



**SKILLSIQ**

CAPABLE PEOPLE MAKE CLEVER BUSINESS

STAKEHOLDERS



OUTCOMES



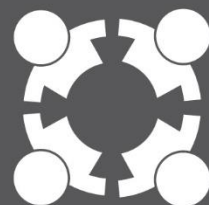
INTEGRITY



BOLDNESS



TEAMWORK



**DRAFT**

INDUSTRY SKILLS FORECAST

## DRAFT PUBLIC SECTOR INDUSTRY SKILLS FORECAST, FEBRUARY 2018

### Executive Summary

*To be completed once document content is finalised.*

### Skills Forecast

**Name of IRC:** Public Sector

**Name of SSO:** SkillsIQ Limited

#### About SkillsIQ

SkillsIQ supports 17 Industry Reference Committees representing diverse ‘people-facing’ sectors. These sectors provide services to people in a variety of contexts such as customer, patient or client. The Industry Reference Committees (IRCs) are collectively responsible for overseeing the development and review of Training Package Products, including qualifications, serving the skills needs of almost 50 per cent of the Australian workforce.

#### Sector Overview

Governments perform a wide range of functions carried out by their skilled public sector workforce. In some countries, the large majority of health care providers, teachers and emergency services are directly employed by governments, while in other countries such roles are outsourced to organisations that are not state-owned, i.e. private contractors.<sup>1</sup> In Australia, the federal and state governments’ division of responsibilities is defined in the Constitution. The provision of services by federal and state governments employs a mix of outsourcing, government-owned corporations, public-private partnerships and direct employment models.

Within Australia the public sector supports all three branches of government (the executive, the legislature and the judiciary) and comprises federal and state/territory governments, statutory bodies and state-owned corporations.

In 1901 the Australian Constitution established the government of the Commonwealth of Australia (i.e. the federal or Australian Government). The constitution defines the structure and powers of the Australian Government and defines the rights and responsibilities of the state governments. The Australian Government has the power to make laws for Australian territories (Section 122). State governments have legislative power over all other matters that occur within their borders<sup>2</sup> unless

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<sup>1</sup> OECD (2015), *Government at a Glance 2015*, OECD Publishing, Paris.

<sup>2</sup> <http://www.australia.gov.au/about-government/how-government-works/federation> accessed 2/02/18

their legislative power is ceded to the Australian Government. Local governments are established and their powers and responsibilities defined under state-based legislation<sup>3</sup>.

It is noted that Training Package Products in support of municipal government workforces have a separate Local Government Training Package that is overseen by a separate IRC.

Public sector employees play a key role in the development, review and implementation of government policies and provide an array of services for the community. There is a diverse range of occupations within the public sector, spanning areas including education, health, policy, finance, police and emergency services.

### Nationally Recognised Public Sector Qualifications (as at October 2017)

·	PSP20116	Certificate II in Government
·	PSP30116	Certificate III in Government
·	PSP40116	Certificate IV in Government
·	PSP50116	Diploma of Government
·	PSP60116	Advanced Diploma of Government
·	PSP40216	Certificate IV in Court Operations
·	PSP50216	Diploma of Court Operations
·	PSP40316	Certificate IV in Government Security
·	PSP50316	Diploma of Government Security
·	PSP50716	Diploma of Fraud Control
·	PSP40416	Certificate IV in Government Investigations
·	PSP50416	Diploma of Government Investigations
·	PSP40516	Certificate IV in Trade Measurement
·	PSP50516	Diploma of Trade Measurement
·	PSP40616	Certificate IV in Procurement and Contracting
·	PSP50616	Diploma of Procurement and Contracting
·	PSP60616	Advanced Diploma of Procurement and Contracting
·	PSP80116	Graduate Certificate in Strategic Procurement
·	PSP40716	Certificate IV in Heavy Vehicle Road Compliance
·	PSP50816	Diploma of Translating
·	PSP60816	Advanced Diploma of Translating
·	PSP50916	Diploma of Interpreting
·	PSP60916	Advanced Diploma of Interpreting (English-LOTE)
·	PSP80216	Graduate Certificate in Radiation Safety.

### Registered Training Organisation Scope of Registration

The National Register of VET ([www.training.gov.au](http://www.training.gov.au)) provides information about RTOs and the approved scope of each RTO to deliver nationally recognised training. **Table 1** below indicates the number of RTOs with the above qualifications on their scope of delivery as at 25 October 2017. It is important to note that although RTOs may have a qualification on their scope of delivery, they may not actually or currently be delivering any nationally recognised training for that qualification. As a result, the data below may not be a true reflection of the extent of delivery.

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<sup>3</sup> Governance Institute of Australia, Guide to the Public Sectors in Australia, 2014

**Table 1:** RTOs with qualifications on scope

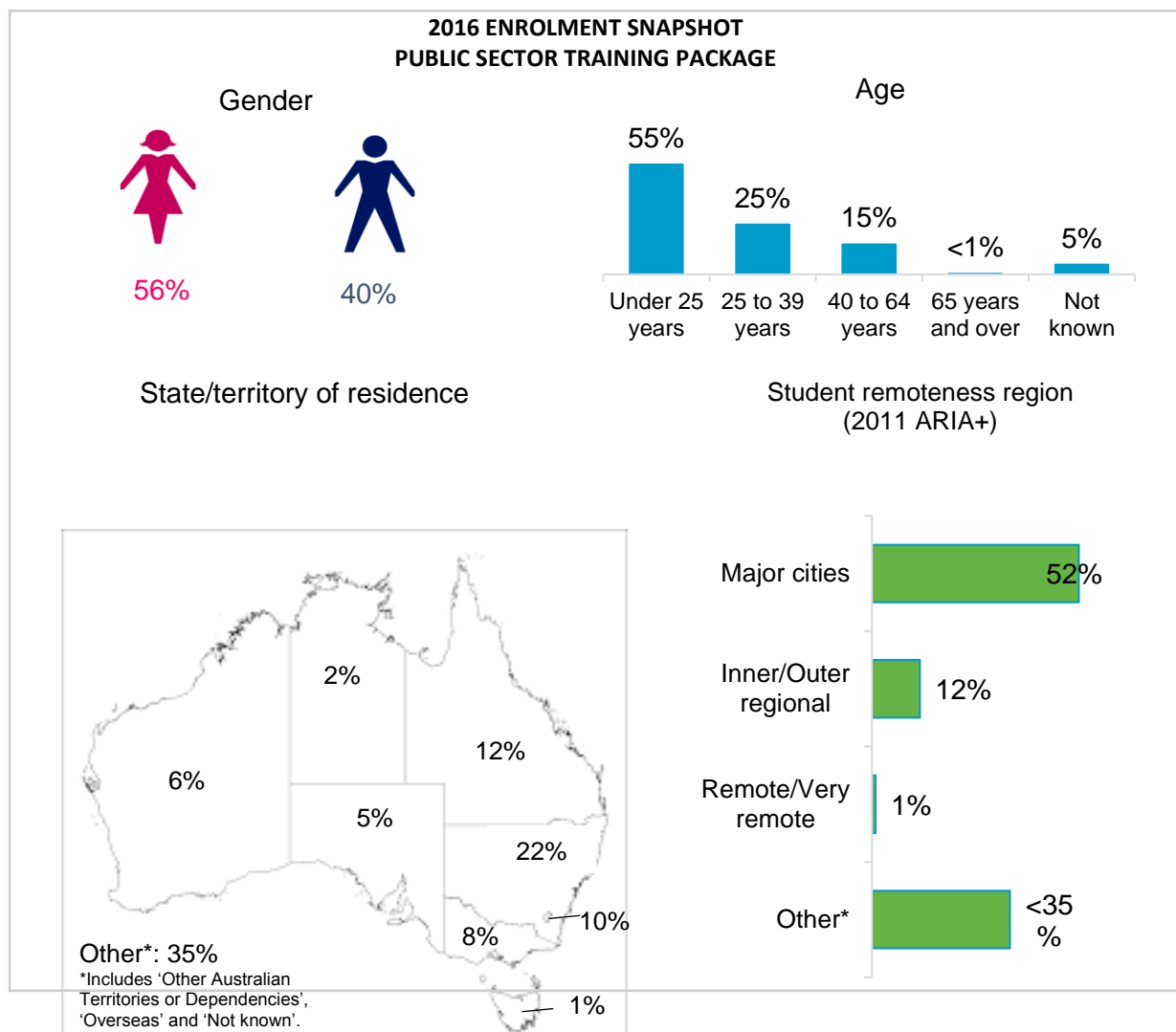
Code	Title	RTOs with Qualifications on Scope
PSP20116	Certificate II in Government	5
PSP30116	Certificate III in Government	24
PSP40116	Certificate IV in Government	34
PSP50116	Diploma of Government	32
PSP60116	Advanced Diploma of Government	10
PSP40216	Certificate IV in Court Operations	2
PSP50216	Diploma of Court Operations	3
PSP40316	Certificate IV in Government Security	5
PSP50316	Diploma of Government Security	5
PSP50716	Diploma of Fraud Control	8
PSP40416	Certificate IV in Government Investigations	28
PSP50416	Diploma of Government Investigations	8
PSP40516	Certificate IV in Trade Measurement	1
PSP50516	Diploma of Trade Measurement	1
PSP40616	Certificate IV in Procurement and Contracting	11
PSP50616	Diploma of Procurement and Contracting	10
PSP60616	Advanced Diploma of Procurement and Contracting	5
PSP80116	Graduate Certificate in Strategic Procurement	1
PSP40716	Certificate IV in Heavy Vehicle Road Compliance	4
PSP50816	Diploma of Translating	5
PSP60816	Advanced Diploma of Translating	20
PSP50916	Diploma of Interpreting	27
PSP60916	Advanced Diploma of Interpreting (English-LOTE)	4
PSP80216	Graduate Certificate in Radiation Safety	0

Source: Training.gov.au. RTOs approved to deliver this qualification. Accessed 25 October 2017

General notes on statistics:

1. Enrolment data is sourced from NCVER VOCSTATS (program enrolments and completions 2014 – 2016), accessed October 2017.
2. It is important to note that not all training providers are currently required to submit enrolment and completion data through the NCVER VOCSTATS database, and therefore some figures presented may underrepresent the true number of enrolments and completions for a qualification. From 2018, however, all training providers will be required to submit data, and, as a result, the current discrepancies noted between the national NCVER figures and actual attendance should be minimal in future releases. The data presented in this report is shown for indicative purposes.
3. Figures reflect public and private RTO data.
4. For a more complete indication, superseded qualifications from the 2012 Training Package, and their respective enrolment data, are included because enrolments in qualifications updated in 2016 would not be captured during the data collection period.

SOURCE:NCVER VOCSTATS (Program enrolments 2016 by various breakdowns) base count n= 17,106



## Enrolment Figures

Table 2 - Public Sector Training Package Enrolments 2014 - 2016

Qualification	2016	2015	2014	Total
PSP20112 - Certificate II in Government	97	80	93	269
PSP20116 - Certificate II in Government	15	0	0	15
PSP30112 - Certificate III in Government	358	642	287	1285
PSP30116 - Certificate III in Government	77	0	0	77
PSP40112 - Certificate IV in Government	1052	1757	727	3537
PSP40116 - Certificate IV in Government	210	0	0	210
PSP30212 - Certificate III in Government (Border Protection)	20	51	63	139
PSP40212 - Certificate IV in Government (Border Protection)	0	0	0	0
PSP41912 - Certificate IV in Government (School Support Services)	57	116	126	301
PSP30712 - Certificate III in School Support Services	42	68	36	147
PSP42012 - Certificate IV in School Support Services	26	28	7	59
PSP30512 - Certificate III in Government (Security)	27	43	54	118
PSP40316 - Certificate IV in Government Security	37	0	0	37
PSP41612 - Certificate IV in Government (Security)	17	22	8	50
PSP41712 - Certificate IV in Government (Personnel Security)	123	130	62	318
PSP51812 - Diploma of Government (Security)	11	39	20	70
PSP50316 - Diploma of Government Security	33	0	0	33
PSP40216 - Certificate IV in Court Operations	4	0	0	4
PSP40312 - Certificate IV in Government (Court Compliance)	42	26	23	98
PSP40412 - Certificate IV in Government (Court Services)	16	33	192	236
PSP50216 - Diploma of Court Operations	14	0	0	14
PSP50312 - Diploma of Government (Court Services)	6	10	7	26
PSP40416 - Certificate IV in Government Investigations	370	0	0	370
PSP41512 - Certificate IV in Government (Investigation)	1285	1083	702	3071
PSP50416 - Diploma of Government Investigations	95	0	0	95

PSP51712 - Diploma of Government (Investigation)	231	259	148	637
PSP50716 - Diploma of Fraud Control	11	0	0	11
PSP40612 - Certificate IV in Government (Fraud Control)	129	89	23	249
PSP50612 - Diploma of Government (Fraud Control)	98	79	59	236
PSP51912 - Diploma of Government (Workplace Inspection)	82	54	135	272
PSP60912 - Advanced Diploma of Government (Workplace Inspection)	42	34	28	106
PSP60116 - Advanced Diploma of Government (Workplace inspection/ Investigations/Fraud control)	64	0	0	64
PSP41212 - Certificate IV in Government (Project Management)	44	287	557	889
PSP41412 - Certificate IV in Government (Statutory Compliance)	464	375	398	1236
PSP41812 - Certificate IV in Government (Road Transport Compliance)	162	73	78	320
PSP42112 - Certificate IV in Government (Revenue Administration)	0	20	17	42
PSP40512 - Certificate IV in Government (Financial Services)	32	30	25	84
PSP50112 - Diploma of Government	936	898	729	2563
PSP50116 - Diploma of Government	290	0	0	290
PSP50212 - Diploma of Government (Community Capacity)	0	3	0	1
PSP50512 - Diploma of Government (Financial Services)	63	88	17	162
PSP50812 - Diploma of Government (Human Resources)	147	62	54	262
PSP60412 - Advanced Diploma of Government (Human Resources)	24	0	2	26
PSP51112 - Diploma of Government (Management)	214	391	109	719
PSP51312 - Diploma of Government (Project Management)	156	128	123	409
PSP51412 - Diploma of Government (Policy Development)	9	53	28	89
PSP52212 - Diploma of Government (Trade Measurement)	3	0	0	3
PSP41112 - Certificate IV in Government (Occupational Health & Safety)	0	0	6	7
PSP51212 - Diploma of Government (Occupational Health & Safety)	2	4	12	16
PSP50912 - Diploma of Government (Injury Management)	2	0	0	1
PSP60512 - Advanced Diploma of Government (Management)	17	39	14	70

PSP60312 - Advanced Diploma of Government (Financial Management)	28	0	0	28
PSP60112 - Advanced Diploma of Government	3	10	7	28
PSP40616 - Certificate IV in Procurement and Contracting	102	0	0	102
PSP42412 - Certificate IV in Government (Procurement and Contracting)	283	365	335	978
PSP52512 - Diploma of Government (Procurement and Contracting)	275	313	285	870
PSP52510 - Diploma of Government (Procurement and Contracting)	2	2	32	34
PSP50616 - Diploma of Procurement and Contracting	129	0	0	129
PSP60616 - Advanced Diploma of Procurement and Contracting	82	0	0	82
PSP61212 - Advanced Diploma of Government (Procurement and Contracting)	49	122	103	271
PSP61210 - Advanced Diploma of Government (Procurement and Contracting)	0	0	0	0
PSP70110 - Vocational Graduate Certificate in Government (Strategic Procurement)	0	0	0	0
PSP80116 - Graduate Certificate in Strategic Procurement	10	0	0	10
PSP50916 - Diploma of Interpreting (LOTE-English)	50	0	0	50
PSP52412 - Diploma of Interpreting	3874	2084	1568	7525
PSP52410 - Diploma of Interpreting	0	1	297	305
PSP52312 - Diploma of Translating	0	0	43	43
PSP52310 - Diploma of Translating	0	0	3	3
PSP61112 - Advanced Diploma of Interpreting	235	250	233	714
PSP61110 - Advanced Diploma of Interpreting	0	0	11	11
PSP61012 - Advanced Diploma of Translating	4717	2888	2075	9689
PSP61010 - Advanced Diploma of Translating	0	0	86	86
PSP60816 - Advanced Diploma of Translating	11	0	0	11
<b>Total</b>	<b>17106</b>	<b>13129</b>	<b>10047</b>	<b>40312</b>



## Key Industry Organisations

The list below represents a range of organisations that perform a variety of key roles in this sector. These organisations and their networks are well placed to offer industry insights at the time of Training Package review. Industry engagement will include a broad and inclusive range of stakeholders beyond those included in this list, as relevant to the nature of this Training Package product review.

- **Government departments and agencies**
  - All state and territory governments
  - Department of the Premier and Cabinet
  - Office of the Commissioner for Public Employment
  - Department of Education and Training
  - Department of Employment
  - Department of Defence
- **Statutory Authorities**
  - State Public Service Commissions (or equivalent)
  - Australian Public Sector Commission
- **Employee Associations**
  - Community and Public Sector Union (CPSU)
  - State Public Services Federation Tasmania (SPSFT)
- **Regulators**
  - Australian Radiation Protection and Nuclear Safety Agency (ARPANSA)
- **Registered Training Organisations (RTOs), both public and private**

## Workforce Challenges and Opportunities

Challenges affecting the skills requirements in the public sector have been the subject of international research. Changes in the services being provided, as well as the way in which they are provided and the expectations of the public, make comparisons within and between countries difficult. Consistent frameworks can be useful where trends, issues and the identification of best practice in the public sector are being sought. An example of a contemporary framework developed by the OECD identifies the following four areas which represent specific tasks and for which specific skills are required.<sup>4</sup>

1. Policy advice and analysis
2. Service delivery and citizen engagement
3. Commissioning and contracting
4. Managing networks.

A wide and diverse range of engagement, commercial, legal and regulatory skills are required within a strategic context which is characterised by rapid change. Public Sector service delivery can be complex, with services increasingly delivered by networks of agents who, as noted above, may or may not be directly employed by the government.<sup>5</sup>

In Australia, changing demographics in government markets are causing shifts in the demands and expectations of recipients of public services. This has resulted in an increased shift away from simple replacement planning to a critical need for strategic planning. Strategic planning skills have become highly valued across public sector departments as changes in business practices have impacted both organisational structures and reporting frameworks. Governance and delegations are also being completely reassessed.

The new ratio of public sector workers to society as a whole means that extra demands for public services cannot keep growing in size and yet be met with shrinking resources. Traditional systems of cost controls are no longer appropriate and there is an increasing focus on productivity and strategies traditionally aligned with enterprises in the private sector. With the exception of frontline services, the attempt to quantify productivity within the public sector has been challenging.

The need for soft skills at all levels of the public sector has been recognised and is a high priority in skills development programs. Challenges associated with developing these skills include the need for a consistent definition of what they are and how best to tailor Training Package products to public sector contexts.

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<sup>4</sup> OECD Public Governance Reviews, Skills for a High Performing Civil Service

<sup>5</sup> OECD Public Governance Reviews, Skills for a High Performing Civil Service

## Mobility, Diversity, Retention and Leadership

In all jurisdictions, the public sector like any other employer competes for skilled employees. In order to be an attractive employer, public sector organisations must adopt workplace frameworks that are appealing to these potential employees. One such means of attracting a skilled workforce is by allowing flexibility and a broad exposure to different areas of involvement within a single role. This kind of lateral mobility includes the opportunity for employees to have an opportunity to work across environments within each state jurisdiction and the national public sector.

Greater mobility will assist organisations within this sector to improve capability and relevance by:

- Broadening individual experiences through exposure to these alternative operating environments
- Introducing employees to new ways of addressing challenges and problem-solving
- Identifying contemporary workforce management practices that ensure employees are able to reach their full potential.

77% of ongoing Australian Public Service (APS) employees have only worked in one agency. A number of barriers exist to the movement of staff between agencies, other government jurisdictions and the private sector<sup>6</sup>. The APS is taking steps to overcome this and increase the mobility of its staff. When used strategically, mobility can build a workforce that strikes the right balance between employees with a breadth of experience spanning different agencies and sectors, and employees with deep subject matter expertise in their field.

The Australian Public Sector Commission (APSC) is currently piloting a secondment program to provide senior public servants with an opportunity to complete secondments to private sector companies, other government jurisdictions and the not-for-profit sector. This program is part of an overarching strategy to promote more effective engagement with other sectors and expand the skills and perspectives of public servants<sup>7</sup>. Given that the median age of public sector employees is 44 years, one of this program's strengths is in taking steps to ensure that organisational knowledge and technical expertise are not lost and that workers can gain exposure to a variety of business areas in order to ensure no loss of critical knowledge as older workers approach impending retirement.

State jurisdictions also have a strong focus on secondment programs.<sup>8</sup>

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<sup>6</sup> Australian Government 2017, Australian Public Service Commission, *State of the Service Report 2015-16*

<sup>7</sup> Australian Government 2017, Australian Public Service Commission, *Unlocking potential – APS workforce management contestability review*

<sup>8</sup> Other examples include Queensland's Leader Connect - <https://www.forgov.qld.gov.au/leader-connect-0>. The NTPS has this program - <https://nt.gov.au/community/non-government-organisations-ngos/government-staff-secondments>

All jurisdictions have a long-standing commitment to a workforce that reflects the diversity of the community it serves. The public sector often leads by example particularly where the community prioritise expectations.

A range of initiatives is being undertaken with a focus on gender, Indigenous and disability issues. A diverse workforce is best achieved with an accepting and supportive workplace.

In 2016, the vast majority of responding employees agreed that the people in their work group and their supervisors behaved in an accepting manner towards people from diverse backgrounds<sup>9</sup>. The public sector collects data to measure improvements in representation and to ensure that targeted support programs to assist groups with diverse needs are implemented. There is an ongoing need to assess the need for programs and the nature of the support provided. For example, the WA Public Sector Commission has created a support guide for the Australian Defence Force, targeting those who have left within the last five years, encouraging them to consider a career in the public sector. The guide explains the public sector and how it works, its structure, how it differs from the Australian Defence Force structurally and culturally, and the recruitment process.

Additionally as part of this initiative, a network of volunteer mentors (also ex-ADF members who currently work in the WA public sector) has been established to provide advice and support on matters related to the transition of ex-ADF members into the WA public sector.<sup>10</sup>

Understanding the reasons for staff turnover will help the APS improve retention. Of the employees who have left the APS most have done so due to a perceived lack of future career opportunities. Other reasons have included a desire to try a new career, unmet work expectations and having achieved all they could in their jobs. The exit surveys show that it is imperative to provide attractive and flexible work environments. This area will remain a focus for the APS<sup>11</sup>. Career public servants are today less likely to be granted long tenure than was the case in the past.

Leadership development in the APS is a continuing focus. Leaders within the APS are essential to achieving strategic direction of their agencies, initiating effective change management and mobilising the workforce to achieve best outcomes. One of the priorities of the learning and development strategy is to enhance the core skills of leaders by focusing on people management, procurement and contract management. It also will prioritise business planning and policy development<sup>12</sup>. This strategy is important in the context of the changing nature of the workforce in the APS. It is vital that those in leadership positions possess the right skills to manage change.

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<sup>9</sup> Australian Government 2017, Australian Public Service Commission, *State of the Service Report 2015-16*

<sup>10</sup> : <https://publicsector.wa.gov.au/veterans-employment-transition-support-vets>

<sup>11</sup> Australian Government 2017, Australian Public Service Commission, *State of the Service Report 2015-16*

<sup>12</sup> Australian Public Service Commission 2016, 'Learning and development strategy', [www.apsc.gov.au/learnand-develop/aps-centre-for-leadership-and-learning/learning-and-development-strategy](http://www.apsc.gov.au/learnand-develop/aps-centre-for-leadership-and-learning/learning-and-development-strategy).

## Future Skills Needs

### Science, Technology, Engineering and Mathematics (STEM) Skills

With the constant evolution of technology through automation, artificial intelligence (AI) and robots, the skills needed by the workforce today will be vastly different in the coming years. It is imperative, therefore, that this consideration be factored in to Training Packages that are being developed, adapted and updated. Technological disruption will require the flexibility to adapt, as it will change the process by which some jobs are carried out and possibly replace others entirely.

Australians are generally welcoming of technology, and most believe that innovation and new technological development is vital for Australia's future prosperity<sup>13</sup>. It is speculated that, solely as a result of technological change, 40% of the national workforce will be replaced by computers in the next 10 to 15 years<sup>14</sup>. This does not take into account the fact that new technology also creates new jobs and often replaces inefficient processes. Rather than dislocating workers by changing what jobs they do, it will, rather, change the way in which workers perform their roles. Technological advancement has the ability not just to impact low-skilled workers by replacing menial tasks via automation but it will also have an effect on highly skilled workers as a result of reconfiguring their roles via supplementary AI, or even replacing some cognitive tasks which high-skilled workers currently perform alone<sup>15</sup>. It is imperative that Training Package Products being developed or updated are flexible enough to incorporate rapid changes in technology and do not "time – lock" training to current systems only.

In order to succeed as this new wave of automation and innovation has the ability to structurally disrupt economies, many believe that STEM (Science, Technology, Engineering and Mathematics) skills are part of the solution when it comes to preparing workers for jobs of the future. The focus on STEM, while not new, is crucial to building a 21<sup>st</sup> century knowledge-based economy underpinned by data, digital technologies and innovation, which are essential for growth<sup>16</sup>. Digital literacy and being proficient in the use of different technological platforms will also be essential skills in the future. Without basic digital competencies a person will not have the skills to negotiate the digitally connected world which has become ubiquitous<sup>17</sup>. Workers will need the ability to use digital technology routinely in parts of their jobs in order to access and use information and digital content; communicate and collaborate through digital technologies; manage their digital identity; develop digital content, and use and protect their digital devices, personal and organisational data and privacy<sup>18</sup>. This is especially critical for workers in the public sector where sensitive and private information about individuals and organisations is integral to many services and shared within and between departments.

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<sup>13</sup> Australian Information Industry Association 2017, *Jobs for Tomorrow 2017*

<sup>14</sup> See for example [http://adminpanel.ceda.com.au/FOLDERS/Service/Files/Documents/26792~Futureworkforce\\_June2015.pdf](http://adminpanel.ceda.com.au/FOLDERS/Service/Files/Documents/26792~Futureworkforce_June2015.pdf), <https://startupaus.org/startups-and-tech-companies-are-the-engine-room-for-australias-future-workforce/> and <http://reports.weforum.org/future-of-jobs-2016/chapter-1-the-future-of-jobs-and-skills/>

<sup>15</sup> Australian Information Industry Association 2017, *Jobs for Tomorrow 2017*

<sup>16</sup> Australian Information Industry Association 2017, *Jobs for Tomorrow 2017*

<sup>17</sup> Australian Information Industry Association 2017, *Jobs for Tomorrow 2017*

<sup>18</sup> Australian Information Industry Association 2017, *Jobs for Tomorrow 2017*

## Soft Skills

While STEM skills are critical for future workforce needs, other ‘softer’ skills are just as important. Soft skills include things like communication, teamwork, problem solving, emotional judgement, professional ethics and global citizenship. Deloitte Access Economics forecasts that two-thirds of jobs will be soft-skill intensive by 2030<sup>19</sup>. Businesses are aware of the importance of soft skills. A survey conducted in 2015 of over 450 business managers and executives in Western Sydney cites teamwork, communication skills and time management as vital skills for job applicants (*TAFE NSW 2015*). Megatrends like technological advancement and globalisation will contribute to more demand for people with soft skills as the geographical barriers fall due to technology facilitating much easier connection of people across countries<sup>20</sup>. The need for soft skills is more prominent in leadership positions. A survey conducted by Deloitte found that soft skills were more important for determining the success of a leader than technical knowledge<sup>21</sup>. For decision-makers the ability to effectively communicate, problem-solve and think critically is important for success. Credentials for soft skills are beginning to emerge. The benefits to businesses are twofold. Firstly, recruitment processes can be made more efficient as credentials allow recruiters to pre-screen potential candidates for the requisite soft skills. Secondly, more targeted recruitment for soft-skilled candidates allows businesses to make savings versus training and developing their own workforces later on<sup>22</sup>. These skills will be vital to workers within the public sector in the future as frontline staff often need to show empathy and display ethical judgement in respect to complex issues that can be personal in nature (such as in cases relating to border security or domestic violence, for example).

Current training products within the PSP Public Sector Training Package have a considerable amount of content regarding soft skills. It is therefore critical that industry be made aware of the framework and the ability to tailor training to meet specific job role requirements. Many states have implemented skills development frameworks which actively incorporate soft skills, given the recognition of their growing importance.<sup>23</sup> These skills are also important in demonstrating integrity in public sector practices.

## Leadership

Leadership in the workplace is an important ongoing trend in future skill needs. It is essential that Australian organisational leaders are ready to meet new challenges in business contexts characterised by change. The Public Sector is no exception. Formal training provides a foundation for the diverse skills associated with leadership – from technical skills to solving problems and managing change. Investing in leadership development is positively associated with leadership capabilities and self-efficacy, which in turn significantly improves workplace performance and innovation. Frontline leadership matters most for employees, shaping the experience of work and creating a positive climate for such innovation to occur<sup>24</sup>. Integrity and the importance of public trust is also an important element of effective leadership in the sector.

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<sup>19</sup> Deloitte Access Economics 2017, *Soft skills for business success*, DeakinCo, May 2017

<sup>20</sup> Deloitte Access Economics 2017, *Soft skills for business success*, DeakinCo, May 2017

<sup>21</sup> Deloitte Access Economics 2017, *Soft skills for business success*, DeakinCo, May 2017

<sup>22</sup> Deloitte Access Economics 2017, *Soft skills for business success*, DeakinCo, May 2017

<sup>23</sup> See for example - NSW Public Service Commission, Capability Framework, <http://www.psc.nsw.gov.au/workforce-management/capability-framework/access-the-capability-framework/the-capability-framework>;

ACT Government, ACT Public Service (ACTPS) Shared Capability Framework, July 2017, accessed February 2018

[https://www.cmtedd.act.gov.au/\\_data/assets/pdf\\_file/0009/805536/Shared\\_Capability\\_Framework.pdf](https://www.cmtedd.act.gov.au/_data/assets/pdf_file/0009/805536/Shared_Capability_Framework.pdf); <https://ocpe.nt.gov.au/nt-public-sector-employment/leadership-and-capability/capability-leadership-framework>

<sup>24</sup> Australian Government 2016, Department of Employment, Centre for Workplace Leadership, *Leadership at Work: Do Australian leaders have what it takes?*

## Royal Commission into Family Violence

The Public Sector is often at the forefront of advancing priorities identified as significant by Australians. This can involve implementing systems to address required changes in societal norms. A recent example can be found in respect to family violence.

The Royal Commission into Family Violence released its 2,082 page report in March 2016. *The Royal Commission into Family Violence: Report and Recommendations* detailed a system designed to intervene and mitigate harm in situations involving family violence but that failed to work with victims or survivors to keep them safe. It outlined significant gaps and obstacles preventing effective programs, laws and policies.<sup>25</sup>

One of the conclusions of the Commission is that government and its departments and agencies must treat family violence as a core area of responsibility. Stopping family violence requires a multifaceted, sustained effort by government. It requires strong leadership, support and partnership with the community and opposing political parties.<sup>26</sup>

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<sup>25</sup> <https://www.vic.gov.au/familyviolence/royal-commission-report.html>

<sup>26</sup> State of Victoria, Royal Commission into Family Violence: Summary and recommendations, Parl Paper No 132 (2014–16)

## Employment Skills and Outlook

**Table 3:**

**Note:** Where the “comparability rating” is high, the data is directly comparable across jurisdictions. Where it is medium, it is not. However, there are compositional differences between states’ public sectors, and this has a bearing on the data.<sup>27</sup>

Table 2

### Public Sector Workforce Comparative Measures

Measure 2015/16	Jurisdiction								
	APS	NSW	NT	QLD	SA	TAS	VIC	WA	Comparability
Full-Time Equivalent	139,809	325,900	20,596	217,578	85,671	22,135	228,845	107,809	High
Headcount	155,658	393,316	22,336	259,373	104,317	28,000	284,497	135,770	High
Public Sector headcount as a proportion of State employed persons	1.30%	10.20%	16.70%	N/A	12.80%	N/A	9.30%	5.30%	High
Female employees % (Headcount)	59.00%	64.6%	63.20%	69.22%	68.40%	70.60%	67.30%	72.60%	High
Male employees % (Headcount)	41.00%	35.4%	36.80%	30.78%	31.60%	29.40%	32.70%	27.40%	High
Female senior leaders % (Headcount)	42.50%	37.40%	47.70%	33.39%	47.00%	30.60%	39.20%	32.70%	Medium*
Employees who identify as Aboriginal and/or Torres Strait Islanders %	3.00%	3.20%	10.00%	2.06%	1.80%	2.70%	0.40%	2.70%	Medium*
Average tenure (years)	12	9.3	7.7	11.43	13.1	12.3	N/A	9.6	High
Average age (years)	44	44	43	44	45	46	43	46	High

<sup>27</sup> Data in this table was supplied by the respective jurisdictions. \*Comparability of the data is affected by compositional difference of the public sectors in each state, and for the ‘Medium Comparability’ rating it is also affected by definitional differences across states. Data should be read as indicative and not as an absolute comparison



## Statistical Analysis – Public Sector Workforce

In **June 2016** there were 1,924,800 public sector employees. There were 243,300 employees in the Commonwealth government, 1,495,100 in all state governments combined and 186,500 in combined local governments<sup>28</sup>.

The Australian Public Service represented 1.3% of the total Australian labour force. Within the APS the breakdown of employees shows that 59% were female, 18% were over 55 years of age and 3% were Indigenous<sup>29</sup>.

***N.B.: All references in the text which follows are to the 2016 fiscal year which is the last year for which quantitative statistics are available.***

### NSW

**NSW** had the largest public sector employment with headcount of 393,316 employees. This signified 10.2% of the NSW labour force. In 2017, the proportion of non-casual women in the NSW government sector was 65.6%, while only 37.4% of the Premier's Priority senior leadership cohort were women. Employees who declared English as a second language characterised 18.4% of the workforce, while Aboriginal and or Torres Strait Islanders made up 3.2% of the workforce<sup>30</sup>.

The median age of the NSW public sector workforce was 45 years. The age group of 45 to 54 accounted for 25.9% of the NSW public sector workforce (the highest proportion). The second largest age group was 35-44 which represented 24.2% of the workforce<sup>31</sup>. The NSW public sector by comparison to the broader NSW workforce was older. The median salary across NSW public sector employees was \$83,689. Encouragingly, the gap between the median wages of males and females in the NSW public sector is now closing and in 2017 had only a 0.3% difference in favour of males<sup>32</sup>.

### Victoria

The **Victorian** public sector had the second largest number of employees in Australia with 285,423 in total. The majority of Victorian public sector employees in 2016 worked in public health care and government schools (65% of the public sector workforce).

The gender split for employees within the Victorian public sector was 67% female and 33% male. This was a much higher proportion than the broader Victorian labour force (46% female and 54% male)<sup>33</sup>. The high representation of women was driven by their participation in the public health care and government schools sectors. This also accounted in part for the size of the gender pay gap. The average salary for employees in the Victorian public sector was \$74,814, with women earning \$71,198 compared to men who in 2016 earned an average of \$84,166<sup>34</sup>. The average age of Victorian public sector employees was 43 years.

### Queensland

The **Queensland** Public Sector had 259,373 employees in 2016, with females accounting for 69% of the workforce. While females and males received the same salary for the same classification job, the FTE average annual earnings for females was \$9,017 less than males. The average age of the workforce was 44 years (44.02 for females and 44.61 years for males). With regards to diversity in the workforce, 9.65% identified as being from a Non-English speaking background, 2.80% identified as having a disability and 2.06% identified as Aboriginal or Torres Strait Islanders.

Within the Queensland Public Sector, the biggest occupational group was Professionals (49%), while Community and Personal Service Workers accounted for 21% of the workforce<sup>35</sup>.

<sup>28</sup> Employment and Earnings, Public Sector, Australia, 2015-16, Public Sector, Australia 2015-16, Australian Bureau of Statistics

<sup>29</sup> Australian Government 2017, Australian Public Service Commission, *State of the Service Report 2015-16*

<sup>30</sup> NSW Government 2017, Public Service Commission, *Workforce Profile Report 2016*

<sup>31</sup> NSW Government 2017, Public Service Commission, *Workforce Profile Report 2016*

<sup>32</sup> NSW Government 2017, Public Service Commission, *Workforce Profile Report 2016*

<sup>33</sup> Victorian Government 2017, Victorian Public Sector Commission, *The State of the Public Sector in Victoria 2015-2016*

<sup>34</sup> Victorian Government 2017, Victorian Public Sector Commission, *The State of the Public Sector in Victoria 2015-2016*

<sup>35</sup> Queensland Government 2017, Public Service Commission, *Queensland public sector quarterly workforce profile June 2017*

## WA

The public sector in **Western Australia** had 140,403 employees in 2016. The median age of employees was 45 with 26.3% of the workforce being over the age of 55. 72% of employees were female and 13% identified as being from a culturally or linguistically diverse background. Nearly 3% of employees across the sector identified as Aboriginal or Torres Strait Islanders. The gap between the average salaries of men and women in Western Australia was substantial, with females earning \$80,797 compared to men who earned \$93,341<sup>36</sup>. In 2017, the Government implemented a strategic restructuring initiative which centred on a 40% reduction in public sector agencies, from 41 to 25 'super departments'.

## SA

**South Australia's** public sector in 2016 employed 99,385 people and was a significant employer in the state (12% of the total workforce in South Australia). The health and education sectors had the greatest numbers of people employed within the public sector of South Australia (approximately 66,614 employees between the two Ministries). The gender breakdown within the South Australian public sector comprised 69% females compared to 31% males<sup>37</sup>.

The average age of employees was 45 years. 13% of the workforce was aged 55-59, which accounted for the biggest group. Aboriginal and Torres Strait Islanders represented 1.73% of the workforce. The median salary for South Australian public sector employees was \$78,375. When broken down by gender, 54% of females earned under \$73,300, while 30% of males earned over \$93,800.

## Tasmania

The public sector in **Tasmania** had 29,051 employees in 2016. 68% of workers were employed in the Department of Education or the Tasmanian Health Service. 71% of employees were female and 30% of the workforce was over the age of 50<sup>38</sup>.

## Northern Territory

The **Northern Territory** government had 20,974 employees in 2016. Of these employees 64% were female while the remaining 36% were male. 20% of the workforce was aged over 55 years. The median salary for Northern Territory public sector employees was \$78,097, with 58% of females earning above the median wage. This can be explained by the fact that 51% of females in the Northern Territory Public Sector were employed in senior management positions. Females were also well represented in the Education and Health sectors, comprising just under 80% of employees in both subsectors.<sup>39</sup>

The Northern Territory Public Sector, compared to other state public sectors, had a high proportion of Aboriginal or Torres Strait Islanders in its workforce (10.5%). People from culturally diverse backgrounds also represented 10% of employees<sup>40</sup>.

## ACT

The public sector in the **Australian Capital Territory (ACT)** had 21,791 employees in 2016. This represented 10% of the ACT labour force. 65% of ACT public sector employees were female. The average salary for the public sector in the ACT was \$90,350. For females the median salary was \$89,356, while for males it was \$92,170 (a gender pay gap of 3.1%). The smaller differential can be attributed to the fact that 45% of individuals in senior executive roles are women<sup>41</sup>.

In terms of diversity in the workforce 18% of employees were from a culturally diverse background while 1.6% identified as Aboriginal or Torres Strait Islanders. The median age of employees was 43 years. Most (26%) of employees were aged 30-39.

<sup>36</sup> Government of Western Australia 2017, Public Sector Commission, *Public sector employees across Western Australia*

<sup>37</sup> Government of South Australia 2017, Office for the Public Sector, *Workforce Information report 2015-16*

<sup>38</sup> Tasmanian Government 2017, Department of Premier and Cabinet, *State Service Annual Report 2016-17/Appendix 1 workforce profile*

<sup>39</sup> Northern Territory Government 2017, Office of the Commissioner for Public Employment, *State of the Service Report 2016-17*

<sup>40</sup> Northern Territory Government 2017, Office of the Commissioner for Public Employment, *State of the Service Report 2016-17*

<sup>41</sup> ACT Government 2017, Chief Minister, Treasury and Economic Development, *State of the Service Report 2016-17*

## Generic Skills Ranking (in order of importance)

**Note:** The 12 generic skills listed below, including the descriptors, were provided by the Department of Education and Training for ranking purposes. For the 2018 ranking exercise, an 'Other' generic skill option was included in the list to capture any additional key skills for an industry. Please note in this case, no other generic skills were identified. The total number of respondents was 38.

- 1** **COMMUNICATION / COLLABORATION / SOCIAL INTELLIGENCE** Ability to understand/apply principles of creating more value for customers and collaborative skills. Ability to critically assess and develop content with new media forms and persuasive communications. Ability to connect in a deep and direct way.
- 2** **CUSTOMER SERVICE / MARKETING** Ability to interact with another human being, whether helping them find, choose or buy something. Ability to supply customers' wants and needs. Ability to manage online sales and marketing. Ability to understand and manage digital products.
- 3** **LANGUAGE, LITERACY & NUMERACY (LLN)** Foundation skills of literacy and numeracy.
- 4** **DESIGN MINDSET/ THINKING CRITICALLY / SYSTEM THINKING / PROBLEM SOLVING** Ability to adapt products to rapidly shifting consumer tastes and trends. Ability to determine the deeper meaning or significance of what is being expressed via technology. Ability to understand how things that are regarded as systems influence one another within a complete entity, or larger system. Ability to think holistically.
- 5** **LEARNING AGILITY / INFORMATION LITERACY / INTELLECTUAL AUTONOMY** Ability to identify a need for information. Ability to identify, locate, evaluate, and effectively use and cite the information. Ability to develop a working knowledge of new systems. Ability to work without direct leadership and independently.
- 6** **TECHNOLOGY AND APPLICATION** Ability to create/use of technical means, understand their interrelation with life, society, and the environment. Ability to understand/apply a scientific or industrial processes, inventions, methods. Ability to deal with mechanisation/ automation / computerisation.
- 7** **DATA ANALYSIS** Ability to translate vast amounts of data into abstract concepts and understand data-based reasoning. Ability to use data effectively to improve programs, processes and business outcomes. Ability to work with large amounts of data.
- 8** **ENTREPRENEURIAL** Ability to take any idea and turn that concept into reality / make it a viable product and/or service. Ability to focus on the next step / closer to the ultimate goal. Ability to sell ideas, products or services to customers, investors or employees etc.
- 9** **MANAGERIAL / LEADERSHIP** Ability to effectively communicate with all functional areas in the organisation. Ability to represent and develop tasks and processes for desired outcomes. Ability to oversee processes, guide initiatives and steer employees toward achievement of goals.
- 10** **FINANCIAL** Ability to understand and apply core financial literacy concepts and metrics, streamlining processes such as budgeting, forecasting, and reporting, and stepping up compliance. Ability to manage costs and resources, and drive efficiency.
- 11** **STEM Science, Technology, Engineering and Maths (STEM)** Sciences, mathematics and scientific literacy.
- 12** **ENVIRONMENTAL / SUSTAINABILITY** Ability to focus on problem solving and the development of applied solutions to environmental issues and resource pressures at local, national and international levels.

## Key Drivers for Change and Proposed Responses

The following Translating and Interpreting qualifications are currently under review.

<i>PSP50816</i>	<i>Diploma of Translating</i>
<i>PSP60816</i>	<i>Advanced Diploma of Translating</i>
<i>PSP50916</i>	<i>Diploma of Interpreting</i>
<i>PSP60916</i>	<i>Advanced Diploma of Interpreting (English-LOTE)</i>

There is no new work proposed in 2018-2019.

## Proposed Schedule of Work

### Public Sector IRC Proposed Schedule of Work

The Training Package products allocated to this IRC were last endorsed in March 2016 and industry has noted that the last review was a desktop transition to meet the requirements of the Standards for Training Packages.<sup>42</sup> With the exception of the Translating and Interpreting qualifications, Training Package products are listed in the Proposed Schedule of Work (which follows) to ensure that they are updated to align with changes in public sector job requirements and accommodate future skills needs. This is particularly critical where changes in strategic planning requirements, and the way in which services are delivered, are occurring.

Qualifications are scheduled for review as follows:

Year	Project Title	Description
2019-2020	Procurement and Contracting	The IRC proposes to update the following qualifications and any associated skill sets and Units of Competency relating to job roles as follows:  <i>PSP40616 Certificate IV in Procurement and Contracting</i> <i>PSP50616 Diploma of Procurement and Contracting</i> <i>PSP60616 Advanced Diploma of Procurement and Contracting</i> <i>PSP80116 Graduate Certificate in Strategic Procurement</i>
2019 - 2020	Trade Measurement	<i>PSP40516 Certificate IV in Trade Measurement</i> <i>PSP50516 Diploma of Trade Measurement</i>

<sup>42</sup> Industry Skills Forecast Refresh April 2017

2019-2020	Government Investigations	<p>PSP40416 <i>Certificate IV in Government Investigations</i>                      PSP50416 <i>Diploma of Government Investigation</i>                      These qualifications are subject to regulatory and legislative requirements. Industry reports that the qualifications will require updating to ensure that they meet industry and regulatory standards. A previous review was conducted in 2013 and used to inform the changes to the Training Package products in 2015. An update is timely to ensure industry can be confident the qualifications meet current and future industry needs.</p>
2019-2020	Government Security	<p>PSP50316 <i>Diploma of Government Security</i>                      PSP50716 <i>Diploma of Fraud Control</i>                      PSP40316 <i>Certificate IV in Government Security</i></p>
2020-2021	Radiation Safety	<p>PSP80216 <i>Graduate Certificate in Radiation Safety</i></p>
2020-2021	Governance	<p>PSP20116 <i>Certificate II in Government</i>                      PSP30116 <i>Certificate III in Government</i>                      PSP40116 <i>Certificate IV in Government</i>                      PSP50116 <i>Diploma of Government</i>                      PSP60116 <i>Advanced Diploma of Government</i>                      PSP40716 <i>Certificate IV in Heavy Vehicle Road Compliance</i></p>
2020-2021	Court Operations	<p>PSP40216 <i>Certificate IV in Court Operations</i>                      PSP50216 <i>Diploma of Court Operations</i></p>

### 2018-19 Project Details

There is no work proposed for 2018-2019.

### IRC Sign-off

*The 2018 Industry Skills Forecast will be signed off by the IRC Chair prior to submission to the AISC.*