

TRANSCRIPT OF PODCAST

WORK WITH PURPOSE

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AN AMBITIOUS AND ENDURING APS REFORM PLAN

SENATOR THE HON KATY GALLAGHER

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DAVID PEMBROKE:

Hello everyone, and welcome to Work with Purpose, a podcast about the Australian Public Service. My name is David Pembroke, thanks for joining me.

Today, a replay of the much anticipated speech by the minister for the Public Service, Senator the Honorable Katy Gallagher. Now this was very much anticipated across the Australian Public Service as the new minister outlined her vision for the future of the APS and enduring an ambitious plan for the APS. Certainly, there's been significant decline internationally, and in Australia, in trust in democracies, and so winning back people's trust is a key challenge for the Australian Government and other democratic institutions.

Now, the APS reform is really directed towards trying to reinvigorate the Australian public service and set sail for greater credibility, authenticity, transparency and other ambitions, but you'll see in this speech by Senator Gallagher that she really does outline what it is that the newly elected Government are seeking to achieve with the Australian Public Service and so for a program like Work With Purpose, this is very important.

Now, I've actually listened to this a couple of times now, so I would recommend that you do that because there is real value in really just understanding the emphasis and the detail of the vision that the minister outlines today. So please enjoy the Senator, the Honorable Katy Gallagher's speech about APS reform which was delivered at the 2022 IPAA National conference.

KATY GALLAGHER:

I would like to begin by acknowledging the Traditional Owners on the land of which we meet today here in Canberra – on Ngunnawal Country, and I extend my respects to elders past and present.

I extend this respect to the traditional owners from the lands where other participants are joining from today and to any Aboriginal and Torres Strait Islander peoples joining us here.

Can I also acknowledge and thank everyone for joining to listen to this speech. In particular, Glyn Davis, Katherine Jones, Kathy Leigh. To Peter Woolcott and Gordon de Brouwer who have helped enormously in getting me to this point with the APS Reform, it's been an honour to work with you over the last couple of months. So thank you both very much.

Now I am not known for giving long speeches – but you will have to indulge me with this one – because not only is the subject matter important – it's also the first opportunity I have had since taking on the portfolio as Minister for the Public Service to map out some of our early thinking on public sector reform.

I warn you – it might get a bit dense at times, so apologies up front for that!
And I also want to be clear that this speech shouldn't be seen as all-encompassing on public sector reform. It's the start of the journey.

There are many key areas such as digital and data which deserve an address on their own, but for which time does not allow me to properly delve into today.

But I can assure you with the Reform Office, the DTA and the APSC I am looking closely at opportunities here that align with our reform agenda.

Millions of Australians interact with the APS every day. Whether it be...
A café owner calling Services Australia, asking for support after a flood washed away their business...

A high school student requesting a book for their research paper from a librarian at the National Library...

A new parent, checking their parental leave payment in myGov...

A teenager applying for a tax file number after just getting their first job...

Or a retiree, receiving their Medicare rebate when they see a doctor...

Interactions with the APS occur at all points in our lives and are as diverse as the people who interact with them.

And when someone is asking for help at their local Centrelink or using MyService to access support as a veteran, they don't care which program belongs in what portfolio.

They don't care who the Minister is or the Departmental Secretary for that matter. What they want is a system that works. They want to be treated as a human being, with respect, dignity and fairness. Whether someone is looking for work or starting a business – they want our systems and processes to be quick and uncomplicated. And there's no reason why it shouldn't be this way. That's why we want to make people's interactions with government simpler, easier – and make life inside the public service – your workplace – understood and valued.

There is however, work to be done in repairing years of neglect suffered by our public institutions. Outsourcing, poor resourcing, clunky systems, and a decade of deliberate devaluing of the APS has meant that the Australian people are looking at our institutions with a more jaundiced eye.

Earlier this year, Australia suffered one of the globe's largest falls in public trust.

According to the closely watched Edelman Public Trust Barometer, just 52% of Australians trust government and its institutions to do the right thing – a

steep nine point decline from 202. Less than half of the study's 36,000 respondents around the globe said that they trusted government leaders. There has been a significant decline internationally in trust in democracies and the institutions that represent those democratic systems. Winning back people's trust is a key challenge facing our government and its institutions.

So what does good government look like and how can we restore the trust of Australians in our government and its institutions? This question cannot be answered without the Australian Public Service. Good government delivers effective policy; it is transparent and is accountable to the public.

If we want to earn their trust we have to have solid foundations in our institutions and we also need to recognise the pace of change. I think you'd all agree - much of people's lives are different from how they were even three years ago and the public service will need to continue to adapt as the needs of people and business change at speed over time.

During the pandemic, there was recognition of the importance of the public sector, of independent advice, and of the need for fast and effective Government decisions, and action. And we saw it. From assisting people in those long Centrelink queues at the start of the pandemic, to those of you managing to draft what would have been years of policy work into a span of months or even weeks. As the economy, borders and the health system were completely re-ordered – you truly rose to that extraordinary task.

But more could have been done over the past decade to value the work done by the APS and to build the public sector needed for the future. Too many resources flowed away from the APS and towards contractors, consultants and labour-hire firms, decimating functions that should sit at the heart of a strong public service – like critical and creative thinking.

In some departments, the public service became more like an administrative service to ministers, with core work like policy development being shipped out to consultants. There was the public downplaying of policy development. The devaluing or disposal of years of experience and knowledge. And a casualisation of the workforce.

A lack of interest in investing, nurturing, planning of the public service as an institution in itself. This changes under the Albanese Government. The Prime Minister has tasked me to develop an ambitious and enduring reform plan for the APS. And in my role as Minister for Women, the Prime Minister also asked that I look closely at gender equality in the APS.

We will also look closely and focus on workplace culture. Set the Standard and Respect@Work are two important reports which provide a blueprint for

a supportive, safe and respectful environment for those operating in all workplaces including Commonwealth parliamentary workplaces. You'll find the outcomes and recommendations of these reports flow through these APS reforms. We cannot truly say we have reformed the APS without acknowledging the deep reforms necessary around how we treat our colleagues and how we all in turn expect to be treated, in the workplace.

The APS should set the standard in this regard for all workplaces across the country. As a government, we know the public service cannot sit still, unchanged, while the world around us and public expectations change.

This act of reform and re-imagination is no small task. Our APS Reform agenda will build on the Thodey Review that was largely mothballed by the previous government.

The Albanese Government's reforms are about putting the people who use our services at the centre, about rebuilding what's been allowed to erode, and about valuing and reinvesting in the APS's most valuable resource – its people. My intention is to implement enduring reforms that would require a conscious and public decision should any future Government want to wind them back. At its heart, this is about restoring the public's trust and faith in government and its institutions – in the APS.

The Albanese Government's APS Reform agenda has four priority areas:

- First: An APS that embodies integrity in everything it does
- Second: An APS that puts people and business at the centre of policy and services.
- Third: An APS that is a model employer.
- And fourth: An APS that has the capability to do its job well.

Today, I will take you through some of our thinking on how we work towards achieving these four priorities.

Priority One: An APS that embodies integrity in everything it does

I'll start with integrity – because the public service is one of the critical pillars of political integrity. It must be empowered to be honest and truly independent. To defend legality and due process. And to deliver advice that the government of the day might not want to hear just as loudly as the advice that we do. This cannot just be done at a department level, or a secretary level, or even a deputy secretary level.

Every single public servant has a role to play when it comes to making sure that the APS uses its position and influence wisely, and uses that power to do well by others. I will be asking the APS to create a clear and inspiring purpose statement. It's about time the APS had a unified vision that

resonates with all public servants. One that makes it clear what the APS aspires to. Transparency must be a core part of APS business.

The feedback people share with us, about us, and how they rate our work, should be fully visible for all Australians. It is my strong belief that information shared with public servants like the Survey of Trust in Australian Public Services, long term policy insights, capability reviews and APS engagement and census data should be shared with the Australian people.

Transparency drives improved performance and is central to democratic forms of government. I support this as a key tool to ensure people and businesses are at the centre of policy and services. And I know the secretaries Board are doing a heap of work around this and I look forward to hearing back on it. A centrepiece of our commitment to integrity was the recent introduction of legislation for a powerful, transparent and independent National Anti-Corruption Commission. The National Anti-Corruption Commission will complement other work areas across government on the broader integrity agenda, including introducing new corruption prevention measures, improving protections for whistleblowers and establishing and enforcing a Code of Conduct for Ministers and for Ministerial staff.

What it means for the public and public sector is a whole system working together to restore public trust and strengthen standards of integrity across the federal government. We will make sure that the Public Service Act, values and principles reflect the responsibility that public servants are entrusted with, and are applicable to all agencies.

We will ask the Parliament to enshrine the responsibility of stewardship in the Public Service Act. As referenced in the Thodey review, stewardship can encompass building a service that is committed to the public interest and sustains genuine partnerships and is the holder of institutional knowledge, throughout changes in government and societal shifts. As servants of the public, we are all responsible and accountable for leaving the APS in better shape than we found it.

Whether we're preserving and enhancing our great social assets, our large social programs like the National Disability Insurance Scheme or protecting the Great Barrier Reef. Focusing on the health of a system is fundamental to how we innovate, collaborate and improve our APS for generations to come.

We will identify how we can extend the APS values and principles to other PGPA Act agencies.

It is difficult to see why an employee at, for example, CSIRO or ANSTO, isn't asked to commit to the same core values as someone who works at Services Australia or the Treasury. Agency-specific values matter too, like ingenuity and innovation for science agencies, or creativity and courage at our cultural institutions and they can co-exist alongside the APS values.

Priority Two: An APS that puts people and business at the centre of policy and services. Priority two puts people and businesses at the centre of policy and service delivery. How are we going to do this?

The Government will work with the leaders of the APS on a vision for partnership between the public service and people, communities and businesses, the not-for-profit sector and universities, states, territories and others. Engagement and co-design with our partners has to become a natural and early impulse in how we work.

This vision will include a Charter of Partnerships and Engagement that makes a promise about how we work to ensure the public service is a trusted and transparent partner that puts people and business at the centre of policy, implementation and delivery. A partner that's open and accountable in its engagement.

We need to make it clear how we'll bring services together to make interactions with us easier and outline how we design policies and programs with the people they impact. Each month, a thousand people are surveyed across the country on their trust and satisfaction with public services and this information is published annually.

I want greater transparency on what Australians are saying about the Government and their experiences of public services. To that end, I am making the national Survey of Trust in Australian Public Services results available in a new annual report, with more of the detail including information about individual service delivery agencies.

Knowing the whole of APS experience helps us identify services not meeting expectations. Knowing how people's own life experiences impact on how they use our services informs how we better support them. In order to strengthen policy development and planning, the APS will start a process of developing long-term insights.

These insight briefings will bring together experts from the public service and include consultation with the community, academia, industry and the not-for-profit sector on specific longer term policy challenges to help identify solutions. It's not just regular consultation. It brings together what the community thinks and their experiences, with the data and evidence on

those topics. Using both data and experiences from Australians interacting with the APS, we can better develop policies to address long term issues beyond a three year electoral cycle. These long-term insight briefings will utilise the deep expertise across the service and Secretaries Board is the right place to commission and oversee this work.

Priority Three: An APS that is a model employer.

Now, our third Priority – the APS as a model employer. Our greatest resource – our people. We need to talk about public servants themselves. What is their experience working in the public service? Is it a great place to work? Is it attracting and retaining some of Australia’s brightest? Is it a fair and equitable employer? And, if not, why not?

If we want our public service to focus on the Australian people, we have to put our focus back to the people who make up the Australian Public Service. At the Jobs and Skills Summit last month, we heard loud and clear that gender equality, workplace diversity, access and inclusion is everyone’s business.

Gone are the days of throw away lines in values statements about diversity. It is an expectation within the community that workplaces in our country are inclusive and respectful – and the APS is no different.

There are areas of hard-fought gains in this space in the APS, with data from the APSC showing that the number of women in senior executive roles in the APS is now 52%. That’s great - but there is still much more that must be done to lead the way as a model employer. Employment of people with disability in the APS has reduced in the last 30 years. We need to do more to attract and retain employees with disability.

Representation of First Nations people in the APS is currently 3.5%. Disappointingly, that is a figure that has hardly budged in two decades and employment still remains low. We must do better.

That’s why it is this government’s policy that the APS meet an ambitious target and increase First Nations employment to 5%. But it’s more than just meeting a target. The APS must look at its culture and commit to actions to ensure it attracts, retains and provides rewarding careers for First Nations people.

We must echo the commitment the government has made to a First Nations voice to parliament, by ensuring First Nations peoples have a voice in the APS. We know First Nations peoples have shorter APS careers than the rest of our workforce - we need to do more than recruit First Nations people.

Our First Nations employees must have genuine opportunities to build rewarding careers and be visible and influential APS leaders.

The APSC is reviewing the Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy and the measures we can take to ensure the APS is a great place for First Nations people to build their careers.

Being a model employer also means ensuring equal opportunities and equal pay for women so that we can further reduce the gender pay gap. With my Minister for Women responsibilities, I've made it no secret that the gap must close. I believe that the APS should lead the way on setting the standard and driving ambition on gender equality. So while I am pleased that the gender pay gap in the APS has been reduced to 6%, there is still work to be done.

Some of the outcomes of the Jobs and Skills Summit will go directly to addressing this:

We know that there is a link between transparency and the gender pay gap decreasing, which is why the APS will be required to report to the Workplace Gender Equality Agency. As Agencies report they will also be required to put in place targets to improve gender equality.

And the APSC is also in the process of finalising a review of the Maternity Leave Act with a focus on how to support parents' participation in the public sector. Alongside this, the APS has to look closely at the flexible work arrangements it offers staff as standard. Throughout the pandemic the APS embraced flexibility at scale. Public servants did their jobs from home, many while caring for a toddler, or home-schooling children. They worked remotely across teams. I want to build on the positive aspects of that experience so public servants have the flexibility to manage their lives and work as best suits both them and business needs. That's why I've asked the APSC to develop an APS wide approach to flexibility in consultation with Secretaries.

One that captures the best of flexible work arrangements while still ensuring all employees can continue to learn by doing and seeing, building networks and being part of their workplace. The Government will restore the APS's ability to bargain and work to reduce fragmentation of pay and conditions and create common core conditions. And some of you may have seen recent announcements in this space. I know this is a real issue for many staff and can hinder mobility and complicate Machinery of Government changes. We're already talking openly with the CPSU and other representatives about how to progress this in the best way.

Last week we announced the first stage in progressing this commitment to service wide negotiations and have released updated arrangements for genuine consultation and engagement with employees and their union representatives across the APS.

The audit of APS employment has started across APS agencies, led by the Department of Finance and the Australian Public Service Commission. This audit will make it clear how temporary forms of employment, contracting and consulting are being used across the service. It was unsurprising to me that in coming into Government there was no centrally held data on this information. That work will be completed in early 2023.

It's clear that in an attempt to sidestep a failed policy of ASL capping, much of the interesting or challenging work and projects has been outsourced to consultants. Core APS work should be a chance to grow skills, enhance job satisfaction and tap into the knowledge that already exists within the service. We want to create secure jobs in the APS and utilise contractors and labour hire only when suitable and when required.

And as we reduce these forms of employment, over time we will create permanent, meaningful jobs and rebuild that much needed in-house capability. To deliver on the Government's commitment to reduce reliance on consultants, Government's is working to develop an in-house consulting model for the APS to strengthen core capabilities and functions that have been contracted out. And we know that there is deep expertise across the APS for a function like this.

Like data analytics and evaluation, customer service and event management, foreign policy, geoscience, or curating priceless historical collections. An in-house consulting model will give public servants the opportunity to develop expertise further, build relationships, collaborate with colleagues, and challenge themselves in new ways. It can create opportunities to work across departments to help support our vision for one APS.

We have started work on a model for the Government to consider by the end of the year and I look forward to sharing more with you as we progress.

The APS Academy, our central capability development program run from the APSC, has an important role to play here alongside an in-house consulting model. Let's not give away some of our most interesting work on evaluation, project management and strategy to the private sector.

Two months ago, the APSC released the review of Hierarchy and Classification in the APS. This review looks at how to ensure people are recognised for their contribution rather than their rank.

And about how we can value great leadership, and nurture an environment where good decisions can be made faster, in better ways.

I support a more contemporary approach to widen spans of controls and encourage work to be done at the lowest capable level possible. This supports our commitment to interesting careers and fewer reporting lines which emboldens and creates space for more employees to contribute.

We want to ensure APS jobs provide interesting careers, which attract talent to the public service and bring down more traditional siloed roles.

I want to take a minute to reinforce a point made in the Hierarchy and Classification Review, the Thodey Review, the Respect at Work and Set the Standard about workplace culture. Having workplaces that live and breathe the values and behaviours required of public servants is so important.

There's a range of things in the Public Service Act that mandate how public servants should act. Be professional, act ethically, be respectful, open, accountable and impartial. I want to be explicit when I say, how you do things is as important as what you do. And I expect the senior executive service to show leadership and take the first step on this.

Transparency on the employee census data will help drive improved culture. That's why I have asked the Public Service Commissioner to ensure that our SES performance assessments cover both outcomes and behaviours. This aligns with the Charter of Leadership Behaviours that was announced in August. This, again, is a reflection of contemporary practice that should be adopted by the APS.

I want the APS to include this in the next performance round, with perceptions of SES behaviour reported in the next State of the Service report. The point is, we need to be open about it, transparent. And that behaviour and conduct are both on the table every day.

There are lots of ways to assess whether a workplace is a model employer. The first is easy – participate in the APS employee census. Many agencies already publish their results on the APSC website. I would like every agency to do it. I hope that this transparency reinforces and celebrates strengths in an agency and motivates improvement in areas where it is required, like if high levels of bullying are identified.

I also want to challenge you to look at new and innovative ways to improve APS culture in your agency. Priority Four: An APS that has the capability to do its job well.

The final priority in the Albanese Government's reform agenda goes directly to the capability of the public service to deliver policy and service solutions to a world – virtual and actual - that would be unrecognisable to those that designed the public service in the 20th century.

The APS Academy is doing great work to boost capability across the service. I'm thrilled that around 20,000 staff have already been through its doors. We also have the APS Workforce Strategy 2025 and the Learning and Development Strategy. These two drive capability across the APS, and I want to see both embedded across the service.

To complement these, The Albanese Government will re-institute independent capability reviews. The APSC will have carriage of the work and this year they will start as pilots, providing independent and transparent reviews of a select number of departments and agencies. These reviews will be forward looking, identifying what capability is needed for emerging work and challenges.

Over time, I hope that capability reviews become a standard way of operating and a positive vehicles to encourage innovation, change and systems that support the best delivery of service to the people of Australia.

Right now, we're working on identifying priority agencies that want to work with us on these pilots and I'm really pleased that the Commission and the APSC, have put their hand up to be the first ones. They will normally be leading these reviews and it's appropriate that they do so, but as they have been the first ones to put up their hand to undertake it, it will be overseen by Prime Minister and Cabinet. Understanding our capability, knowing our strengths and weaknesses, and being transparent about how we can do better is fundamental to building a stronger APS that is committed to improving the lives of Australians. Evaluation is also priority for this Government. It helps us see if we're actually doing what we said we would. To understand what is working and what isn't. And being accountable to all Australians.

This work has begun. Currently the Department of Finance is implementing the Commonwealth Evaluation Policy and Toolkit. Treasury is scoping how evaluation can help deliver measurable outcomes for Australians. The Office of Best Practice Regulation will support agencies to develop best-practice policy in all areas, not just regulation. We will align these functions and build the evaluation capability to drive service improvements.

I want to also signal my interest in building other capabilities, like strategic thinking and foresight, and knowledge and networks in Asia and the Pacific

in a highly uncertain world. The APS has a life beyond all of us; it has to. It must endure for generations to come.

Today, we've started a conversation about how we can make the institution of the APS stronger, more enduring and more aligned to the community that we are here to serve. One that always puts people at the centre of everything it does. One that has the heart, skills and strength to move to a new era of Government service delivery, public sector policy, community service and support.

The APS Reform agenda and the four priorities I've outlined today, will help guide us on the way forward. These are the Government's priorities and early actions. Some of the changes are legislative, some are cultural, some are structural. I want create enduring reforms. Reforms that stick, reforms that last. To do that we will need to make changes to legislation. But change also comes from the involvement of the service. That we undertake this important work together.

I would hope that in a few years when we look back, an increase in transparency and integrity is clear. That sharing of information is habitual and a deeply embedded as part of the culture. That the APS is recognised as a model employer and is attracting and retaining the best and brightest that Australia has to offer. That the APS has the capability to deliver 21st century outcomes and that this continues to evolve and innovate.

To get there, each of you must accept the challenge laid out and the responsibility to help drive the change. I want you to think deeply about your impact on the experience of all Australians – how you and influencing their life and how your actions can better support them? How you can make a real difference to communities facing complex problems.

When it comes down to it – the Australian Public Service is made up of Australians helping other Australians. We are all part of this ambitious work. So talk to your colleagues. Listen. Show empathy. Show stewardship. Everyone at every level of the APS has a role to play in reinvigorating, reimagining and reforming our APS. We have a website so you will be able to find out more information about APS Reform. We won't be checking who goes there and who doesn't, but it would be good if you did go there and have a look.

It'll also give you the opportunity to have a say with your ideas. There'll be lots of opportunities over coming months to get involved. Thank you for the opportunity to outline some of the Government's early thinking today.

I'm really excited about what can be achieved through this significant reform. And just finally, it's been an honour and a privilege to be the Minister for Public Service working alongside you to build the APS of the future. Thanks very much.

DAVID PEMBROKE:

So there you have it, the Senator, The Honourable, Katy Gallagher, and her outlining that vision for the Australian Public service, it's interesting times. Certainly, it's wide, its big and focused and targeted in some areas as well but a lot to work with and really, it's going to be up to the Public Servants and more broadly citizens, stakeholders, industry associations and others to think about what do we want from the Australian Public Service inside the guardrails that have been outlined there by the minster for the Public Service. Great speech, really enjoyed listening to that once again.

To IPAA, a big thanks to IPAA ACT for their ongoing support for Work With Purpose, and also to the Australian Public Service commission for their ongoing support for the program. I was on Apple Podcasts the other day and we've got something like 48 reviews. Now, if you did have time to go and give us a little bit of a review, most of them are nice so thank you very much for that, those of you who have given us a review. But if you haven't, and if you could spare a few minutes, it always helps because what it does, is it help the program to be found, and if you do see the social media promotion for Work With Purpose, if you could also just give it a bit of a share, a bit of a comment, just something to show that this program is valued by you. My name is David Pembroke and also a big thanks to the team here at ContentGroup for the continuing production, high quality production and distribution of this program. We'll be back at the same time in a fortnight with the next episode of Work With Purpose, but for the moment, it's bye for now.

VOICE OVER:

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