees.

9. Provide the details of how much has been allocated and spent in 2004-05?

The Commission allocated \$0.857m for this work in 2004-05, however, additional funds were transferred from Department of Immigration and Multicultural and Indigenous Affairs to the Commission for this work during 2005-06. Total expenditure was \$1.633m.

10. Confirm that \$1, 427, 000 is allocated under the 2005-06 budget? Please provide a specific breakdown according to activity. Please also specify the amount of departmental costs included in that sum.

Yes 2005/06 allocation is \$1.427m.

All costs are classed as departmental. (note that the entire operations of the APS Commission are classed as Departmental).

Allocation is as follows:

Training and development programmes	163,000
Entry pathways programmes	249,000
Support for employees and agencies	157,000
Research and adaptation of better practice initiatives	129,000
Project governance and participation on cross-agency groups	127,000
Support provided by the Commission's Regional offices	44,000
Corporate services and support	558,000
<b>Total</b>	<b>1,427,000</b>

11. Specify the activities and programs that will be funded by the additional \$6.4 million that was announced by John Howard on 12 August 2005? Identify the amount of administered funds and departmental costs included in this sum?

The following breakdown of the funding is included in the APS Employment and Capability Strategy for Aboriginal and Torres Strait Islander Employees.

<b>Supporting Whole-of-Government - Building APS capability to do Indigenous Business:</b> The estimated additional cost of developing and implementing these strategies is \$225,000 per year over three years. Staff training and development and secondment arrangements will involve significant contributions from line agencies in order to make them work effectively.	675,000
<b>Pathways to employment - Removing barriers to using the Capacity of Indigenous Australians:</b> The estimated additional cost of these initiatives is \$750,000 per year for three years (excluding DEWR administered funding related to services provided for the NICP).	2,250,000
<b>Supporting Employees - Maximising the contribution of Indigenous Employees to the APS:</b> The estimated cost of the initiatives is \$550,000 per year for three years.	1,650,000
<b>Supporting employers - Aligning Indigenous Employment Strategies with workforce planning:</b>	1,575,000

The estimated additional cost of these priorities is \$525,000 per year for three years.	
<b>Partnerships - Working Together to promote Indigenous Employment:</b> The estimated additional cost of this initiative is \$100,000 per annum for three years.	300,000
Total	6,450,000

As the first year of the Strategy will not be a full financial year, the total funding has been re-allocated across the three years to more accurately reflect the expected expenditure. The table show the indicative costings for the immediate priority projects, to be undertaken in 2005/06.

Capability development and career support programmes	130,000
Entry level recruitment initiatives	160,000
Enhancement and availability of development programmes	150,000
Funding assistance for recruitment and development programmes	440,000
Development of better practice guidance	225,000
Additional support for employee networks	20,000
Establishment of an Indigenous Liaison Officer role	75,000
Total	1,200,000

Funding for 2006-07 is \$2.624m and for 2007-08 \$2.625m.

All funds are Departmental costs.

**Attachment 1: Separation rates of Indigenous employees**

Separation rate calculated using:		Financial year ending June									
Number of separations of:	As a proportion of the population of:	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Indigenous employees	Indigenous employees	9.4	14.1	13.7	15.1	14.5	9.6	9.5	9.8	11.9	15.3
Indigenous employees (excluding those separated due to MOG change)	Indigenous employees	9.4	14.1	13.7	15.1	14.3	9.6	9.5	9.8	11.9	13.6
Indigenous employees	All APS employees	3.3	2.9	2.5	3.0	3.6	3.2	3.2	4.1	4.9	4.2
Indigenous employees (excluding those separated due to MOG change)	All APS employees	3.3	2.9	2.5	3.0	3.6	3.2	3.2	4.1	4.9	3.7
All APS employees	All APS employees	7.2	12.4	14.6	13.7	10.7	7.8	7.8	6.1	6.0	8.5