Our people

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This section examines the many aspects of employment that are important to our people, including employee engagement, inclusion and diversity, learning and development, tenure, intention to stay, and remuneration.
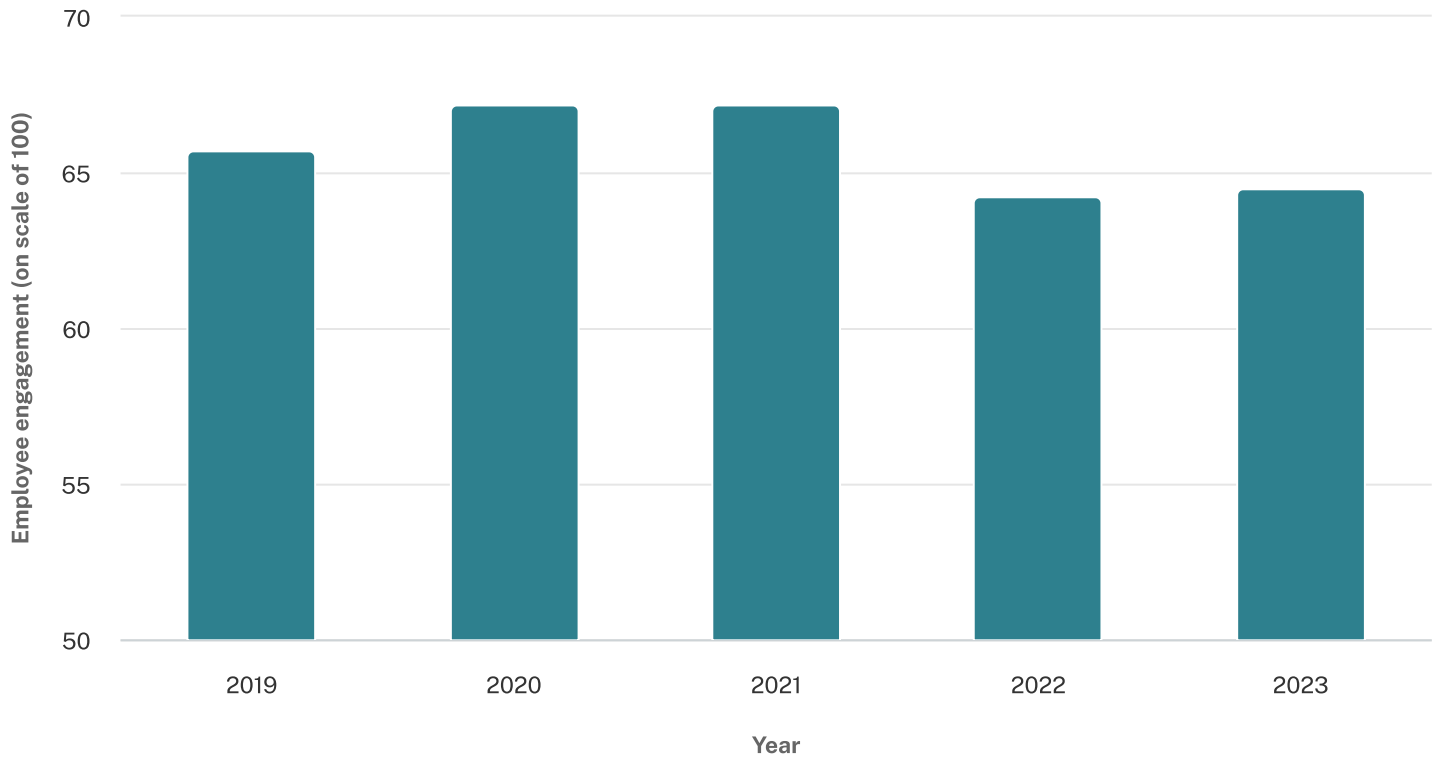
Employee engagement

Employee engagement refers to an employee's connection to their organisation. It is a global measure of employee experience and in this report is expressed as an index score out of 100. Employee engagement has a strong connection to productivity, making it a key indicator of the sector's overall performance.

Many factors influence engagement, including leadership, a positive and inclusive work culture, wellbeing, manager support, accountability and flexible working arrangements. This year, employee engagement improved slightly, from 64.2 to 64.5. This result reflects our collective efforts to support the long-term sustainability of our workforce.

The public sector still has more to do to lift engagement to its previous high of 67.2 in 2021, but it is encouraging to see that our efforts have started to pay off. Further increasing engagement will require a multi-pronged approach that is tailored to our workforce's needs. Key areas agencies can focus on include workplace wellbeing initiatives, professional development opportunities and increased support for employees through changes that affect their work.
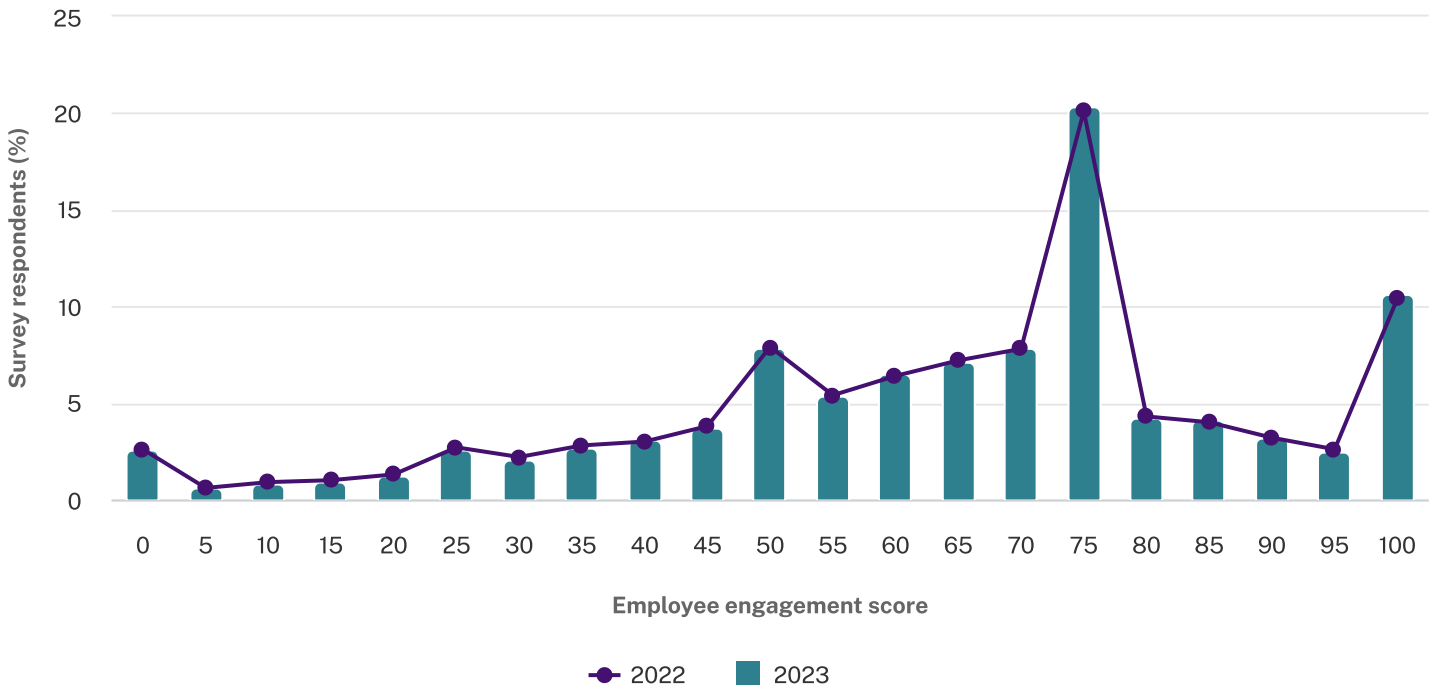
Employee engagement, 2019–23

Year	Employee engagement
2019	65.7
2020	67.2
2021	67.2
2022	64.2
2023	64.5

Employee engagement, 2019–23

Source: People Matter Employee Survey (2019–23)

Distribution of employee engagement scores, 2023 vs 2022

Employee engagement score	2022	2023
0	2.6	2.6
5	0.6	0.6
10	0.9	0.8
15	1	0.9
20	1.3	1.2
25	2.7	2.6
30	2.2	2.1
35	2.8	2.7
40	3	3.1
45	3.8	3.7

Employee engagement score	2022	2023
50	7.9	7.8
55	5.4	5.4
60	6.4	6.5
65	7.2	7.1
70	7.8	7.9
75	20.1	20.3
80	4.3	4.2
85	4	4.1
90	3.2	3.2
95	2.6	2.5
100	10.4	10.6

Distribution of employee engagement scores, 2023 vs 2022

Source: People Matter Employee Survey (2022, 2023)

# Employee engagment score by employee group, 2023 vs 2022

Employee group
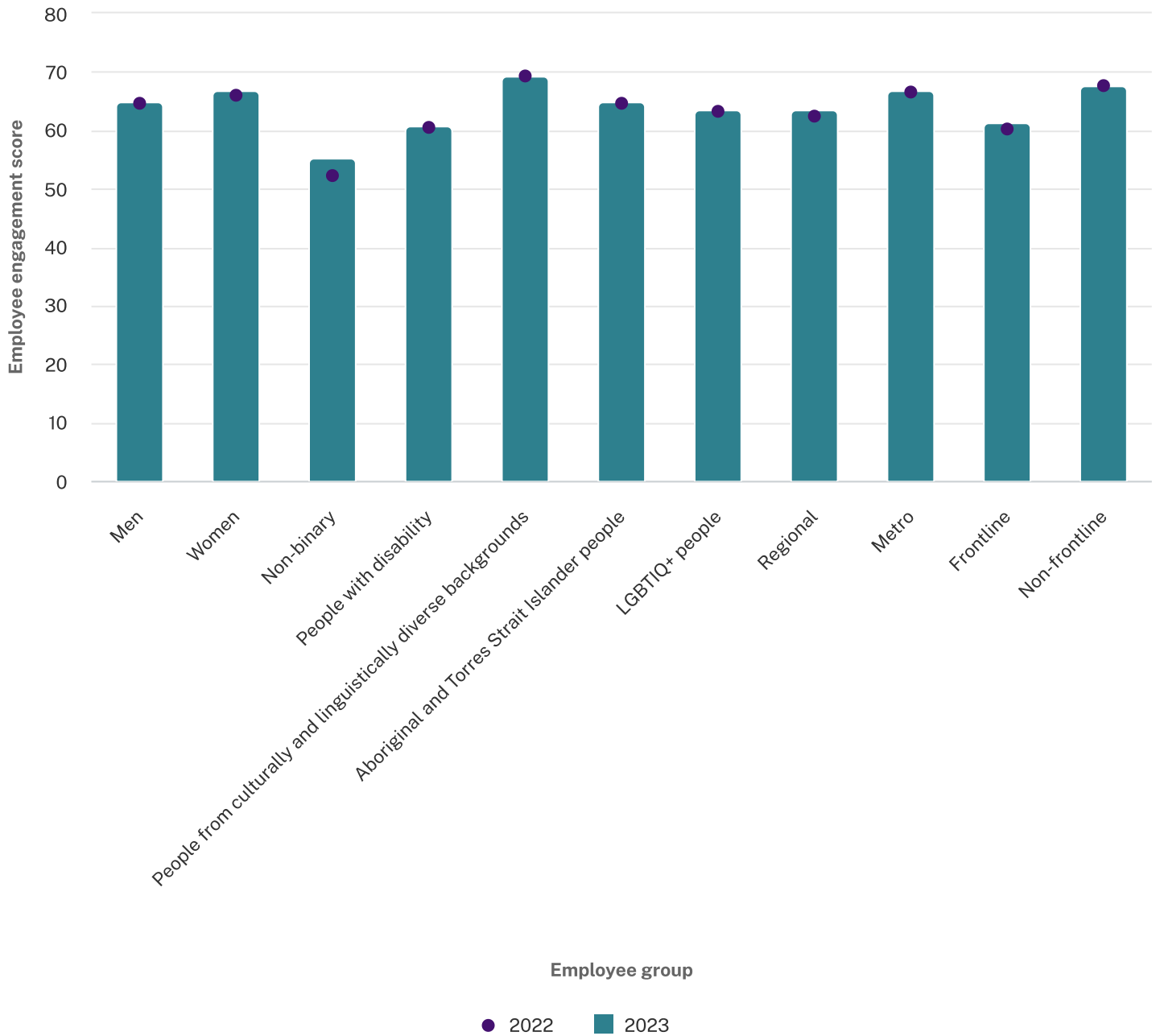
● 2022   ■ 2023

Employee group	2022	2023
Men	64.7	64.8
Women	66.1	66.8
Non-binary	52.2	55.2

Employee group	2022	2023
People with disability	60.4	60.8
People from culturally and linguistically diverse backgrounds	69.4	69.4
Aboriginal and Torres Strait Islander people	64.5	65
LGBTIQ+ people	63.1	63.6
Regional	62.4	63.5
Metro	66.4	66.7
Frontline	60.3	61.3
Non-frontline	67.6	67.6

Employee engagment score by employee group, 2023 vs 2022

Source: People Matter Employee Survey (2022, 2023)

People Matter survey participation, 2019–23
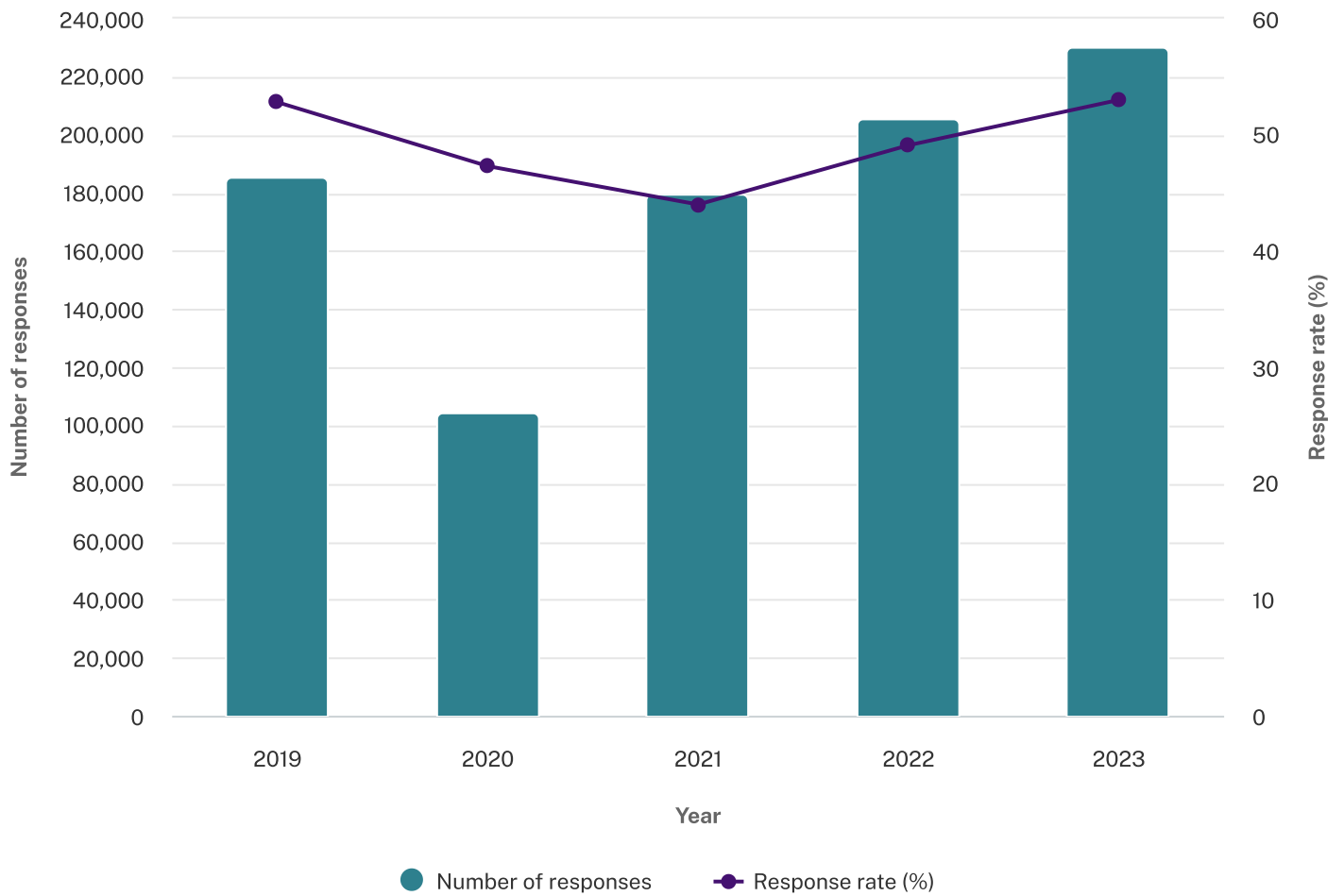
Year	Number of responses	Response rate (%)
2019	185289	52.8
2020	104598	47.3
2021	179801	44
2022	205704	49.1
2023	230122	53

People Matter survey participation, 2019–23

Source: People Matter Employee Survey (2019–23)

Note: Most of the Health portfolio did not participate in the 2020 survey due to the COVID-19 pandemic.

Job satisfaction, 2023 vs 2022

68.5%

up from **68.3%** in 2022

Source: People Matter Employee Survey (2022, 2023)

Learning and development

Access to learning and development helps employees achieve their performance and career goals. Learning and development also helps agencies develop the most effective employee capabilities for delivering business outcomes.

Commitment to professional development is consistently a top driver of employee engagement in the NSW public sector. In the current constrained budgetary environment, we need to be careful not to pull back sharply on investment in people, as this can be a false economy. Agencies need to target learning and development initiatives carefully, so employees have the critical skills and capabilities they need to be successful in their roles now and in the future.

Since 2022, there has been a slight increase in employees' favourable perceptions of learning and development, which is consistent with the increase in employee engagement.

Employee perceptions of learning and development, 2023 vs 2022

55.9% favourable overall

up from 54.9% in 2022

	2023 (% favourable)	Change from 2022 (pp)
I am satisfied with the opportunities available for career development in my organisation	50.1	+0.8

	2023 (% favourable)	Change from 2022 (pp)
My organisation is committed to developing its employees	53.0	+0.8
I have received the training and development I need to do my job well	64.5	+1.5

Source: People Matter Employee Survey (2022, 2023)

Inclusion and diversity

Building an inclusive and diverse workforce is critical to providing high-quality services for the people of NSW. We know unequivocally that when we create a more inclusive workplace in which people feel they belong, we foster a positive culture and enhance our productivity. Belonging and inclusion are key to ensuring our workforce reflects the diversity of the people we serve.

- Inclusion enables genuine participation and contribution, so that everyone feels a sense of belonging at work regardless of their background, identity or circumstances.
- Diversity refers to the seen and unseen characteristics that make each individual different. For the public sector, a diverse workforce reflects the breadth of differences within the communities we serve.

A diverse workforce alone does not equate to a successful workforce. To realise the benefits of diversity, workplaces must also be inclusive. In an inclusive workplace, culture, leadership, systems and work practices combine to help employees feel comfortable bringing their whole self to work. It also encourages them to be open and share their lived experiences to uplift workplace inclusion for everyone. Inclusion enables genuine participation and contribution, regardless of seen or unseen individual differences. Inclusion helps drive improvements in organisational performance, effectiveness, innovation and customer service.[1]

Work to improve the diversity of the public sector workforce is ongoing, with varying levels of progress in different areas. As the public sector grows in maturity and capability, it is time to apply an intersectional approach to increasing belonging and inclusion. The PSC's newly established Inclusion Council will incorporate advice from a broad and overlapping range of demographic groups to put lived experience at the centre of policy and services, and to embody equity, inclusion, diversity and cultural capability in practice.

Increasing diversity in the senior executive cohort in the sector is also an ongoing challenge. While we have seen progress in the representation of women and an increase in the number of Aboriginal and Torres Strait Islander senior leaders, our work with CALD employees is still evolving and we look forward to working with the sector to accelerate our progress. Central to these opportunities is a willingness to challenge outdated stereotypes and embrace the mindset that there is no one way to be a leader. Our ongoing strengths as a cohesive and effective public sector must come from our diversity, reflecting the people we serve.

Central to the Closing the Gap Priority Reform on the transformation of government, the sector must continue to improve how we work with Aboriginal and Torres Strait Islander colleagues and communities. The Everyone's Business training package, developed by the PSC for the sector, provides opportunities to improve the cultural capability of our workforce. However, there is more to do across the sector to ensure that we embed a partnership approach with Aboriginal and Torres Strait Islander organisations and communities.

There is also significant work to be done to enhance the belonging and inclusion of people with disability in the workforce. Boosting the employment of people with disability in the public sector is an ongoing focus that is discussed in more detail later in this report.

Employee perceptions of inclusion and diversity, 2023 vs 2022

68.5% favourable overall in 2023

	2023 (% favourable)	Change from 2022 (pp)
People in my workgroup treat each other with respect	79.8	–0.4
Personal background is not a barrier to participation in my organisation	78.5	+0.3
I am comfortable sharing a different view to others in my organisation	68.3	n/a
I feel that I belong in my organisation	70.7	+0.7
Senior managers support the career advancement of all employees	44.7	+1.0

Source: People Matter Employee Survey (2022, 2023)

Note: A comparison to the 2022 overall score was not possible because one of the questions that contributed to the 2023 overall score has changed.

Employee voice, 2023

Employee voice is about ensuring that employees feel like they can speak up and be heard. It helps to support an effective and dynamic employee–employer relationship.

65.1% favourable overall in 2023

Source: People Matter Employee Survey (2022, 2023)

Note: A comparison to the 2022 overall score was not possible because a new question was added that contributed to the 2023 overall score.

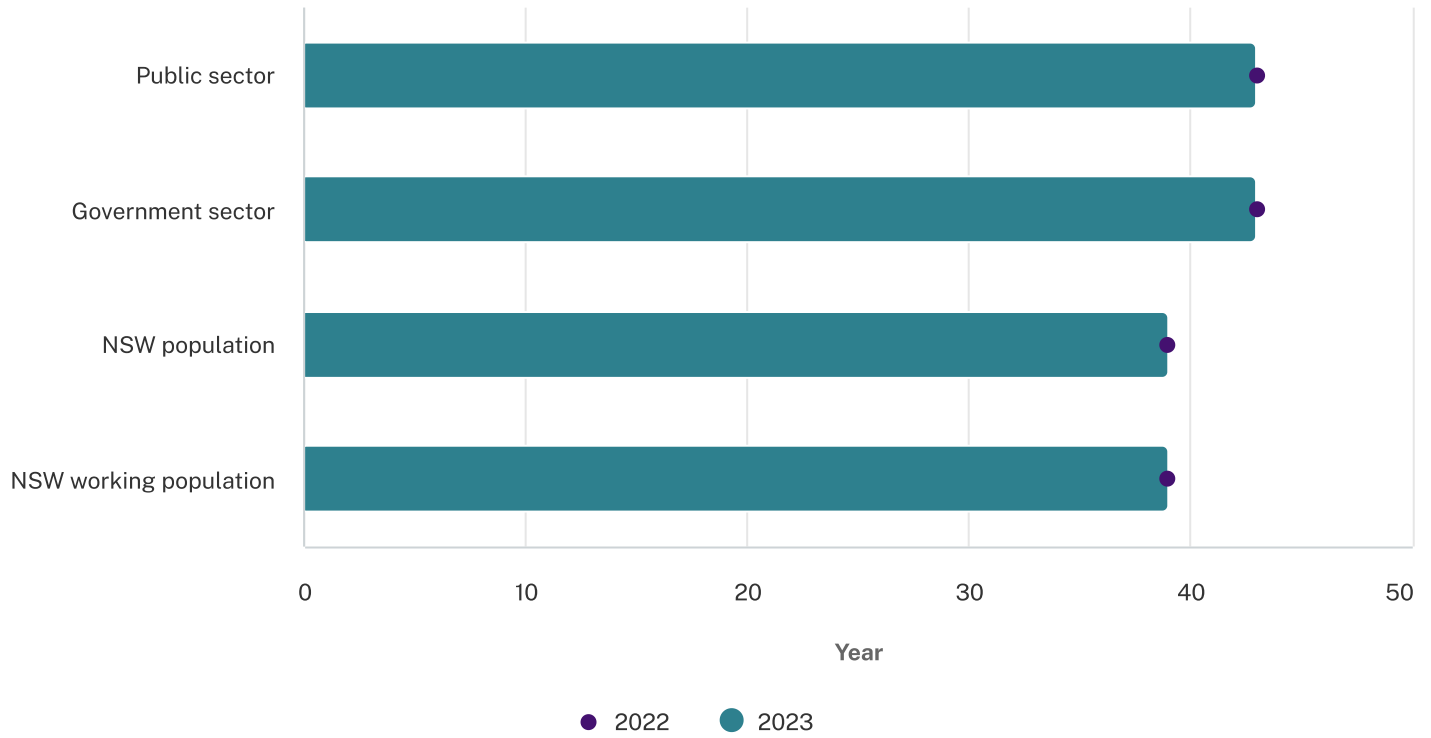## Employees with a diagnosed mental health issue, 2023 vs 2022

10.8%

up from **10.1%** in 2022

Source: People Matter Employee Survey (2022, 2023)
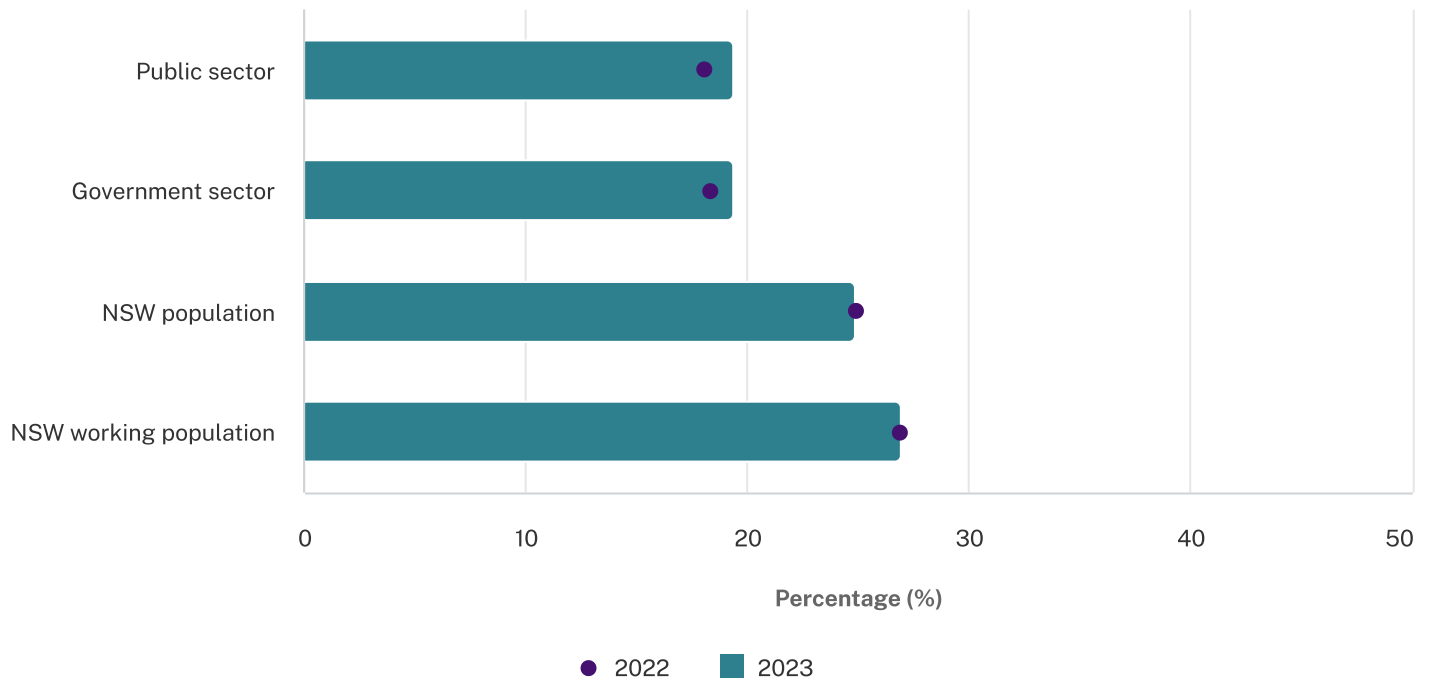
Representation of median age, 2023 vs 2022

Group	2022	2023
Public sector	43	43
Government sector	43	43
NSW population	39	39
NSW working population	39	39

Representation of median age, 2023 vs 2022

Sources: Workforce Profile (2022, 2023); ABS (2021a, 2021b)

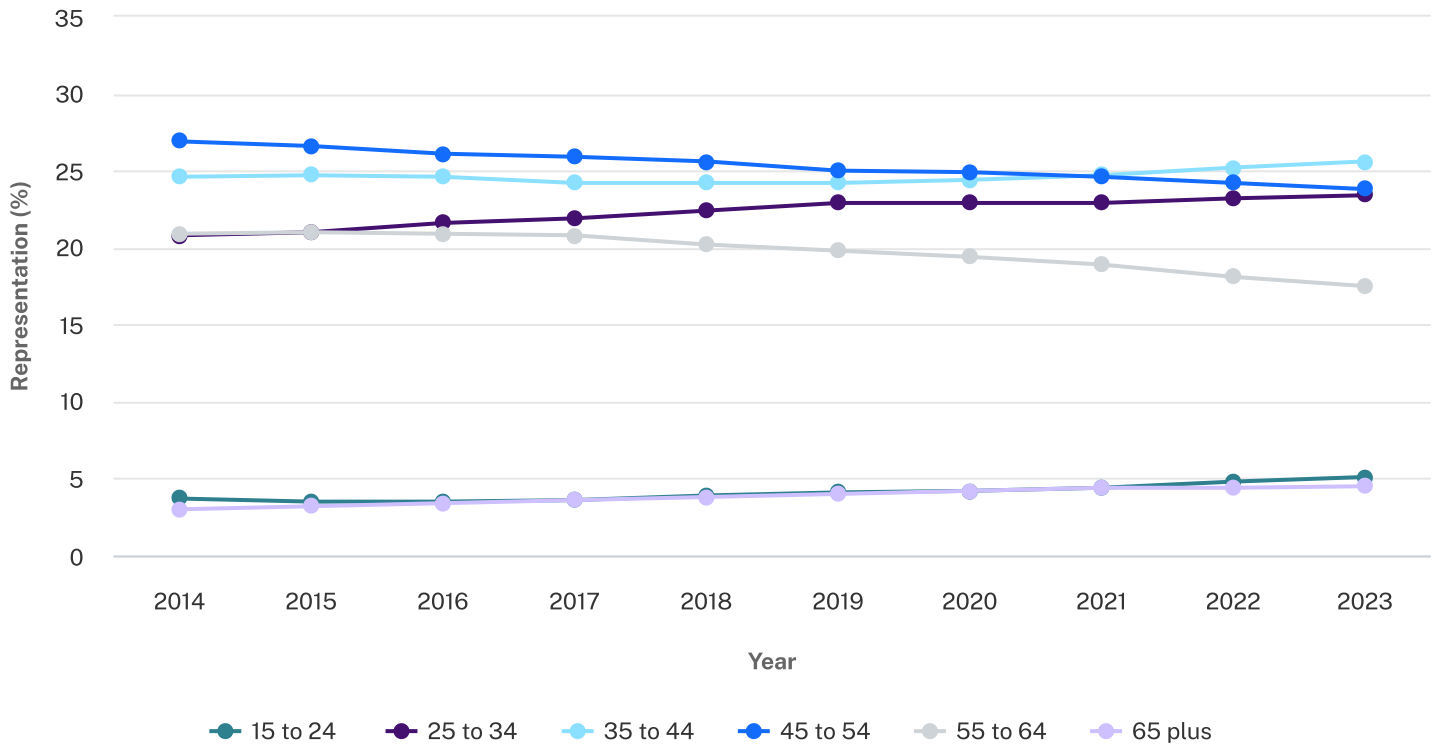# People who report speaking English as a second language, 2023 vs 2022

Group	2022	2023
Public sector	18.1	19.4
Government sector	18.3	19.4
NSW population	24.9	24.9
NSW working population	26.9	26.9

People who report speaking English as a second language, 2023 vs 2022

Sources: Workforce Profile Collection (2022, 2023); ABS (2021c, 2021d)

Age of public sector employees, 2014–23

Year	15 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65 plus
2014	3.7	20.8	24.6	26.9	20.9	3
2015	3.5	21	24.7	26.6	21	3.2
2016	3.5	21.6	24.6	26.1	20.9	3.4
2017	3.6	21.9	24.2	25.9	20.8	3.6
2018	3.9	22.4	24.2	25.6	20.2	3.8
2019	4.1	22.9	24.2	25	19.8	4
2020	4.2	22.9	24.4	24.9	19.4	4.2
2021	4.4	22.9	24.7	24.6	18.9	4.4
2022	4.8	23.2	25.2	24.2	18.1	4.4
2023	5.1	23.4	25.6	23.8	17.5	4.5

Age of public sector employees, 2014–23

Source: Workforce Profile (2014–2023)
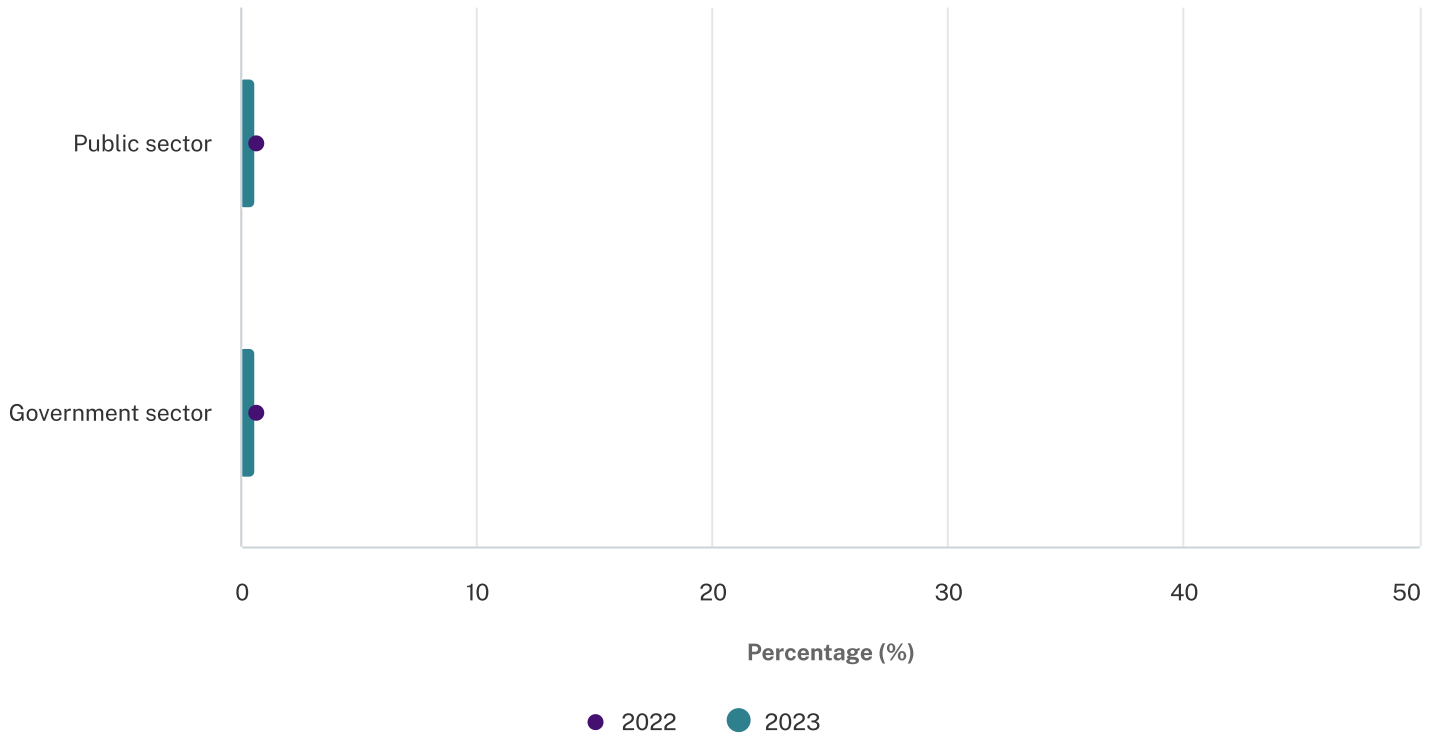
People who identify as LGBTIQ+, 2023 vs 2022
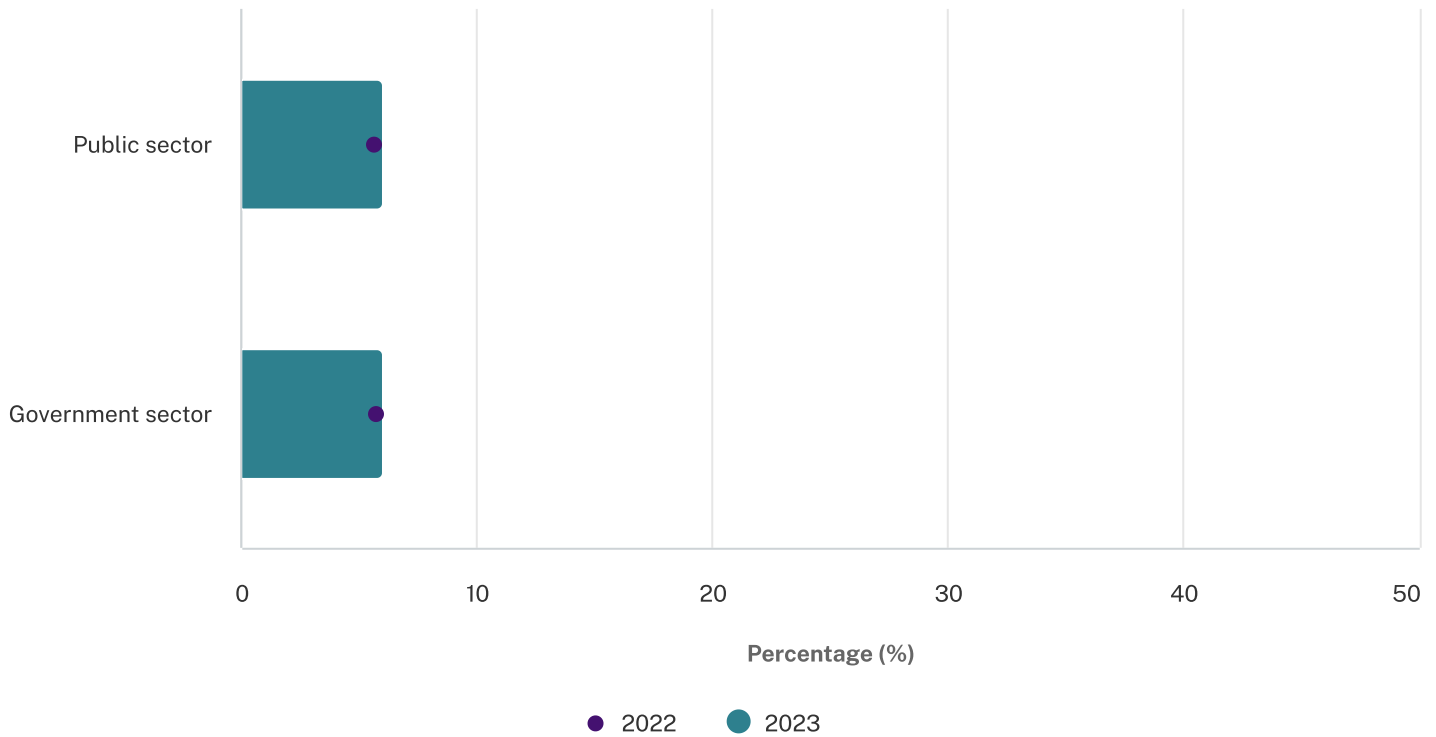
Group	2022	2023
Public sector	5.6	6
Government sector	5.7	6

People who identify as LGBTIQ+, 2023 vs 2022

Source: People Matter Employee Survey (2022, 2023)
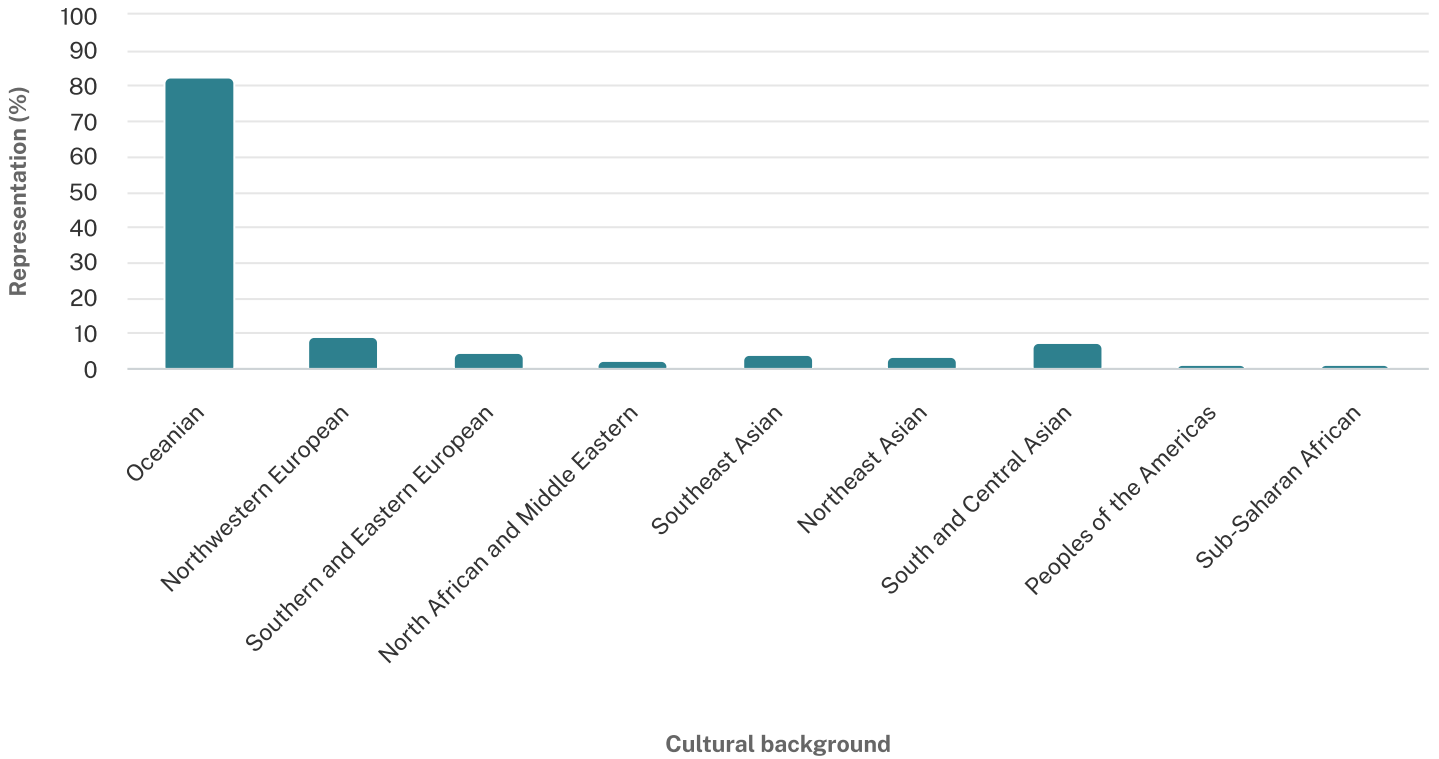
People who identify as non-binary, 2023 vs 2022

Percentage (%)

● 2022   ● 2023

Group	2022	2023
Public sector	0.6	0.6
Government sector	0.6	0.6

People who identify as non-binary, 2023 vs 2022

Source: People Matter Employee Survey (2022, 2023)

# Cultural background of public sector employees, 2023

Cultural background

Cultural background	2023 NSW Public Sector (%)
Oceanian	82.6
Northwestern European	9
Southern and Eastern European	4.7
North African and Middle Eastern	2.2
Southeast Asian	3.8
Northeast Asian	3.6
South and Central Asian	7.3
Peoples of the Americas	1.4
Sub-Saharan African	1.1

Cultural background of public sector employees, 2023

Source: People Matter Employee Survey (2023)

Note: As the 2023 People Matter survey included design changes to a question on cultural background, the 2022 comparison scores for employees from CALD backgrounds are not available.

Estimated representation of senior executives from a racial, ethnic or ethno-religious minority group, who first spoke a language other than English, and who live with a disability, 2019–2023
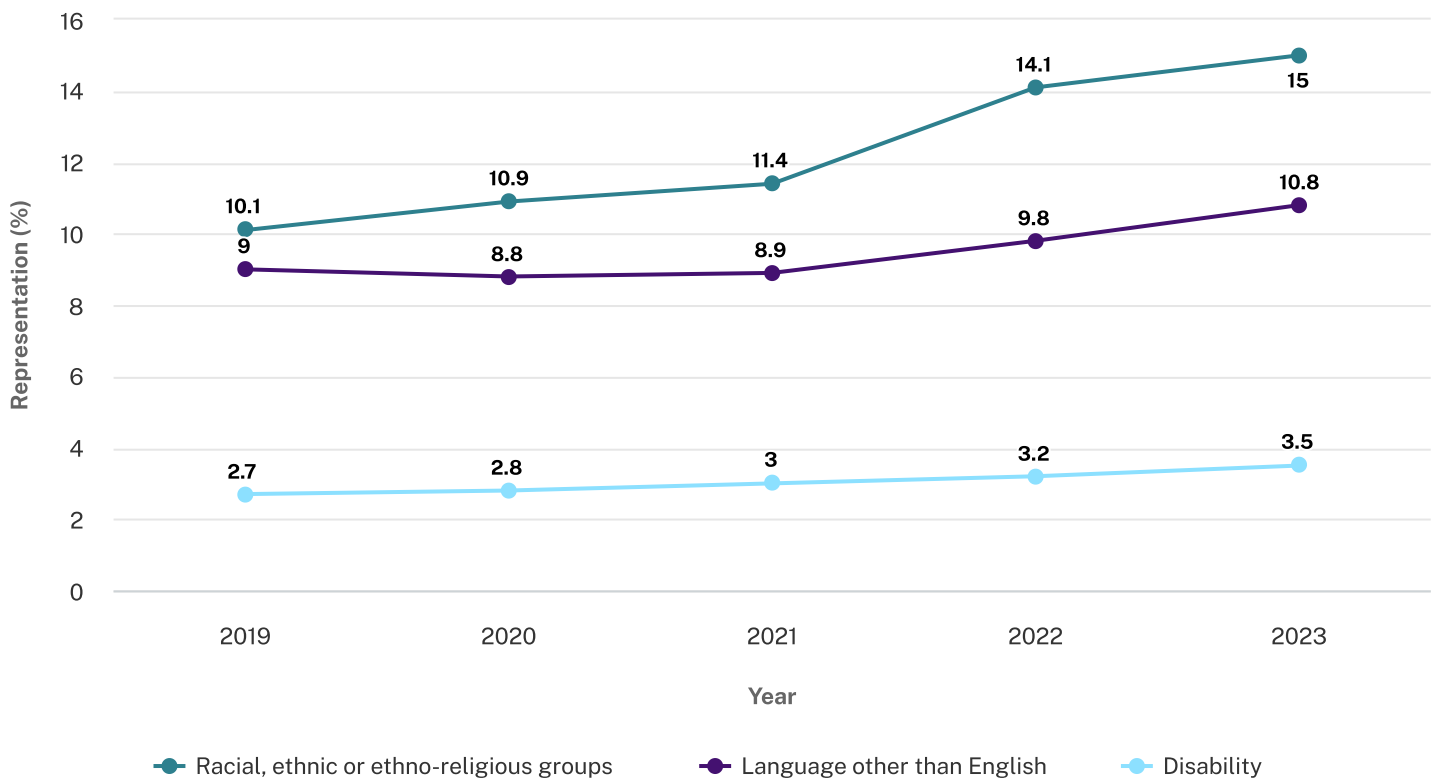

Year	Racial, ethnic or ethno-religious groups	Language other than English	Disability
2019	10.1	9	2.7
2020	10.9	8.8	2.8
2021	11.4	8.9	3
2022	14.1	9.8	3.2

Year	Racial, ethnic or ethno-religious groups	Language other than English	Disability
2023	15	10.8	3.5

Estimated representation of senior executives from a racial, ethnic or ethno-religious minority group, who first spoke a language other than English, and who live with a disability, 2019–2023

Source: Workforce Profile (2019–23)

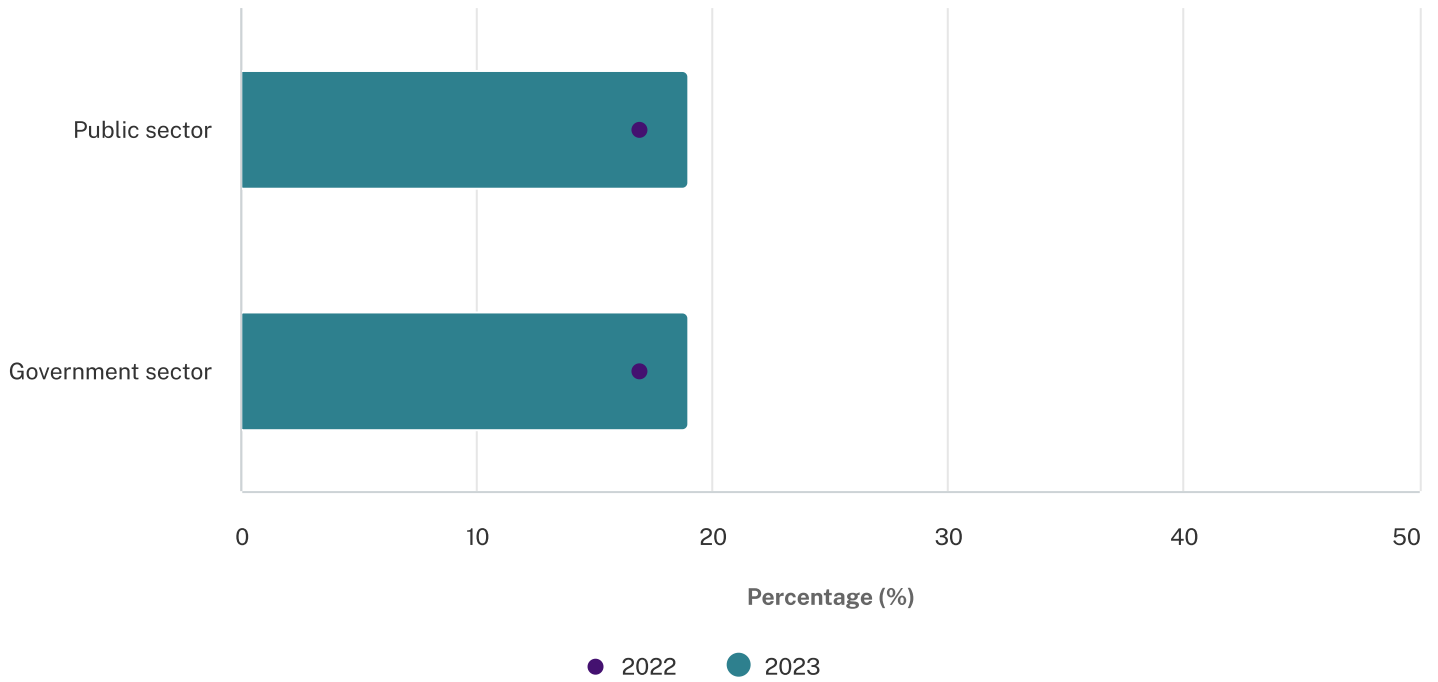# People who provide care for a child outside of work, 2023 vs 2022
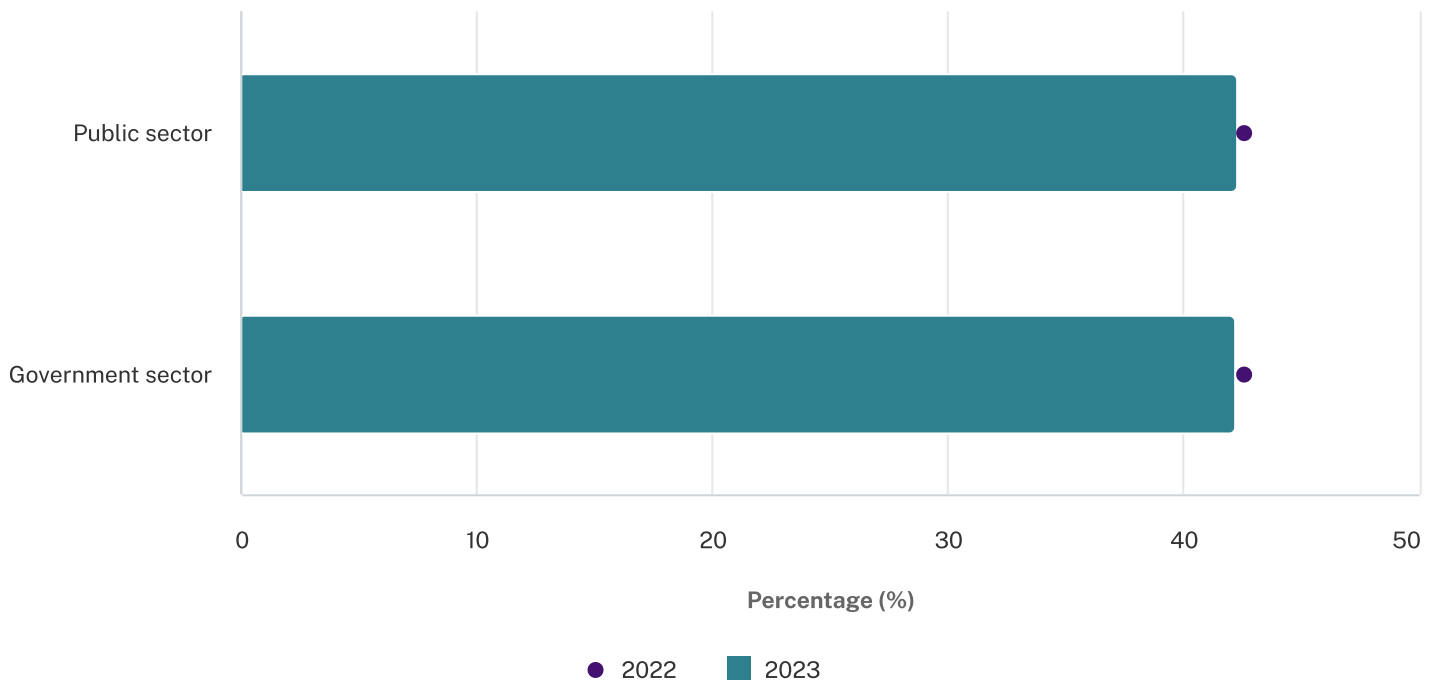
Group	2022	2023
Public sector	42.6	42.3
Government sector	42.6	42.2

People who provide care for a child outside of work, 2023 vs 2022

People who provide care for a child or adult who needs support outside work, 2023 vs 2022
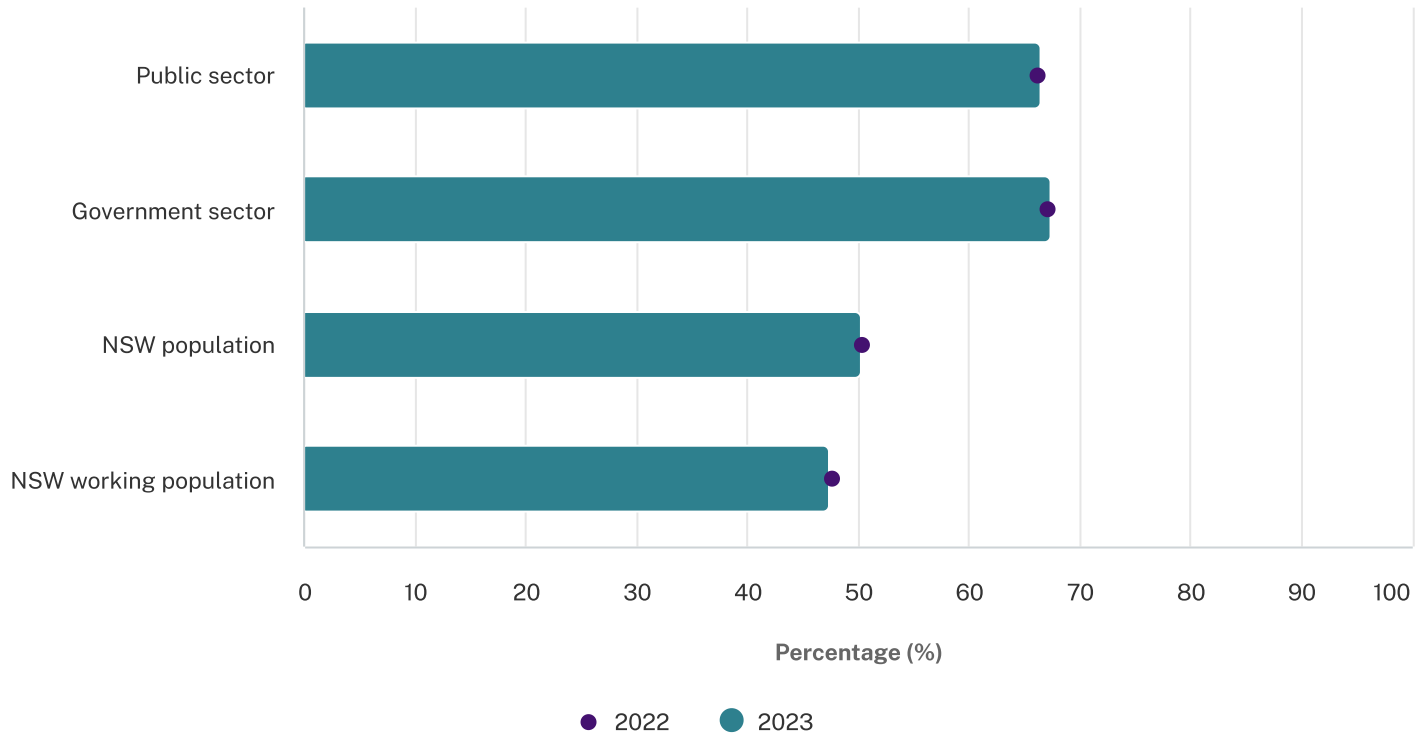

Group	2022	2023
Public sector	16.9	19
Government sector	16.9	19

People who provide care for a child or adult who needs support outside work, 2023 vs 2022

Representation of women, 2023 vs 2022

Group	2022	2023
Public sector	66.3	66.5
Government sector	67.1	67.4
NSW population	50.3	50.3
NSW working population	47.7	47.3

Representation of women, 2023 vs 2022

Sources: Workforce Profile (2022, 2023); ABS (2023c, 2023d)

# Gender representation by grade in the government sector, 2023 vs 2019
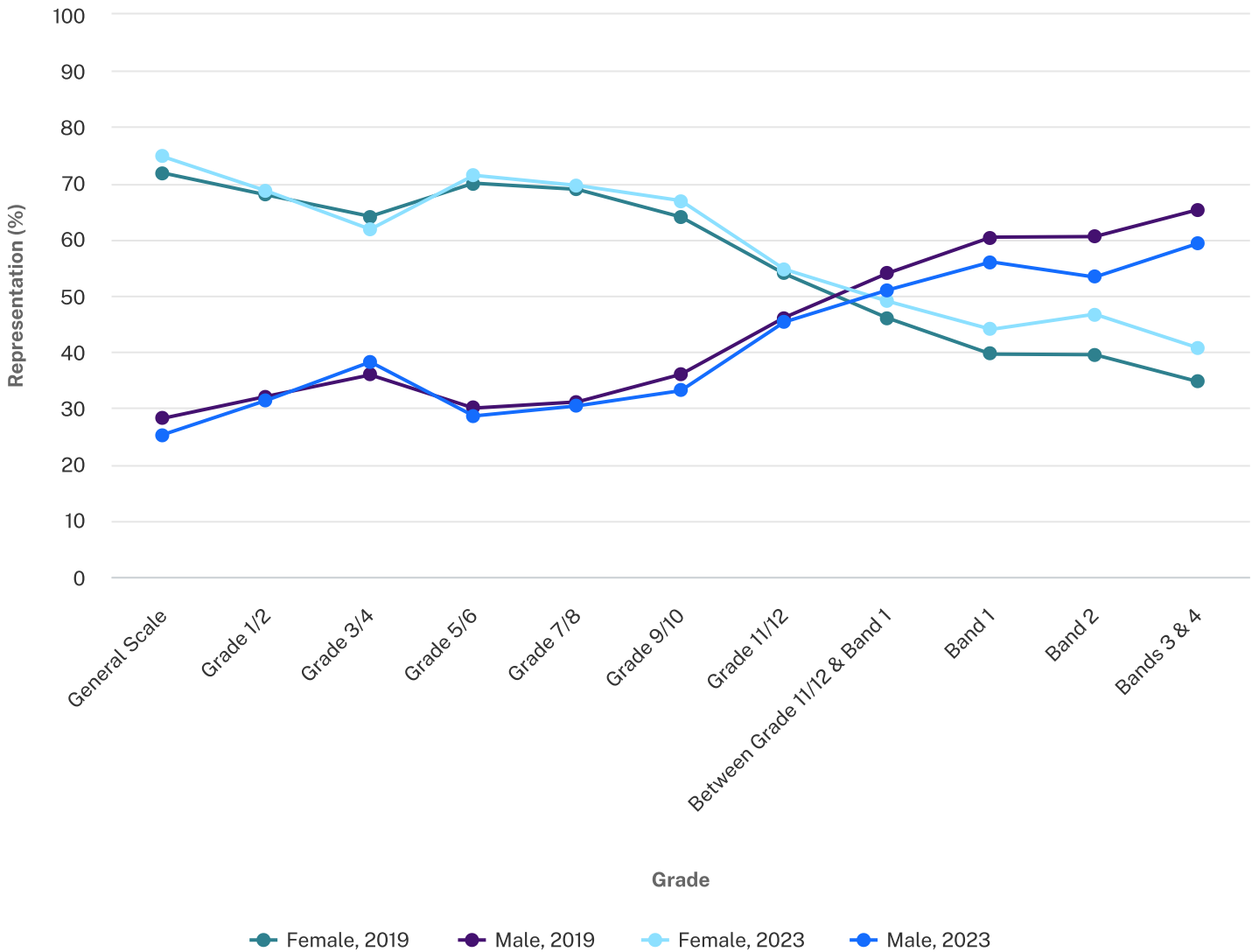
Grade	Female, 2019	Male, 2019	Female, 2023	Male, 2023
General Scale	71.8	28.2	74.7	25.3
Grade 1/2	67.9	32.1	68.6	31.4
Grade 3/4	64.1	35.9	61.8	38.2
Grade 5/6	70	30	71.4	28.6
Grade 7/8	68.9	31.1	69.6	30.4
Grade 9/10	64	36	66.9	33.1

Grade	Female, 2019	Male, 2019	Female, 2023	Male, 2023
Grade 11/12	53.9	46.1	54.7	45.3
Between Grade 11/12 & Band 1	46	54	49	51
Band 1	39.6	60.4	44	56
Band 2	39.5	60.5	46.7	53.3
Bands 3 & 4	34.7	65.3	40.7	59.3

Gender representation by grade in the government sector, 2023 vs 2019

Source: Workforce Profile (2019–23)

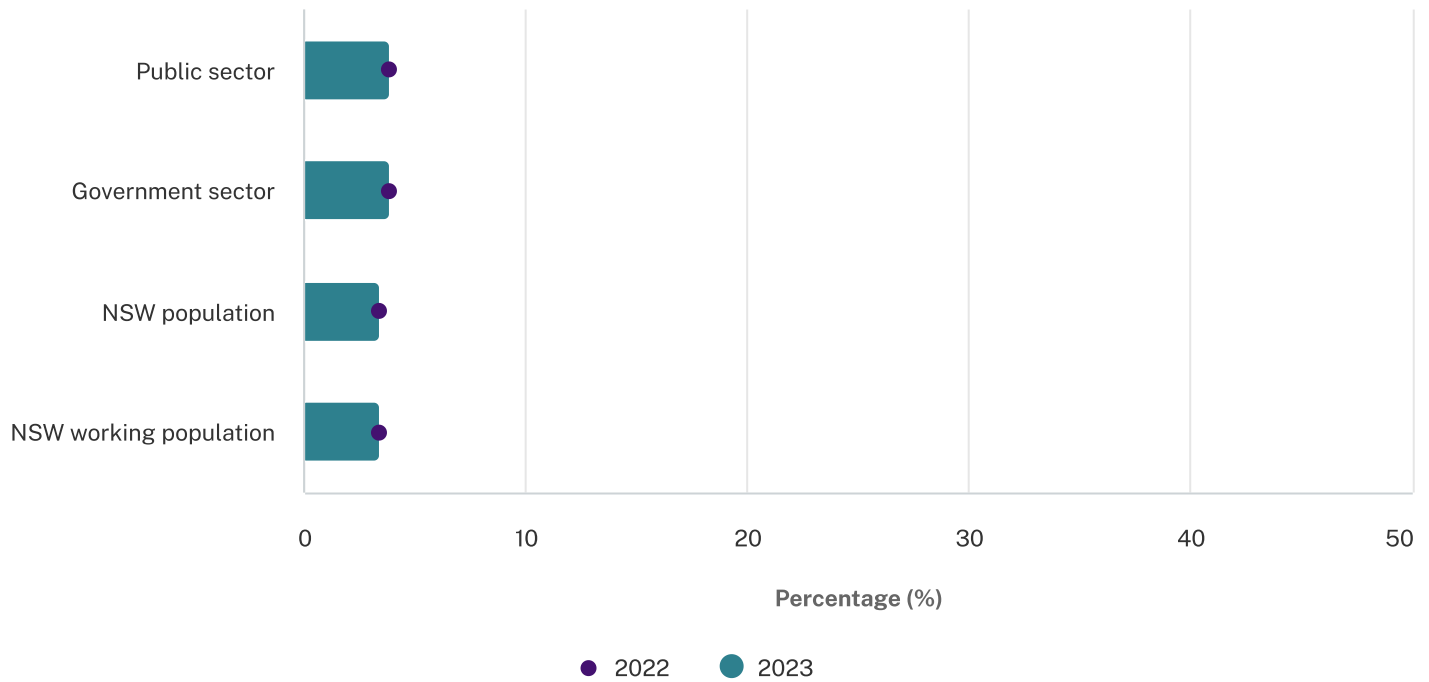# Women in senior leadership, 2014–23
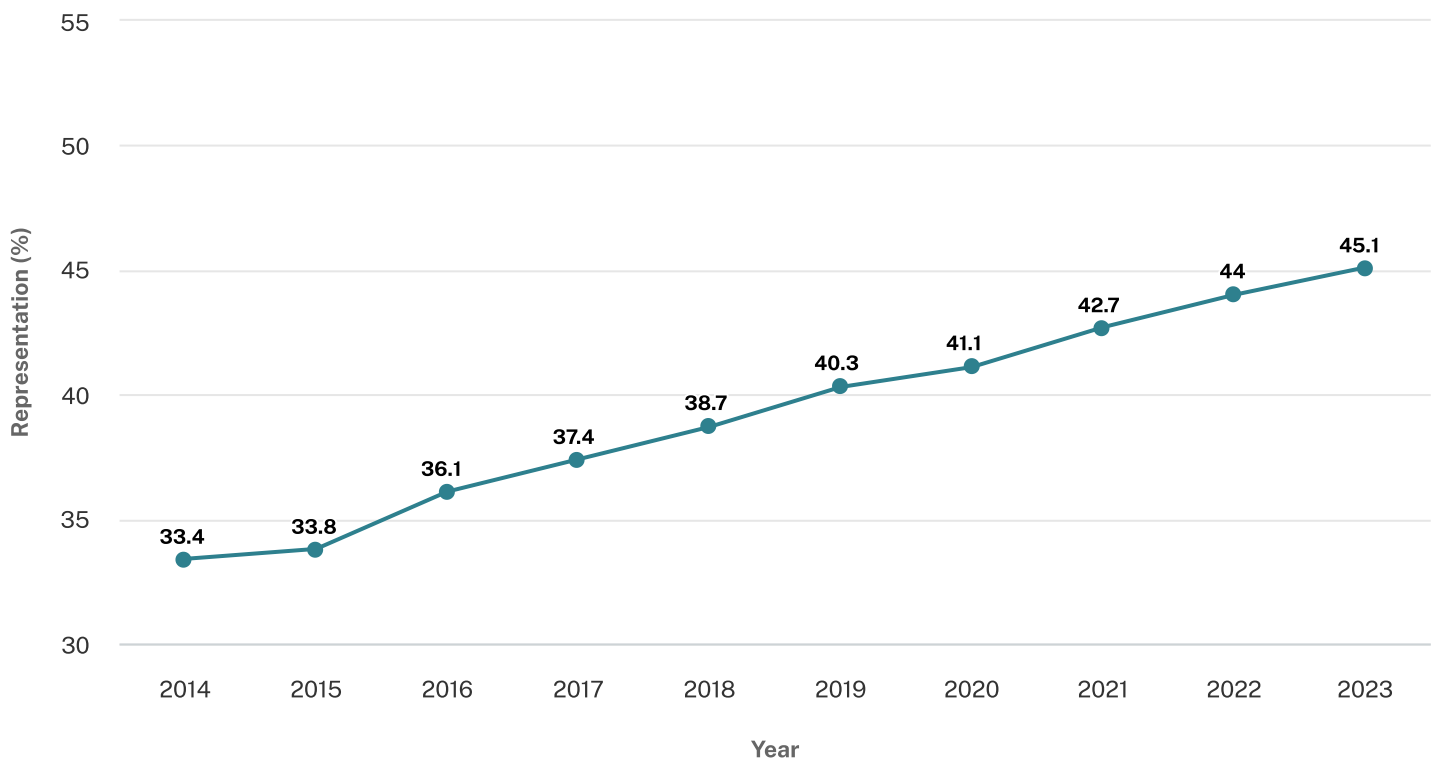
Year	Actual representation
2014	33.4
2015	33.8
2016	36.1
2017	37.4
2018	38.7
2019	40.3
2020	41.1
2021	42.7
2022	44
2023	45.1

Women in senior leadership, 2014–23

Source: Workforce Profile (2014–23)

# Representation of Aboriginal and Torres Strait Islander peoples, 2023 vs 2022

Group	2022	2023
Public sector	3.8	3.9
Government sector	3.8	3.9
NSW population	3.4	3.4
NSW working population	3.4	3.4

Representation of Aboriginal and Torres Strait Islander peoples, 2023 vs 2022

Sources: Workforce Profile (2022, 2023); ABS Census (2022e), ABS (2021e)

Aboriginal and Torres Strait Islander people in government sector, by grade non-executive, 2023 vs 2019

The PSC's refreshed Aboriginal Employment Strategy 2019–2025 maintains a commitment to 3% Aboriginal and Torres Strait Islander representation at all non-executive salary levels by 2025.
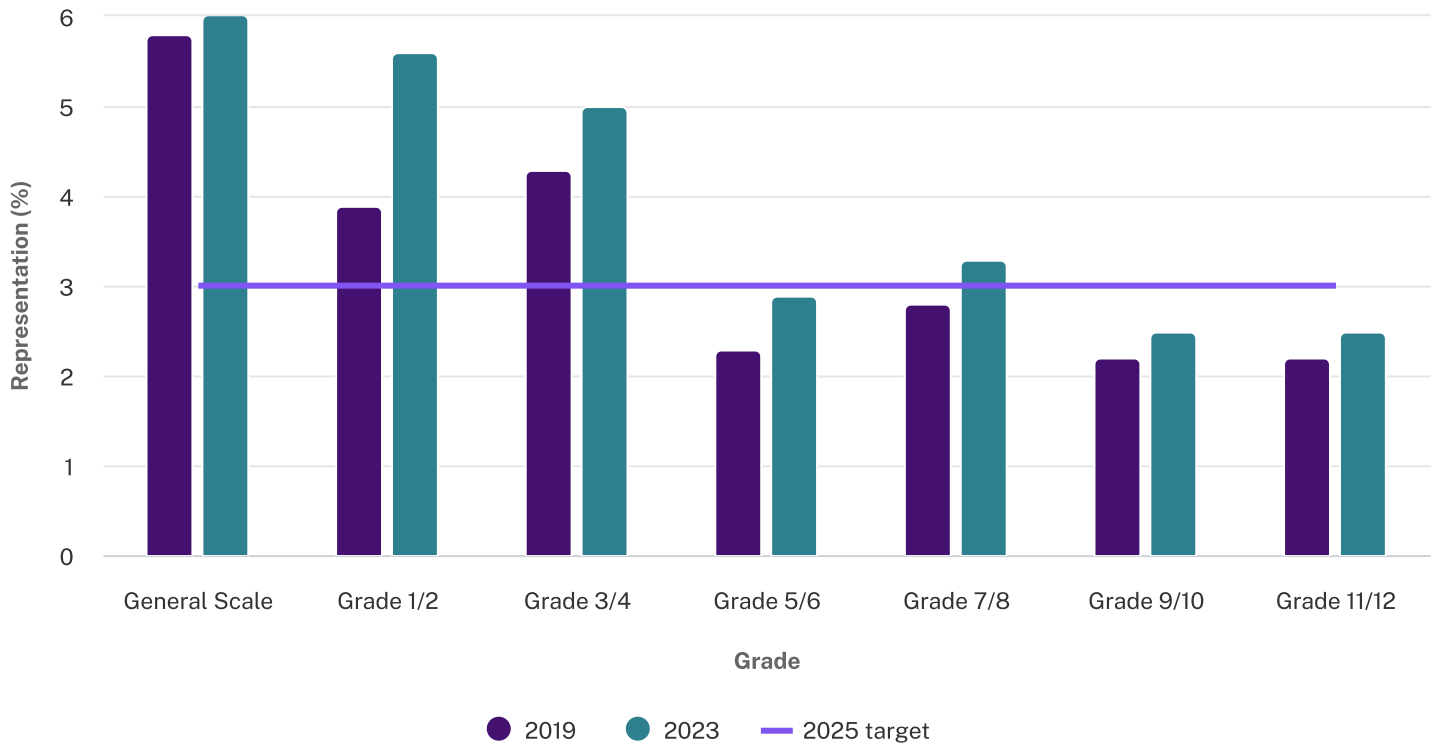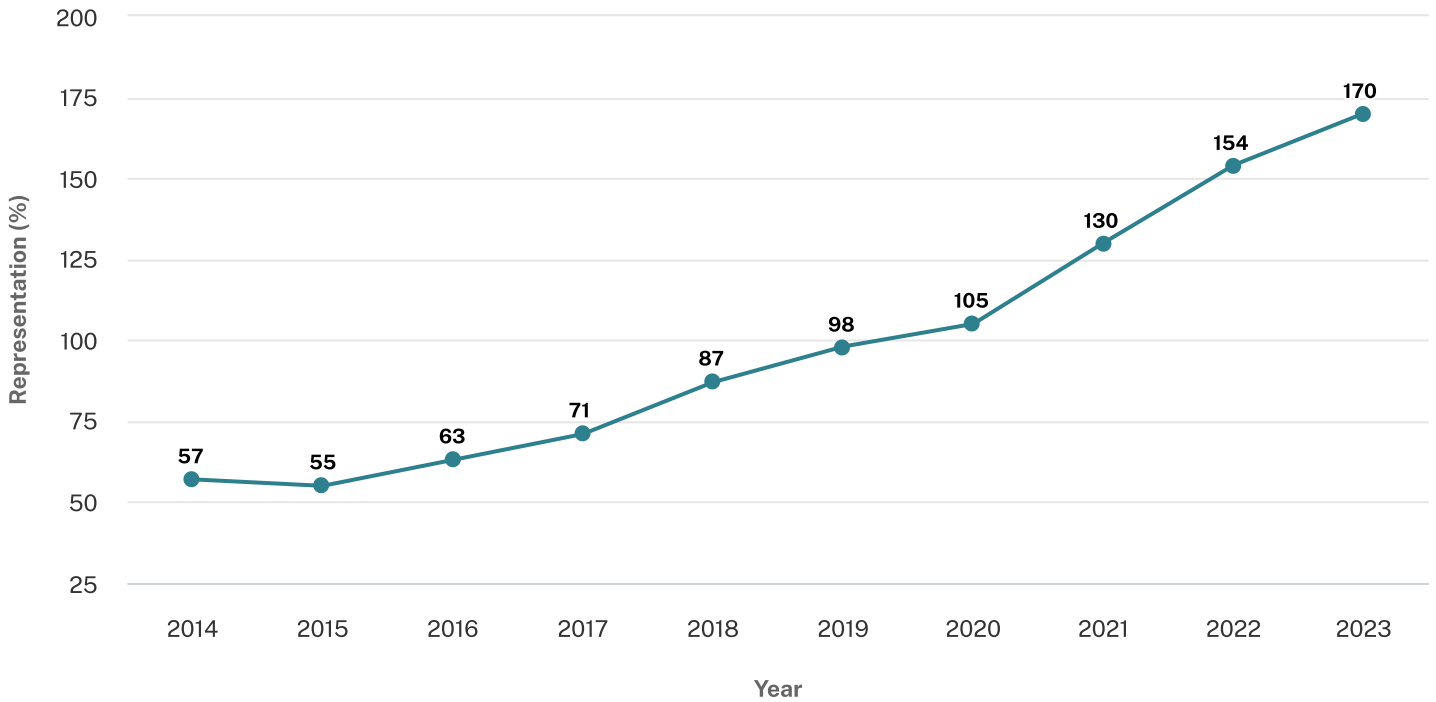

Grade	2019	2023	2025 target
General Scale	5.8	6	3
Grade 1/2	3.9	5.6	3
Grade 3/4	4.3	5	3
Grade 5/6	2.3	2.9	3
Grade 7/8	2.8	3.3	3
Grade 9/10	2.2	2.5	3
Grade 11/12	2.2	2.5	3

Aboriginal and Torres Strait Islander people in government sector, by grade non-executive, 2023 vs 2019

Aboriginal and Torres Strait Islander people in senior leadership, 2014–23

Year	Untitled line series
2014	57
2015	55
2016	63
2017	71
2018	87
2019	98
2020	105
2021	130

Year	Untitled line series
2022	154
2023	170

Aboriginal and Torres Strait Islander people in senior leadership, 2014–23

Source: Workforce Profile (2014–23)

Note: Senior leaders are non-casual government sector employees with a salary equal to or higher than $173,930 at 1 July 2022, excluding Health roles of a specialist or technical nature with no leadership or managerial responsibilities, and Justice roles with a statutory or institutional character (such as judge, magistrate or barrister).

Representation of people with disability, 2023 vs 2022

Percentage (%)
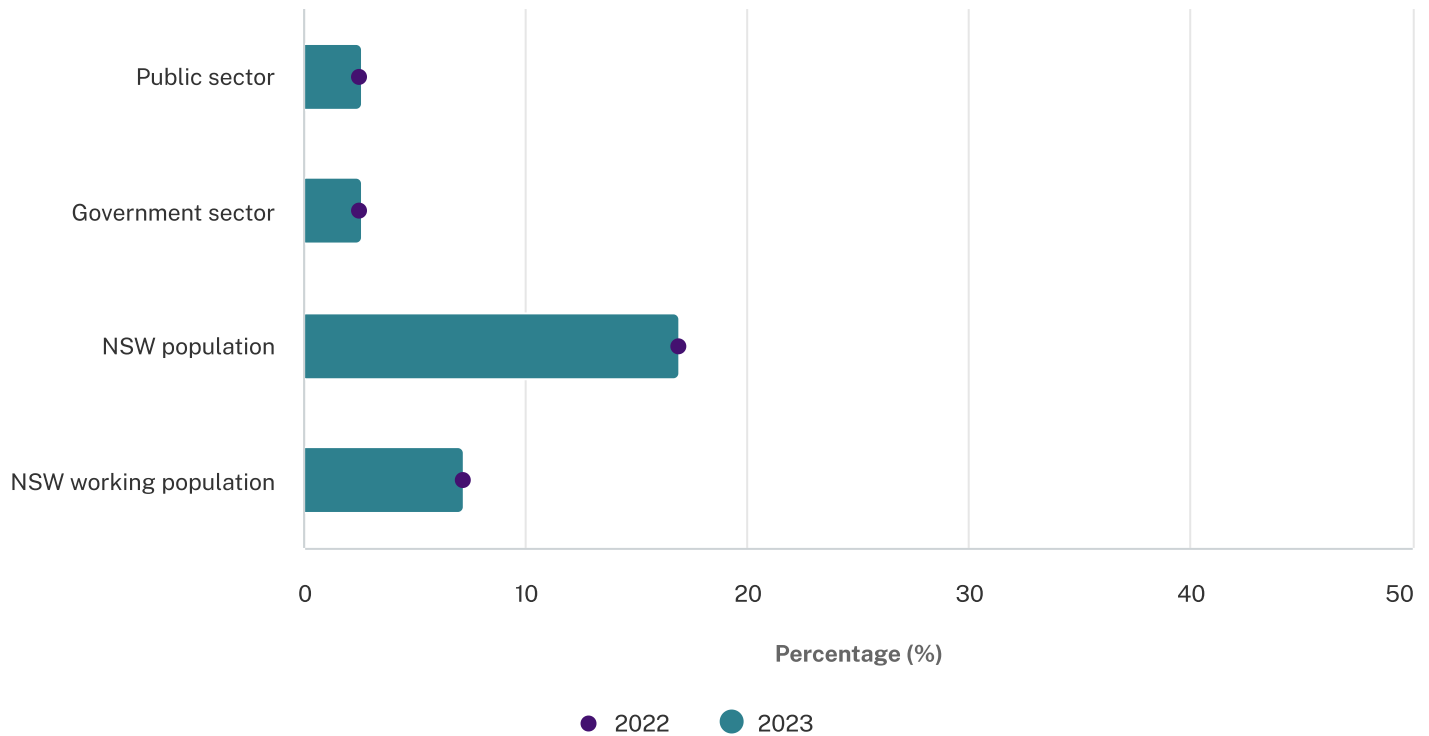
● 2022   ● 2023

Group	2022	2023
Public sector	2.5	2.6

Group	2022	2023
Government sector	2.5	2.6
NSW population	16.9	16.9
NSW working population	7.2	7.2

Representation of people with disability, 2023 vs 2022

Sources: Workforce Profile (2022, 2023); ABS (2018a, 2018b)

People with disability, 2014–23 and the 2025 target

The government has committed to a target of 5.6% of the total workforce comprising people with disability by 2025. In 2023, 2.6% of our workforce reported that they have a disability, an increase of 0.1pp from last year but still below the 5.6% target.
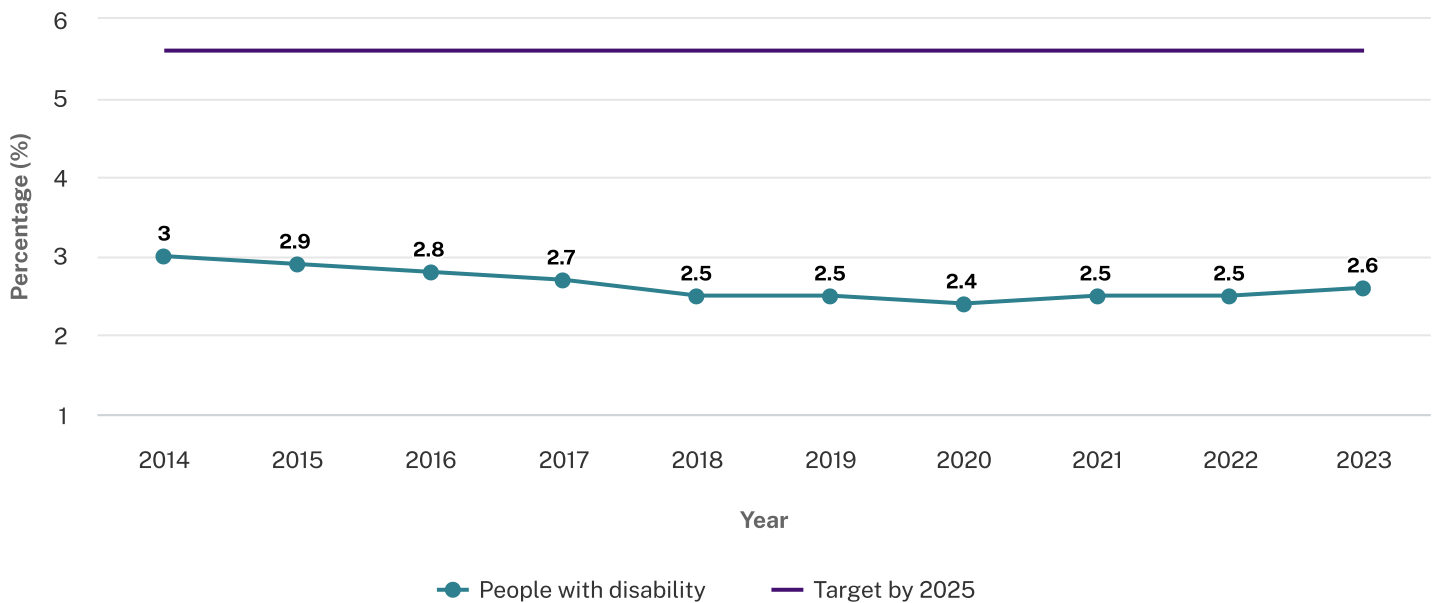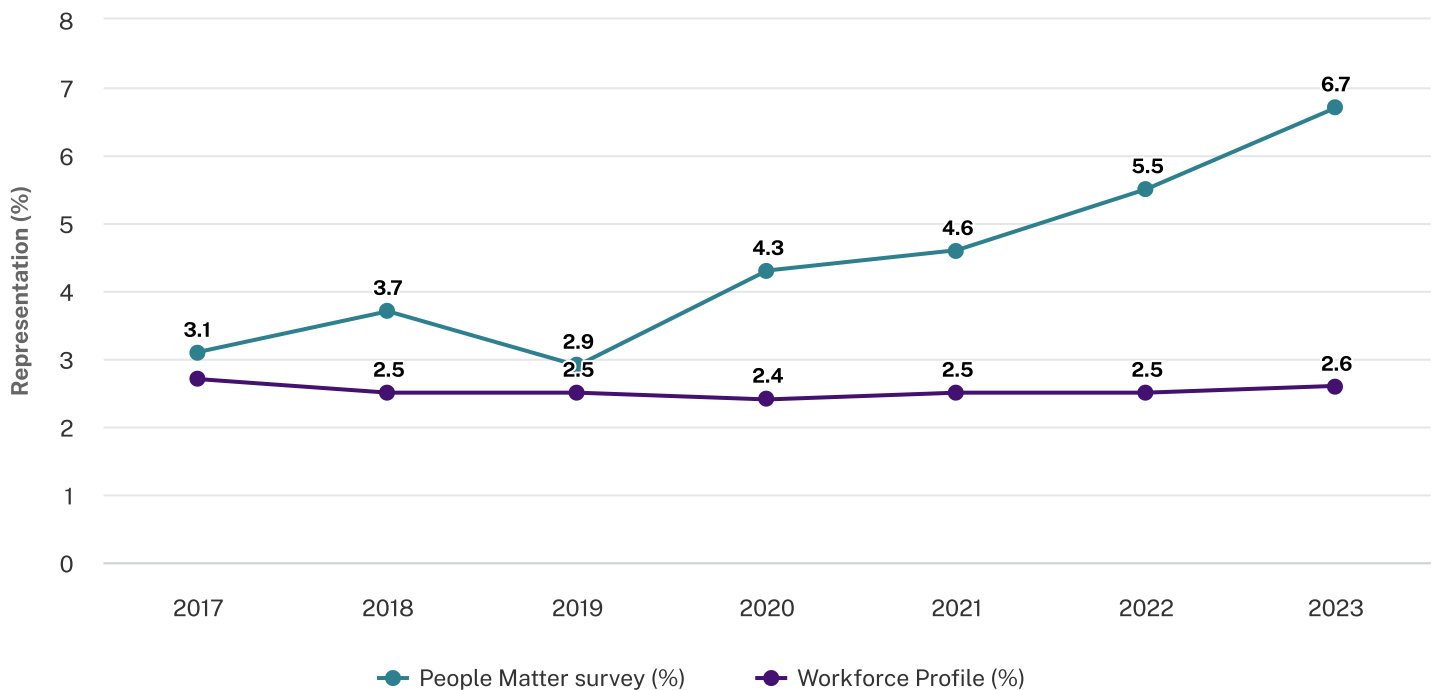

Year	People with disability	Target by 2025
2014	3	5.6
2015	2.9	5.6
2016	2.8	5.6

Year	People with disability	Target by 2025
2017	2.7	5.6
2018	2.5	5.6
2019	2.5	5.6
2020	2.4	5.6
2021	2.5	5.6
2022	2.5	5.6
2023	2.6	5.6

People with disability, 2014–23 and the 2025 target

Source: Workforce Profile (2014–23)

People with disability, variance in People Matter survey vs Workforce Profile 2017–2023

Year	People Matter survey (%)	Workforce Profile (%)
2017	3.1	2.7
2018	3.7	2.5
2019	2.9	2.5
2020	4.3	2.4
2021	4.6	2.5
2022	5.5	2.5
2023	6.7	2.6

People with disability, variance in People Matter survey vs Workforce Profile 2017–2023

Sources: Workforce Profile (2017–2023); People Matter Employee Survey (2017–2023)

In the People Matter survey, 6.7% of respondents identified as living with a disability, which is 1.2pp higher than in 2022. There are a range of issues for the disparity between reported disability in the *Workforce Profile* and the percentage of respondents identifying as having a disability in the People Matter survey. The People Matter survey uses the social model definition of disability, respondents have fewer privacy concerns as it is anonymous, and the data is likely to be more up to date. The *Workforce Profile* collects from HR systems where updating disability data is optional and can therefore be incomplete. Both datasets are important, and the PSC will continue to work with the sector to improve measurement.

It is noted the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability made recommendations in its Final Report around establishing specific and disaggregated targets for disability employment at entry, graduate and executive levels across the public sector. This includes employees with cognitive disability.

The PSC continues to drive the implementation of recommendations from a 2022 sector-wide review of disability employment. Some of the key areas of work from the review are the rollout of a disability e-learning course for managers and the development of a proof of concept for a sector-wide digital workplace adjustment passport. The e-learning course will increase knowledge and understanding of disability, help managers identify and remove barriers in the workplace, and foster an inclusive and positive working environment for all staff. The PSC is working with agencies individually to implement the training package, based on their employee learning and development systems.

The 2022 review noted that the 5.6% disability employment target cannot be reached without significant progress from the portfolios with the largest workforces in the sector. Health, Education, and Communities and Justice all feature large frontline workforces that are subject to external qualification requirements and

regulations, and therefore face unique challenges in attracting and retaining employees with disability. For this reason, these portfolios will take a bespoke implementation approach to the recommendations.

Tenure and intention to stay

'Tenure' refers to the time that an employee has worked for an organisation. 'Intention to stay' refers to an employee's desire and willingness to remain with their current organisation. Intention to stay can be influenced by many aspects of the employee experience, including engagement.

Intention to stay is a leading indicator of turnover. However, an intention does not always translate into an action. A certain amount of turnover in any organisation is healthy. The wide-ranging nature of the functions performed by NSW public sector agencies makes it difficult to determine whether the sector's overall level of turnover is healthy or unhealthy. It is important for agencies to combine intention to stay and turnover data with other People Matter survey data and with information obtained from staff exit surveys. This will help agencies to understand what is driving employee turnover within the context of their specific workplaces.
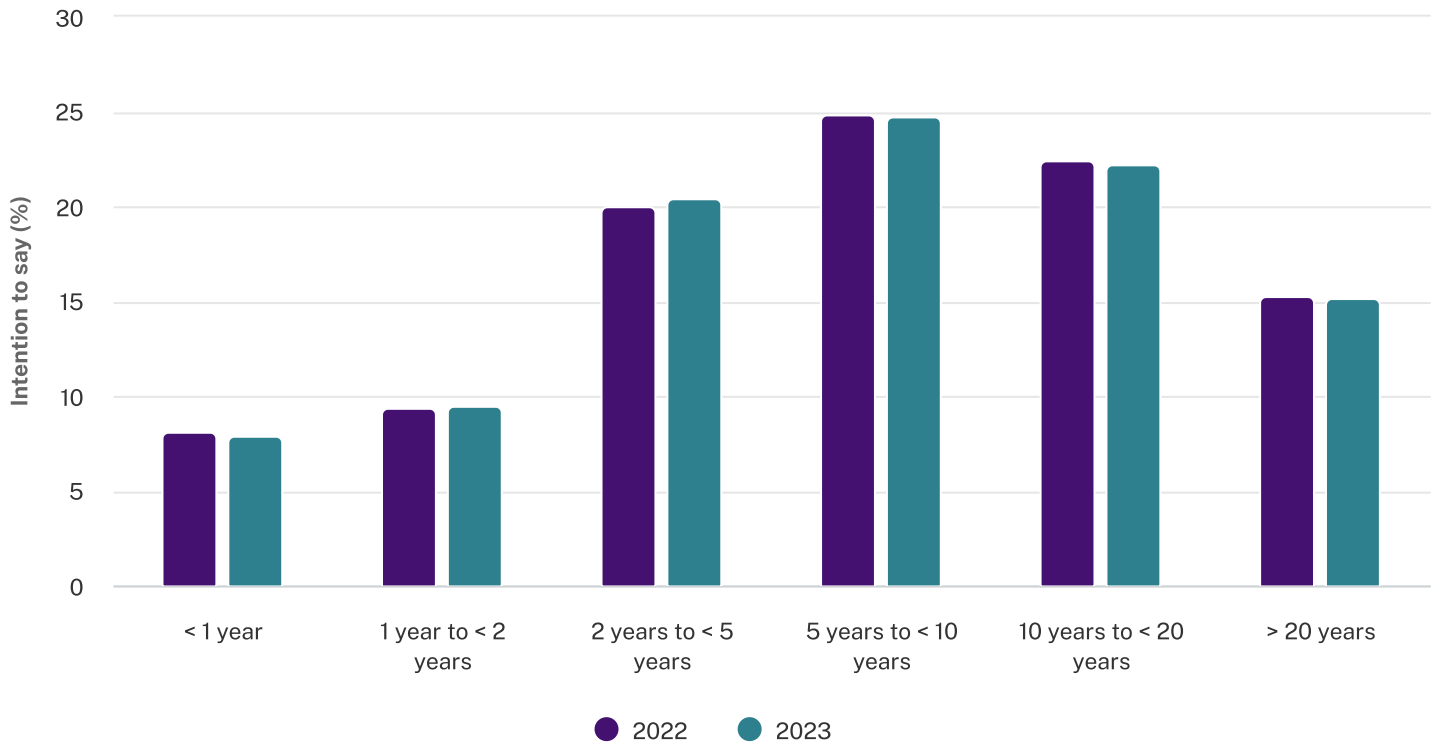
Median agency tenure, 2023 vs 2022

7.0 years

down from **7.4 years** in 2022

Source: Workforce Profile (2022, 2023)

Intention to stay in current organisation, 2023 vs 2022

Intention to stay	2022	2023
< 1 year	8.1	7.9
1 year to < 2 years	9.4	9.5
2 years to < 5 years	20	20.4
5 years to < 10 years	24.8	24.7
10 years to < 20 years	22.4	22.2
> 20 years	15.3	15.2

Intention to stay in current organisation, 2023 vs 2022

Source: People Matter Employee Survey (2022, 2023)

Remuneration

Remuneration or pay for NSW public sector employees is determined by several Acts, regulations and rules managed by various NSW government sector agencies. Employees' remuneration and conditions differ depending on the legislative and industrial instruments that apply to their job type and employing agency.

Employee perceptions of being paid fairly for the work they do, 2023 vs 2022

45.6%

down from **47.6%** in 2022

Source: Workforce Profile (2022, 2023)

Satisfaction with pay decreased by 2pp in 2023, although median remuneration for non-casual employees increased by 4.1% from 2022. The NSW Government wages policy provided for annual increases of up to 2.53%, effective 1 July 2022.[2] This was below the increase in Sydney's Consumer Price Index (6.6%)[3] and was lower than the growth in average full-time weekly earnings in Australia (3.9%).[4] Employee dissatisfaction with pay differed between the two major role types, with 47% of frontline employees dissatisfied with their pay compared to 25% of non-frontline employees.

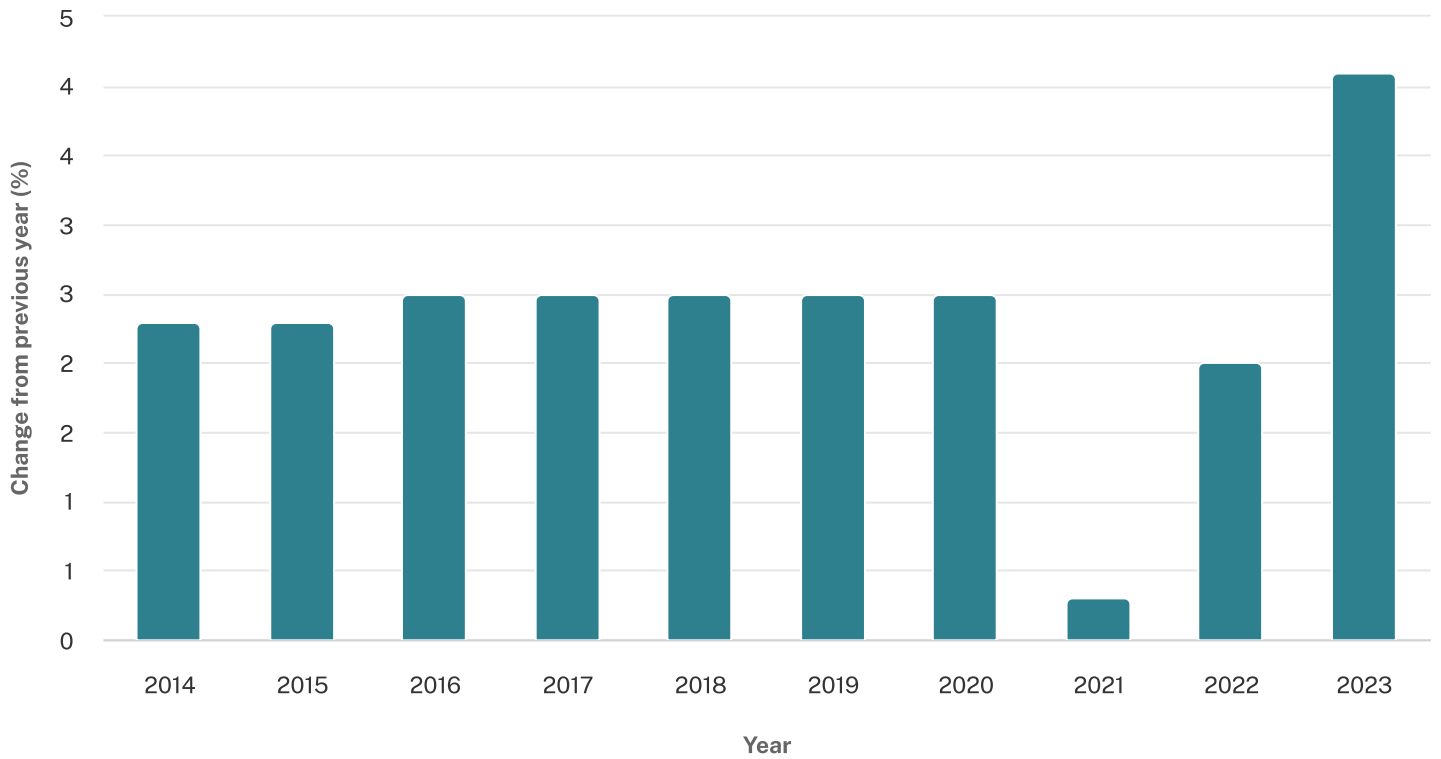## Median salary for NSW public sector employees, 2023 vs 2022

$95,984

$92,236 in 2022

increase of **$3,748** or 4.1%

Source: Workforce Profile (2022, 2023)

Changes in median salary, 2014–23

Year	Change from previous year (%)
2014	2.3
2015	2.3
2016	2.5
2017	2.5
2018	2.5
2019	2.5
2020	2.5
2021	0.3
2022	2
2023	4.1

Changes in median salary, 2014–23

Source: Workforce Profile (2014-23)

Median salary: $100,773 for men, $94,568 for women

2022: **$96,540** for men, **$92,236** for women

Gender pay gap: $6,205 or 6.2%

2022: **$4,304** or **4.5%**

Source: Workforce Profile (2022, 2023)

Note: Employee salary is the full-time base remuneration for a role, regardless of whether the employee is working part or full time. The PSC used a method of the Organisation for Economic Co-operation and Development (OECD) to calculate the gender pay gap, which measures the difference between the full-time median remuneration of men and women relative to the median remuneration of men. The OECD method is not comparable to the Workplace Gender Equality Agency methods and published national figures.

Public service and aligned services senior executive gender pay gap by band, 2023 vs 2022
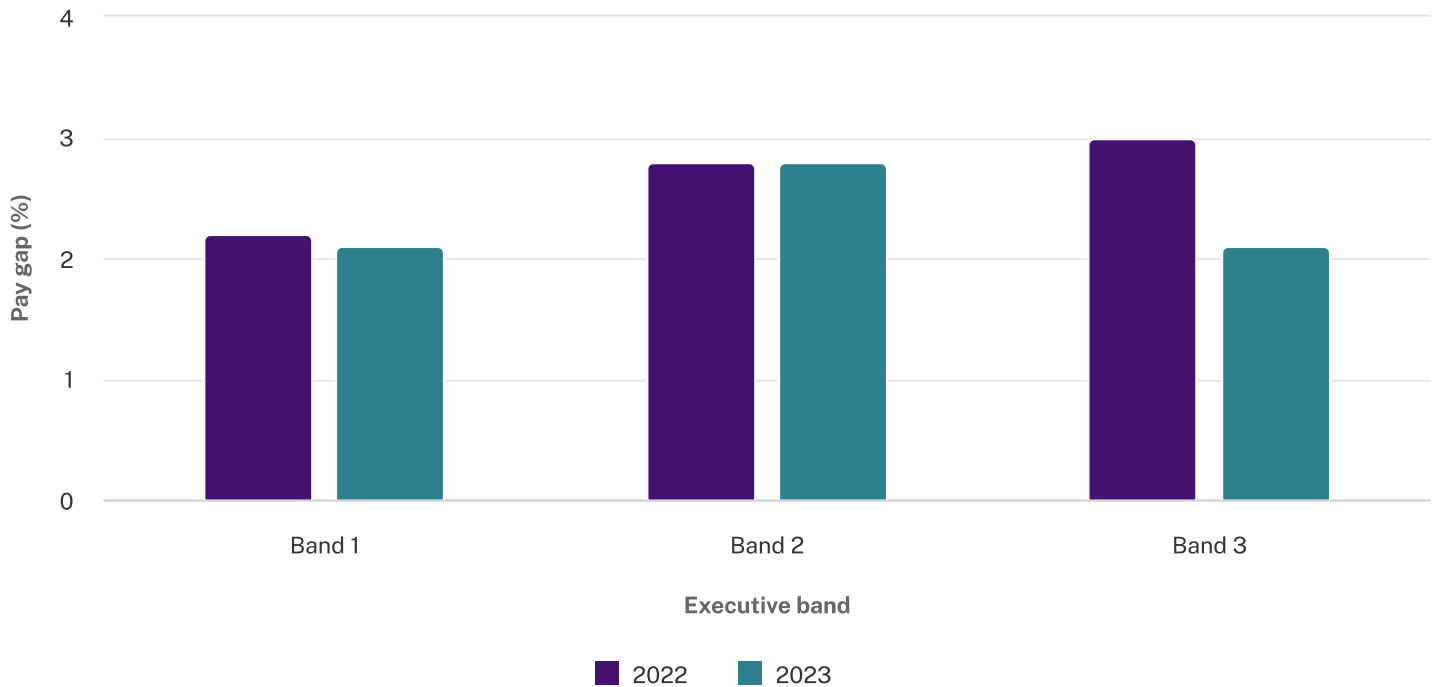
Executive band	2022	2023
Band 1	2.2	2.1
Band 2	2.8	2.8
Band 3	3	2.1

Public service and aligned services senior executive gender pay gap by band, 2023 vs 2022

Source: Workforce Profile (2022, 2023)

Note: The data include senior executives in bands 1–3 in the NSW government sector, specifically Public Service senior executives and aligned executive services (Health Service, Transport Service and NSW Police Force).

In 2023, the gap in median remuneration between men and women in the NSW public sector was 6.2% ($6,205), compared to 4.5% ($4,304) in 2022. For the third year in a row, this represents the highest gender pay gap in the past decade.

The gender pay gap in 2023 for senior executive bands 1–3 was notably lower than that of the broader workforce. Across the bands, the largest change in gender pay gap was in Band 3, which decreased 0.9pp in 2023. Bands 1 and 3 had the lowest pay gap at 2.1%.

Several collaborative initiatives have been implemented across the sector to improve gender equality. The NSW Government is committed to advancing gender equality for the people of NSW and the NSW public sector workforce by improving outcomes for women.

Women NSW is guiding the development and implementation of Gender Equality Action Plans (GEAPs). NSW Treasury, Transport for NSW and the NSW Department of Education have developed and implemented GEAPs as part of a pilot phase. Any departments that have not yet completed a GEAP in the pilot phase will develop a 3-year GEAP by 1 January 2025. This year, the NSW Treasurer released the Gender Equality Budget Statement alongside the NSW Budget to analyse the effect of the budget on the delivery of gender equality outcomes.

As part of this work, the PSC is leading the initiative to report the sector's workforce data to the Workplace Gender Equality Agency (WGEA). This will help to expand the scope of the WGEA's reporting and promote a culture of transparency in both the public and private sectors. The PSC is currently investigating reporting options.

Case study: Creating legal career pathways for Aboriginal and Torres Strait Islander peoples

Enhancing education and employment is fundamental to closing the gap in health and life outcomes for Aboriginal and Torres Strait Islander peoples. A collaboration between Legal Aid NSW, TAFE NSW and Macquarie University is working to achieve this objective through the Legal Career Pathways Program.

Read more →

Case study: Boosting the employment of people with disability in the public sector

In 2022, the NSW Government commissioned a sector-wide review to understand efforts that were underway to increase the proportion of people with disability employed in the public sector. The review identified key areas of opportunity and proposed 8 recommendations, each assigned to a lead agency to put into action.

Read more →

Notes

[1] Diversity Council Australia, 2017

[2] Department of Premier and Cabinet (2022)

[3] Australian Bureau of Statistics (June 2023)

[4] Based on full-time adult average weekly ordinary time earnings in Australia; Australian Bureau of Statistics (May 2023)

Next section: our workplaces

The behaviours we experience in our workplaces.

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