

SICK LEAVE IN
THE VICTORIAN
PUBLIC SECTOR
RESEARCH
REPORT

2006-07 TO 2011-12

VPSC

Victorian Public Sector Commission



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- strengthen the efficiency, effectiveness and capability of the public sector in order to meet existing and emerging needs and deliver high quality services; and
- maintain and advocate for public sector professionalism and integrity.

Contact us at the Victorian Public Sector Commission:

Email: info@vpssc.vic.gov.au

Phone: (03) 9651 1321

Fax: (03) 9651 0747

www.vpsc.vic.gov.au

Postal Address:

3 Treasury Place

Melbourne 3002

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EXECUTIVE SUMMARY

This paper examines the use of paid sick leave by public sector employees to identify trends in paid sick leave usage over time. It uses the information from the Victorian Public Sector Commission's (VPSC) Workforce Data Collection and employee responses to the VPSC's *People Matter Survey*¹ to identify where and how sick leave rates have changed over time, and draws conclusions on what factors may be influencing this change. It seeks to provide Victorian public sector organisations with comparative and background information that will assist them in better understanding their own sick leave rates and usage.

Reported figures for use of paid sick leave have been increasing annually for several years from 8.1 days per full time equivalent (FTE) employee in 2006-07 to 9.6 days in 2011-12. Where cost is expressed as the cost of salaries for the time taken as sick leave, the cost of paid sick leave in 2011-12 across the public sector is estimated at \$535 million.

Whilst sick leave is an entitlement and its presence to some degree will always be expected, high rates of sick leave can be costly to an organisation. It is therefore appropriate for organisations to give consideration to their sick leave usage rates.

This paper is divided into two chapters:

- *Sick and carer's leave over time* – which examines how sick leave and carer's leave rates have changed over time with consideration of the variables of: Industry, Age, Length of service, Gender, Full and Part time employment, Salary, and Ongoing and Fixed term employment; and
- *What influences sick leave rates?* – which considers the variables that have the most significant influence on sick leave.

The key conclusions of the analysis in this paper are that:

- Sick leave rates are primarily related to the age of the employee and the type of work being undertaken, where type of work is a function of occupation, salary and the industry in which a person is employed.
- Gender appears to be a secondary influence given that where other factors are equal, women tend to have slightly higher sick leave rates than men.
- The largest single factor influencing the increase in sick leave rates appears to be the increasing number of older employees in the public sector workforce and that older employees take more sick leave.

Observations show that some areas of the public sector have a faster rate of growth in sick leave than others:

- Leave usage by employees over the age of 50 is increasing, as the number of employees over the age of 50 increases.
- Sick leave is increasing at a faster rate for women than for men.
- Sick leave for part time employees is increasing at a faster rate than that of full time employees. The proportion of part time employees in the public sector workforce is also increasing.
- Carer's leave continues to increase though it is not the major reason for the increase in overall sick leave.
- The three largest industries in the public sector (Public Health Care, Government Schools and the Victorian Public Service) show the largest growth in sick leave.

¹ The People Matter Survey is an annual employee opinion survey that is conducted across the public sector by the VPSC

Findings from the analysis are summarised as follows:

Estimated cost of sick leave 2011-12

The total cost of time lost to sick leave per year can be estimated at \$535 million per year. If sick leave usage decreased by one day per FTE per year, it would have resulted in a saving of over \$58 million in 2011-12.

Sick leave across the public sector

The rate of sick leave across the Victorian Public Sector has followed a rising trend each year between 2006-07 and 2011-12, increasing from 8.1 days per FTE in 2006-07 to 9.6 days in 2011-12.

Sick leave by industry group

Within a general upward trend, sick leave rates vary between each public sector industry group and from year to year within each industry.

Sick leave trends in age

As employees get older, the amount of sick leave taken increases. The number and proportion of public sector employees who are aged over 50 is increasing, they are getting older and are using increasing amounts of sick leave.

Sick leave by length of service

The higher rates of sick leave for longer serving employees is a reflection that employees with longer service are also older. However observations also indicate that sick leave rates increase as length of service increases within age cohort groups.

Sick leave and gender

The rate of sick leave for women is growing faster than that of men. Women take more sick leave than men. However, 73% of women who work in the public sector work in Public health care and Government schools, the two sectors with higher rates of sick leave (compared to 43% of men). When these female-dominated industries are excluded from the analysis, women on average take 0.6 days sick leave per FTE per year more than men.

This indicates that the higher sick leave rate for women is influenced by the industry and type of job in which women work. The proportion of women in an organisation's workforce will influence the sick leave rate but the influence of gender composition is secondary to the impact of type of work and age.

Sick leave by full time and part time employment

Part time employees take more sick leave per FTE than full time employees. The difference in the rate of sick leave between part time and full time employees has increased each year over time. In 2011-12, part time employees took on average 12.3 sick days per FTE compared to an average of 8.6 days per FTE for full time employees. The part time work force is older and is concentrated in women working in Public health care and Government schools. It follows that the higher rate of sick leave in the part time workforce is related to the type of work performed, age and gender.

Sick leave and salary

Employees on higher salaries tend to take less sick leave than employees on lower salaries. In 2011-12, employees earning less than \$50,000 a year averaged 11.3 sick days per FTE while employees earning over \$110,000 a year took an average of 5.7 sick days per FTE a year. This pattern is consistent for all industries, for each age cohort, for both men and women, and for full time and part time employees. It is also consistent with sick leave rates being influenced by type of job.

Sick leave by ongoing and fixed term employment

Sick leave rates are higher for ongoing employees than for fixed term employees, and sick leave rates have increased more for ongoing employees since 2006-07. This pattern is consistent across industry groups, for all age cohorts, for both men and women, for full time and part time employees and across all salary cohorts.

Carer's leave over time

Carer's leave has risen from 0.8 days per FTE in 2006-07 to 1.3 days per FTE in 2011-12. Carer's leave therefore accounts for 0.5 days per FTE within the total of 1.5 days per FTE increase of sick leave between 2007 and 2012. The rate of carer's leave is not substantially higher for women than for men. Part time employees take more carer's leave on average than full time employees

Sick leave and workplace culture

There is not a consistent relationship between increases in sick leave rates and employee satisfaction at organisation level.

Sick leave usage benchmarks

There is a complex range and variety of factors that influence sick leave usage. There is no standard answer to the question of what is an acceptable rate of sick leave. What is acceptable is dependent on the context of the workplace, taking into account industry, occupation and the demographic makeup of the workforce. Organisations are encouraged to understand how their workforces are affected by the influences in order to monitor and benchmark their sick leave with the objective of establishing what an acceptable level might be.

Due to the complex nature of sick leave, it can be difficult to accurately benchmark workforces against each other. As detailed in this paper, there are a number of workforce demographics which influence the rate of sick leave, therefore it is important for organisations to benchmark against workforces in similar industries which have a comparable workforce makeup in these key demographics. The VPSC distributes a workforce data report to each public sector organisation which includes a comparison of an organisation's sick leave rates against similar organisations.

Once organisations have benchmarked their rate of sick leave against other like organisations, they should be able to ascertain whether or not their rate is high. If it is high, it is recommended that further analysis be undertaken internally to focus on sick leave patterns and trends to determine if and where sick leave is high within the organisation.

INTRODUCTION

This paper examines, for the first time, the use of paid sick leave by public sector employees to identify trends in the Victorian public sector over time. It uses the information from the Victorian Public Sector Commission's (VPSC) Workforce Data Collection and employee responses to the VPSC's People Matter Survey² to identify where and how sick leave rates have changed over time, and draws conclusions on what factors may be influencing this change. It seeks to provide Victorian public sector organisations with comparative and background information that will assist them in better understanding their own sick leave rates and usage.

Reported figures for use of paid sick leave have been increasing annually for several years from 8.1 days per full time equivalent (FTE) employee in 2006-07 to 9.6 days in 2011-12. Where cost is expressed as the cost of salaries for the time taken as sick leave, the cost of paid sick leave in 2011-12 across the public sector is estimated at \$535 million.

Whilst sick leave is an entitlement and its presence to some degree will always be expected, high rates of sick leave can be costly to an organisation. It is therefore appropriate for organisations to give consideration to their sick leave usage rates.

This paper is divided into two chapters:

- *Sick leave and carer's leave over time* – which examines how sick leave and carer's leave rates have changed over time with consideration of the variables of: Industry, age, length of service, gender, full and part time employment, salary, and ongoing and fixed term employment; and
- *What influences sick leave rates?* – which considers the variables that have the most significant influence on sick leave.

Scope of analysis

This paper includes information as reported to the VPSC in the Workforce Data Collection and the People Matter Survey. It is limited to paid sick leave and carer's leave. Unless otherwise specified, leave taken as carer's leave is included in sick leave figures. The following data is not collected in the VPSC's Workforce Data Collection and is therefore not available to inform the analysis:

- Medical certificates – Data is not collected on whether or not employees taking sick leave provided a medical certificate.
- Duration of periods of leave and days of the week employees are absent – Collected data is for total time taken as paid sick leave over a collection year, it does not identify the duration of each period of leave or the days on which it was taken.
- Time of the year – Data does not identify the period of the year when leave is taken so data on seasonal rates of sick leave is unavailable.
- Flu Vaccinations – Data is not collected on whether or not employees taking sick leave had received flu vaccinations.

Individual organisations may have data available pertaining to the areas listed above and are encouraged to research patterns and trends in these areas to better understand sick leave in their organisation's workforce.

² The People Matter Survey is an annual employee opinion survey that is conducted across the public sector by the VPSC

Context

There are multiple factors that may be influencing sick leave rates. These factors may be related to the organisation, the demographic characteristics of the employee or may be external influences. They can be summarised as follows:

Organisation related	Demographic related	External factors
<ul style="list-style-type: none"> Industry and occupation 	<ul style="list-style-type: none"> Age and length of service 	<ul style="list-style-type: none"> Economic conditions
<ul style="list-style-type: none"> Recording of sick leave usage 	<ul style="list-style-type: none"> Gender Part time employment 	<ul style="list-style-type: none"> Prevalence of illness in the community
<ul style="list-style-type: none"> Exposure to illness 	<ul style="list-style-type: none"> Salary and level of responsibility 	
<ul style="list-style-type: none"> Workplace culture (e.g. incidence of bullying) Employer health initiatives (e.g. flu shots, health checks) 	<ul style="list-style-type: none"> Scope for career progression and motivation Employee's underlying health 	

Many of these factors are subject to complex and multiple inter-relationships, which means it is particularly difficult to isolate the influence of each factor. Consideration of the range and variety of these influences illustrate why there is no standard answer to the question of what is an acceptable rate of sick leave. What is acceptable is dependent on the context of the workplace taking into account industry, occupation and the demographic makeup of the workforce. Organisations are encouraged to understand how their workforces are affected by the above influences in order to monitor and benchmark their sick leave with the objective of establishing what an acceptable level might be.

Rather than relying on a single aggregated sick leave figure, it is important that agencies look for trends and patterns within and between divisions and work units. An acceptable organisation-wide average sick leave rate may mask work units or locations within a workplace that have a high incidence of sick leave. In investigating their sick leave rates, organisations are encouraged to consider:

- demographic effects (e.g. age, gender, industry) which may be monitored through the collection of workforce data;
- organisation culture measurements (e.g. job satisfaction) may be collected through participation in the VPSC People Matter Survey; and
- other influences (e.g. motivation to attend, absence reporting, exposure to sickness) which more directly affect sick leave are often more abstract and difficult to measure.

How to use this paper

Due to the complex nature of sick leave, it can be difficult to accurately benchmark workforces against each other. As detailed in this paper, there are a number of workforce demographics which influence the rate of sick leave. It is therefore important for organisations to benchmark against workforces in similar industries which have comparable workforces for these key demographics.

Once organisations have benchmarked their rate of sick leave against other like organisations, they may be able to assess if their utilisation rate is high. If it is high, further analysis may focus on sick leave patterns and trends to determine where and why sick leave is high within the organisation.

Policies and plans may then be implemented in order to address causes of sick leave, these may include:

- Flu vaccinations and **free health checks, and the promotion of good health, wellbeing and exercise**
- Education and training on policies and procedures regarding work absence
- **Undertaking workplace culture surveys such as the *People Matter Survey* to identify and address issues with employee commitment and engagement that may be contributing to absenteeism**
- **Making allowance for non-medical leave and flexible working arrangements**
- **Improvements to sick leave recording processes**

Estimating the cost of sick leave

The simplest means of attaching a cost to sick leave is to calculate the salary cost of the time taken. It is highly debatable however, that the cost of time taken equates to lost productivity given that:

- effort lost in a short term absence may be met by other employees or recovered on an employee's return to duty,
- a short absence of a person who is unwell may avoid a longer period of working at a reduced capacity, and
- attendance of a person who is unwell may spread illness around a workplace resulting in the loss of far more time.

Based on the headcount and average salaries (excluding employer on-costs), in 2011-12 for Victorian public sector employees, the total cost of time lost to sick leave per year can be estimated at \$535 million per year (Table 1) out of a total salary bill for the public sector of over \$15 billion.

The high costs of time taken in sick leave reflect how much cost-saving a small decrease in sick leave may create. If sick leave usage was reduced by one day it would have resulted in a saving of \$57 million in 2012.

Table 1: Model to assess the cost of sick leave in 2011-12

Annual Salary	Total FTE (A)	Average Salary per Headcount (B)	Average salary per day (C)	Average days sick leave per FTE (D)	Average cost of sick leave per FTE per year (C) x (D)	Cost of sick leave in 2012 (C) x (D) x (A)
<\$30,000	264	\$24,104	\$92.65	4.9	\$454	\$119,761
\$30,000-\$49,999	40,973	\$43,532	\$167.32	11.3	\$1,891	\$77,467,361
\$50,000-\$69,999	76,033	\$61,069	\$234.72	8.9	\$2,089	\$158,833,754
\$70,000-\$89,999	62,096	\$79,683	\$306.26	10.6	\$3,246	\$201,584,099
\$90,000-\$109,999	15,467	\$97,588	\$375.08	7.7	\$2,888	\$44,669,046
>=\$110,000	13,354	\$177,451	\$682.04	5.7	\$3,888	\$51,916,162
Total						\$534,590,184

Source: Workforce Data Collection 2012, Victorian Public Sector Commission

Terminology

The following terms are used throughout this paper:

Sick Leave - For the purposes of this report sick leave is paid leave that employees can take when they are unable to attend work due to sickness or injury as well as paid carer's leave that employees can take when they are required to provide care and support for a member(s) of his/her immediate family or household.

Carer's Leave – Carer's leave is leave granted when a Victorian public sector employees member is required to provide care and support for a member or members of his/her immediate family or household. Carer's leave is deducted from the employee's accrued sick leave entitlement and for the purposes of this report, is included in the sick leave totals.

Average rate of sick leave per FTE - Average sick leave per FTE measures the amount of paid sick and carer's leave taken by employees divided by the FTE number of ongoing and fixed term employees. This metric allows organisations to monitor the incidence of sick leave within their organisation compared to other organisations.

Average sick leave per FTE is used in this paper instead of average sick leave per headcount as it is a more accurate reflection of sick leave usage. Average sick leave per FTE takes into account the hours worked by part time employees and adjusts the sick leave rate for their fraction of full time hours.

Average sick leave per headcount doesn't account for part time employees working fewer days (or hours) per week and consequently presents a lower rate of sick leave.

It is important to note that this measure is an average and individual organisations may be much higher or lower than the average within an industry.

Victorian public sector- The Victorian State Government public sector is defined under the *Public Administration Act 2004*. It is large and diverse, comprising the government departments and associated authorities and offices (the public service), and public entities (statutory authorities, state owned

corporations school councils, boards, trusts, and advisory committees) operating in the wider public sector.

The Victorian public sector provides public services, administers programs and contracts for service delivery via the not-for-profit and private sectors, builds and maintains physical and social infrastructure, manages resources, administers State finances, provides economic stewardship, and supports Ministers in developing and implementing policies and legislation.

At June 2012, 266,575 people were employed in the sector. Fourteen per cent (38,650 people) were employed in the 11 government departments and 26 associated authorities and offices that comprise the public service. Public entities employ the remaining 86 per cent of public sector employees (227,925 people), predominantly in direct service delivery roles.

Public entities include employing bodies such as hospitals, schools, tertiary and further education (TAFE) institutions, police and emergency services organisations, water and land management organisations, and other bodies. In addition there are many other public entities that do not have employees. They typically have functions specified in legislation, and a board of management, generally comprised of volunteers. They include most of Victoria's cemetery trusts and many committees that manage Victoria's Crown land reserves and advisory committees. There are approximately 2,000 non-employing public entities in Victoria.

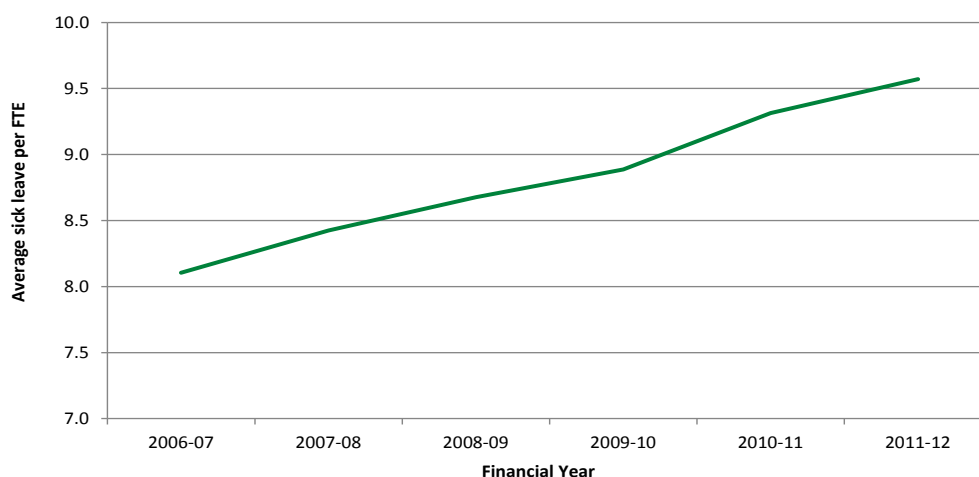
CHAPTER 1: SICK LEAVE AND CARER'S LEAVE RATES OVER TIME

1.1 Sick leave across the Victorian public sector

1.1.1 Sick leave rates

The rate of sick leave across the Victorian Public Sector has followed a rising trend each year between 2006-07 and 2011-12, increasing from 8.1 days per FTE in 2006-07 to 9.6 days in 2011-12. Figure 1 and Table 2 illustrate the increase:

Figure 1: Victorian public sector average sick leave per FTE 2006-07 to 2011-12



Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

Table 2: Victorian public sector average sick leave per FTE 2006-07 to 2011-12

Year	Number of Employees (FTE)	Total Sum of Sick leave Taken (Days)	Average Sick leave per FTE
2006-07	184,448	1,494,858	8.1
2007-08	190,528	1,605,232	8.4
2008-09	197,578	1,714,337	8.7
2009-10	202,898	1,803,059	8.9
2010-11	207,097	1,928,828	9.3
2011-12	208,316	1,996,377	9.6

Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

Observations show that since 2006-07, sick leave rates have increased:

- For all industries except for Police and Emergency Services
- For all age groups

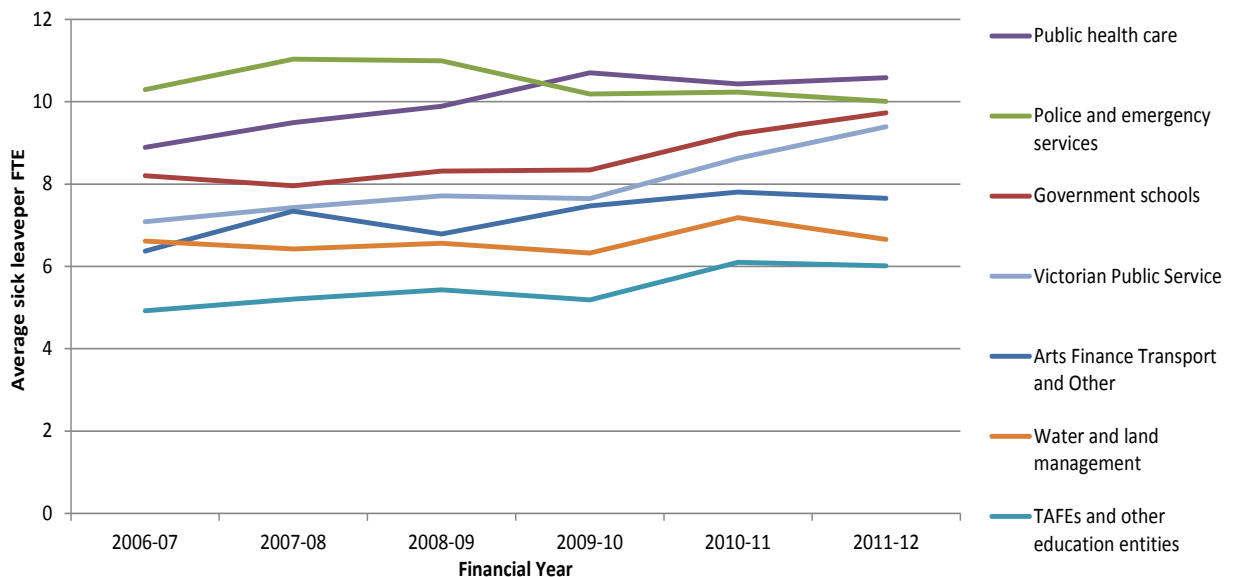
- For both men and women
- For both part time and full time employees
- For all salary cohorts
- For both fixed term and ongoing employees

1.1.2 Sick leave by industry group

Within this general upward trend, sick leave rates vary between each public sector industry group and from year to year within each industry, as illustrated in Figure 2 and Table 3. Specifically:

- In Public health care leave rates increased between 2006-07 and 2009-10, and have varied marginally since, while retaining the highest rate of sick leave usage.
- Police and emergency services recorded higher rates in 2007-08 and 2008-09, but has since fallen to be slightly lower than in 2006-07.
- Government schools and VPS show sharp growth in rates of sick leave since 2009-10.
- Arts, Finance Transport and Other show variations from year to year with an upward trend over time.
- Water and land management rates vary from year to year but show a small upward trend over time.
- TAFE and other education recorded a step increase in 2010-11 and stayed at this level in 2011-12.

Figure 2: Average Sick leave per FTE 2006-07 to 2011-12 by Victorian public sector industry group



Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

The three largest industry groups (Government schools, Public health and the Public Service which together comprise 76% of the public sector) had the largest increase in sick leave in 2011-12. These three industries accounted for 79% of all sick leave taken in the public sector in 2011-12 and were the only ones to record an increase in 2011-12 compared to 2010-11. Given their size, these sectors significantly influence whole of public sector trends in rates of sick leave usage.

Table 3: Average sick leave per FTE 2006-07 to 2011-12 by Victorian public sector industry group

Average Sick leave per FTE	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Public health care	8.9	9.5	9.9	10.7	10.4	10.6
Police and emergency services	10.3	11.0	11.0	10.2	10.2	10.0
Government schools	8.2	8.0	8.3	8.3	9.2	9.7
Victorian Public Service	7.1	7.4	7.7	7.6	8.6	9.4
Arts Finance Transport and Other	6.4	7.3	6.8	7.5	7.8	7.7
Water and land management	6.6	6.4	6.6	6.3	7.2	6.7
TAFEs and other education entities	4.9	5.2	5.4	5.2	6.1	6.0
Total	8.1	8.4	8.7	8.9	9.3	9.6

Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

It is notable that the three sectors with the highest rate of sick leave since 2006-07 (Public health care, Police and emergency services and Government schools) are all service delivery sectors where most employees have close contact with people and where workforces are not predominantly office-based.

1.1.3 Sick leave in the Victorian public sector compared to Australian industries

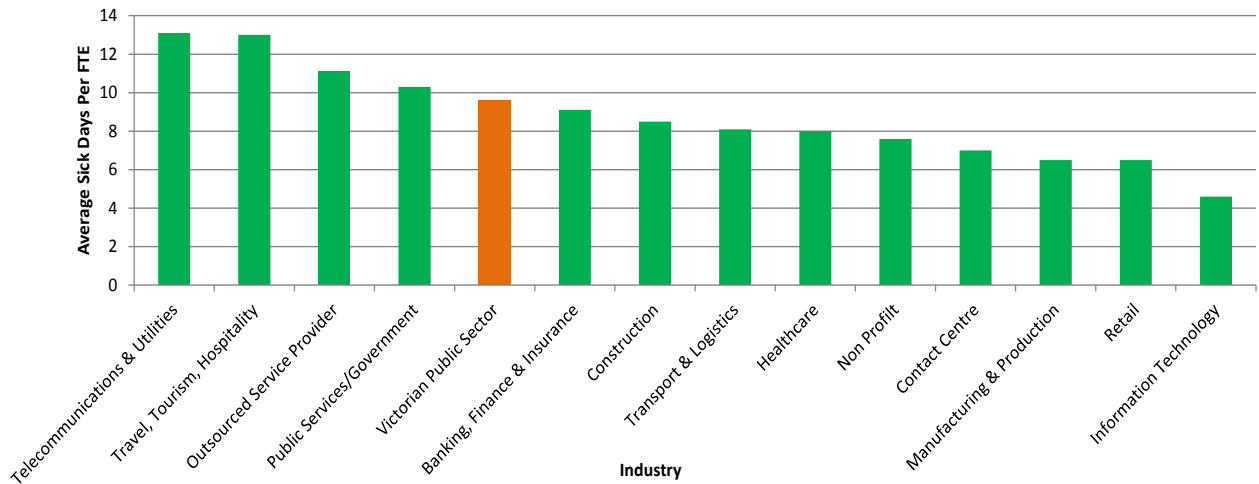
Sick leave rates in the Victorian public sector appear to be only slightly above average when compared to those recorded for Australian employers by industry according to survey results published by Direct Health Solutions. Results published in the 2012 *Absence Management Survey Report* show that the average sick leave rate for organisations in the survey in 2011 was 8.7 sick days per FTE compared to 9.3 days sick leave per FTE for the Victorian public sector. The Public Services/Government industry average was 10.3 days of sick leave per FTE, 1.0 days higher than the Victorian public sector (Figure 3).

Direct Health Solutions, a consulting firm specialising in absence management, conducts an annual, nationwide survey on sick leave. The Australian Public Sector Commission describes the Direct Health Solutions report as one of the best known workplace absence surveys conducted in Australia³, and is quoted by the Australian Broadcasting Commission in analysis of comparative sick leave rates⁴. The 2012 *Absence Management Survey Report* is based on 2011 sick leave data from 112 organisations (9% of which were public sector) across every Australian state and a large variety of industries.

³ Australian Public Service Commission, *State of the Service Report 2011-12*, Canberra, Commonwealth of Australia (2012)

⁴ Australian Broadcasting Commission, *ABC FactCheck*, 10 Sep 2013

Figure 3: Victorian public sector average sick leave per FTE 2010-11 compared to surveyed employers by industry in 2011



Source: Direct Health Solutions, Absence Management Survey 2012, except Victorian Public Sector figure – sourced from 2011 VPSC Workforce Data Collection

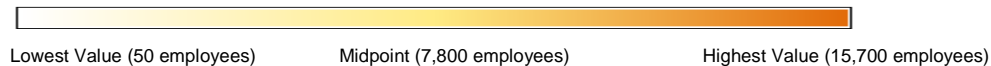
1.1.4 Sick leave trends in age

The public sector has an ageing workforce. As illustrated in Figure 4, the highest workforce concentration (the dark orange area) has moved from the 49-50 year age group in 2005 to the 53-54 year age group in 2012.

The number of employees in the 50 and over age group has increased by 25% since 2007 compared with an increase of 6% for employees aged 30 to 49 years, while the number of employees aged 65 years and over has more than doubled. The proportion of employees aged over 50 has grown from 31.5% of the Victorian public sector workforce in 2007 to 34.5% in 2012. This reflects both the ageing of the Victorian community generally and the trend for employees to remain in the paid workforce for longer.

Figure 4: Concentration of the Victorian public sector - age breakdown by number of employees 2004-05 to 2011-12

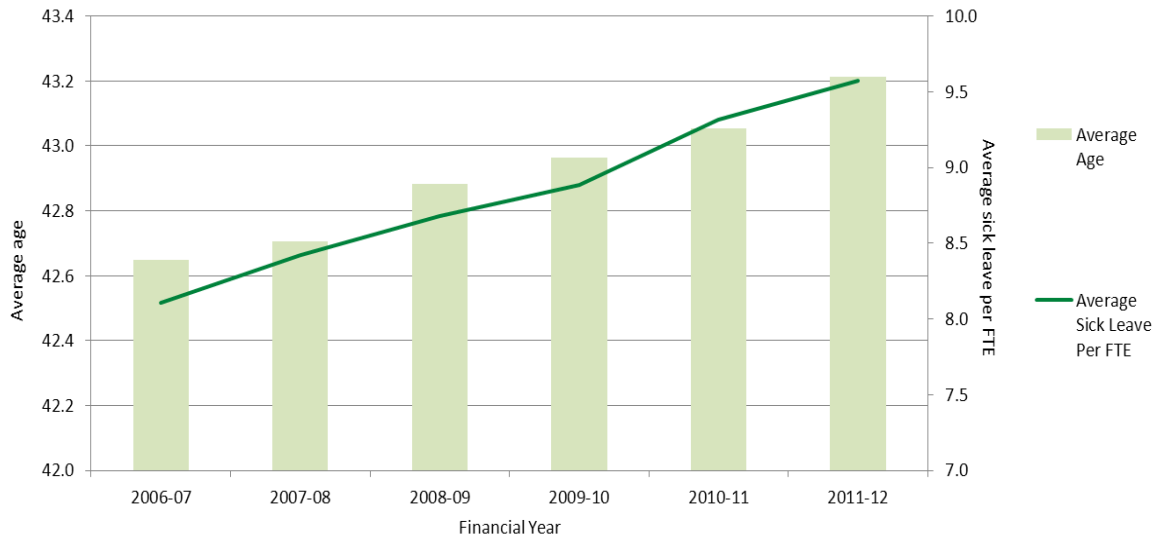
Year	Age (years)																									
	15-16	17-18	19-20	21-22	23-24	25-26	27-28	29-30	31-32	33-34	35-36	37-38	39-40	41-42	43-44	45-46	47-48	49-50	51-52	53-54	55-56	57-58	59-60	61-62	63-64	65+
2005	54	240	919	3,429	6,831	8,418	8,907	8,883	9,175	9,642	9,377	9,715	9,925	11,450	12,647	13,808	14,288	14,592	13,505	12,071	9,267	7,490	4,839	3,099	1,934	2,017
2006	85	269	1,062	3,658	7,383	9,122	9,958	10,076	10,132	10,739	11,058	11,247	11,208	11,914	13,381	14,389	15,118	15,373	14,627	13,242	10,436	7,937	6,254	3,642	2,247	2,297
2007	76	284	1,112	3,670	7,453	9,557	10,232	10,398	10,432	10,459	11,478	11,206	11,445	11,695	13,063	14,186	14,998	15,115	15,046	13,829	10,893	8,799	6,876	4,180	2,492	2,744
2008	84	359	1,151	3,826	7,942	10,152	10,803	10,844	10,766	10,791	11,562	11,727	12,239	12,096	12,908	14,217	15,007	15,352	15,468	14,416	11,571	9,590	7,089	5,130	2,823	3,151
2009	66	340	1,242	3,947	8,180	10,617	11,465	11,443	11,232	11,522	11,529	12,781	12,528	12,643	12,804	14,167	15,064	15,737	15,536	15,253	12,582	10,383	8,073	5,984	3,476	3,792
2010	62	329	1,246	3,894	8,341	10,879	11,825	11,927	11,566	11,415	11,638	12,422	12,666	13,054	12,847	13,413	14,682	15,252	15,372	15,267	12,933	10,839	8,780	6,080	4,325	4,222
2011	81	273	1,147	3,801	8,573	11,063	12,119	12,293	11,890	11,704	11,860	11,967	13,143	13,013	13,058	12,984	14,297	14,974	15,390	15,021	13,438	11,409	9,025	6,699	4,727	4,751
2012	70	233	1,075	3,597	8,407	11,248	12,558	12,607	12,267	11,880	11,737	12,008	12,837	13,151	13,404	13,153	13,606	14,542	15,067	14,996	13,618	11,807	9,589	7,274	4,863	5,746



Source: Workforce Data Collection 2006-2012, Victorian Public Sector Commission

As the average age of the Victorian public sector has increased over the last 6 years, so too has the average rate of sick leave, illustrated in Figure 5.

Figure 5: Average sick leave per FTE in the Victorian public sector by age for 2006-07 to 2011-12



Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

Not only have the number and proportion of employees in the older age groups increased but the amount of sick leave taken by these employees has also increased. The rate of sick leave for employees over 50 has risen by 2.1 days per FTE since 2006-07 compared to an increase of 1.2 days for employees in the 30-49 year old cohort, and 0.7 days for employees in the under 30 age cohort (Table 4).

Table 4: Victorian public sector average sick days per FTE by age group 2006-07 to 2011-12

Average sick days per FTE						
Age	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
<30 years	5.6	5.9	6.1	6.2	6.2	6.3
30-49 years	7.7	8.0	8.4	8.4	8.7	8.9
50+ years	10.1	10.4	10.5	11.0	11.8	12.2
Total	8.1	8.4	8.7	8.9	9.3	9.6

Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

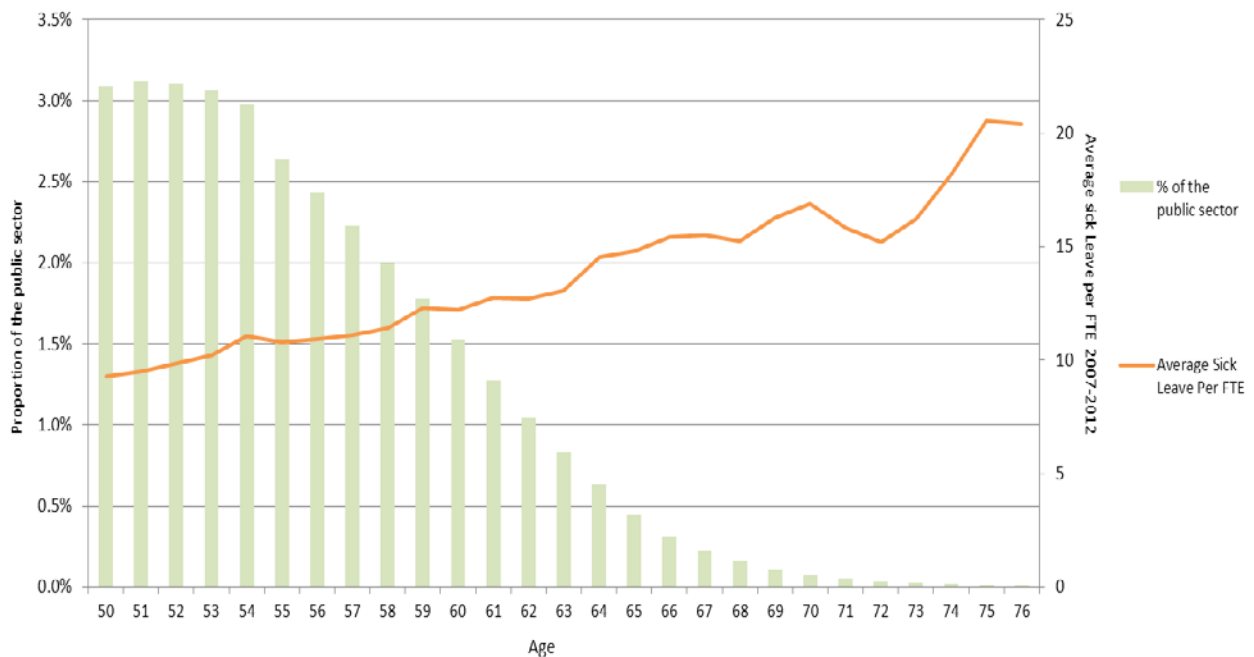
An examination of the amount of sick leave taken at each year of age shows that as employees get older, the amount of sick leave taken increases. Figure 6 shows that between the ages of 50 and 76, the rate of sick leave increases by around 0.4 days per year for every year an employee ages. With employees delaying retirement, the number of employees in the 60 to 64 and 65 and over age cohorts is increasing (Table 5) and therefore, so is the amount of sick leave taken.

Table 5: Number of Victorian public sector employees over 50 years by headcount and age group June 2007 to June 2012

Number of employees (Headcount)								
Age	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Net change	Growth %
50-54	34,546	35,092	36,130	36,117	35,786	35,134	588	2%
55-59	21,543	23,247	25,262	26,681	27,898	28,821	7,278	34%
60-64	9,075	10,026	11,628	13,180	14,384	15,222	6,147	68%
65+	2,272	2,578	3,062	3,544	4,102	4,944	2,672	118%

Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

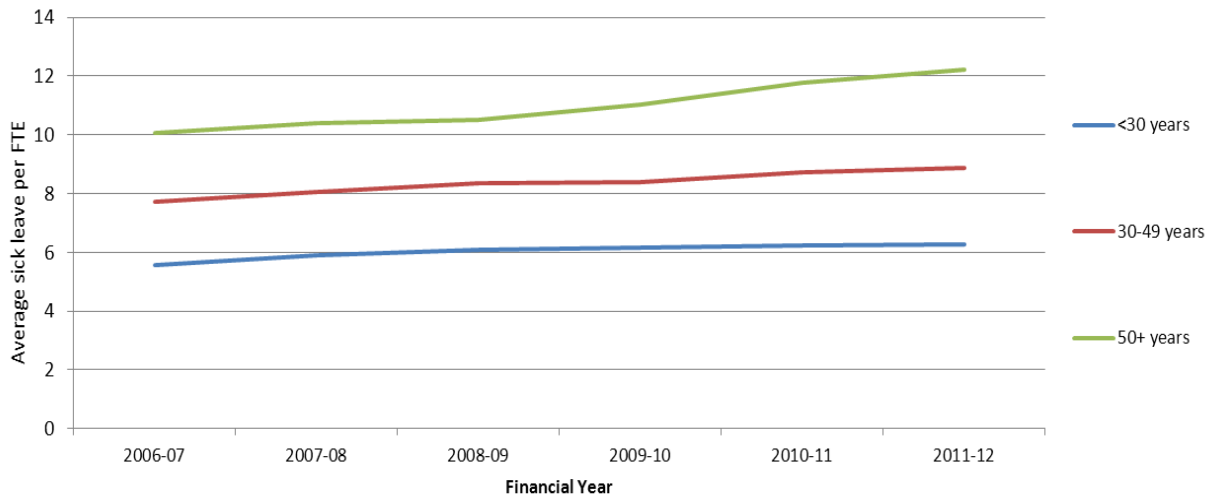
Figure 6: Average sick leave by year of age 2006-07 to 2011-12 and percentage of the Victorian public sector workforce at each year of age 2006-07 to 2011-12 - 50 to 76 years



Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

The impact is that employees in the 50 years and over age cohort account for an increasing proportion of all sick leave as illustrated in Figure 7. It is notable that while the under 30 age cohort represents around 16% of the workforce, it has consistently accounted for just 11% of sick leave. This indicates that the overall increase in sick leave is being influenced by an ageing workforce taking more sick leave. The over 60 age cohort, however, represents a small percentage of the total public sector workforce.

Figure 7: Proportion of total sick leave taken by each age group per year - 2006-07 to 2011-12



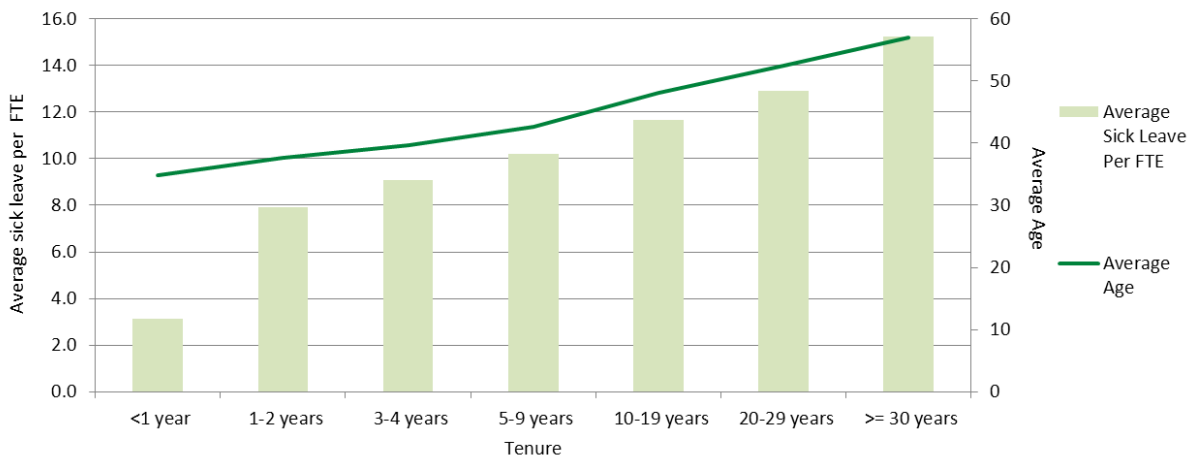
Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

1.1.5 Sick leave by length of service

An employee's length of service and their age are necessarily related given that an employee must be at least a certain minimum age to have served, for example, 10 years. However, length of service does not directly align with age. Public sector employers recruit employees across the age range, so there are people of all ages with short term service and a mix of younger and older employees with medium service periods.

Sick leave rates increase in each length of service period grouping, consistent with longer serving employees being older (illustrated in Figure 8).

Figure 8: Average sick leave per FTE and average age by years of service in their employer agency 2011-12



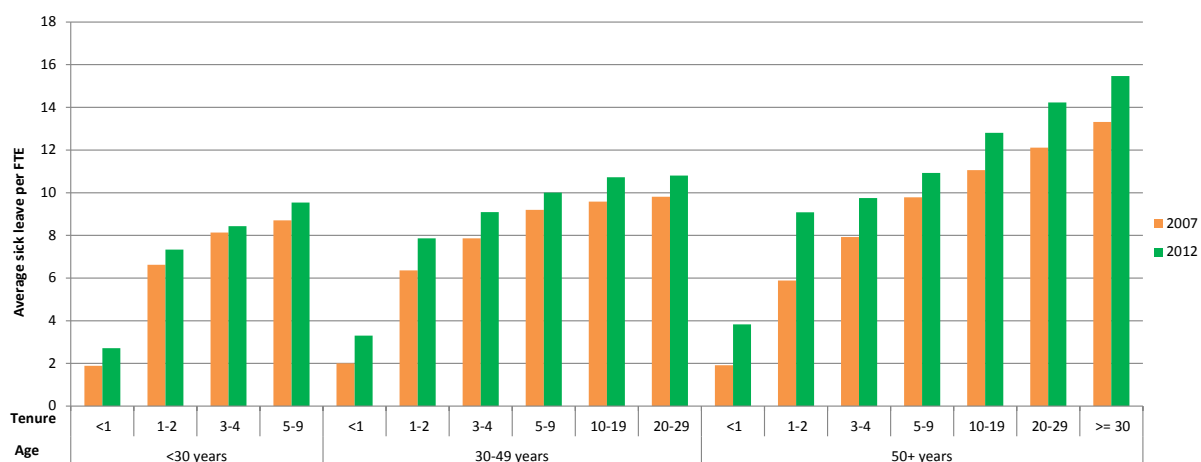
Source: Workforce Data Collection 2012, Victorian Public Sector Commission

When sick leave rates for each service period grouping are examined by age group (Figure 9), it is evident that:

- sick leave rates also increase with years of service;
- employees with less than a year's service have a low average leave rate, reflecting that employees are employed for only part of the year;

- for each age cohort, employees with longer service have higher leave rates;
- there are only small difference between age cohorts in leave rates for employees with less than five years of service across the age cohorts, but for employees with five or more years of service, leave rates are noticeably higher in the over 50 years age cohort; and
- for the five to nine year service period, leave rates are relatively consistent across each age cohort, while, within the 30-49 years age cohort, leave rates increase only slightly with increased years of service.

Figure 9: Average sick leave per FTE and average age by years of service in their current organisation, 2006-07 and 2011-12



Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

The higher rates of sick leave for longer serving employees is a reflection that employees with longer service are also older. However the observations also indicate that sick leave rates increase as length of service increases, irrespective of age. One factor that may be relevant here is that employees with longer service will also have built up leave credits over time, and therefore have access to more paid sick leave.

1.1.6 Sick leave and gender

The rate of sick leave for women is growing faster than that of men. Since 2006-07, sick leave per FTE for women has increased by 1.7 days per year, while the increase for men was 1.0 day per year (Table 6 and Figure 10).

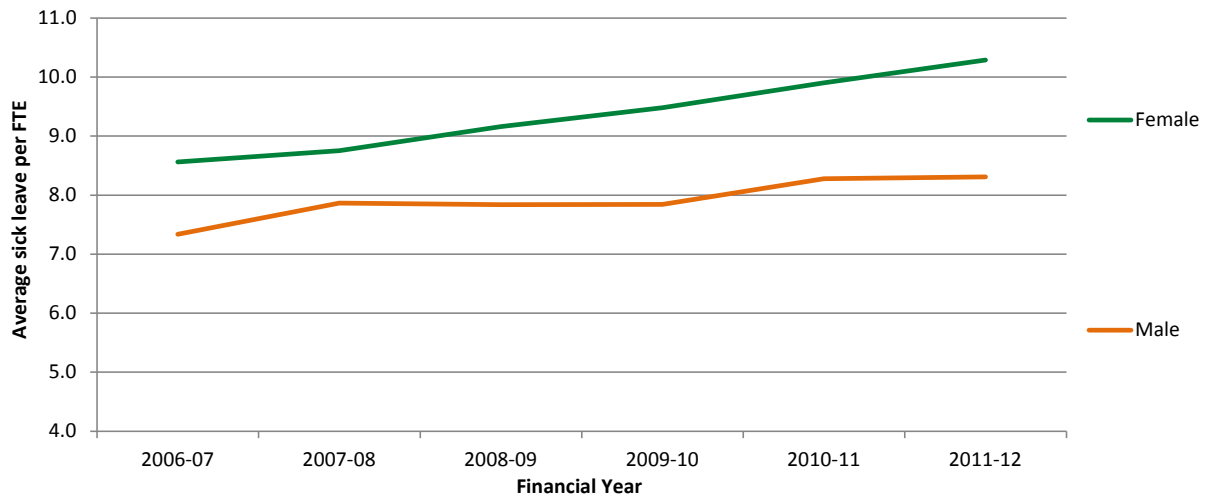
As with employees over 50 years of age, the proportion of women in the Victorian public sector has grown steadily since 2007, and the proportion of women aged over 50 has increased by 3.3%, whereas the proportion of men aged over 50 has increased by 2.7%.

Table 6: Average sick days per FTE by year and gender and percentage of female employees in the Victorian public sector 2006-07 to 2011-12

Average sick days per FTE						
Year	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Female	8.6	8.8	9.2	9.5	9.9	10.3
Male	7.3	7.9	7.8	7.8	8.3	8.3
Percentage of employees who are female	66%	67%	67%	67%	67%	67%

Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

Figure 10: Average sick days per FTE per year by gender 2006-07 to 2011-12



Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

On average, women take more sick leave than men. However, 73% of women who work in the public sector work in Public health care and Government schools, the two sectors with higher rates of sick leave (compared to 43% of men). When sick leave rates are compared with these female-dominated industries excluded from the analysis, women on average take 0.6 days sick leave per FTE per year more than men.

This indicates that the higher sick leave rate for women is heavily influenced by the industry and type of job in which women work.

1.1.7 Sick leave by full time and part time employment

Part time employees take more sick leave per FTE than full time employees. The difference in the rate of sick leave between part time and full time employees has increased each year. Since 2006-07 the average number of sick leave days per FTE per year for part time employees has increased by 2.5 days, while for full time employees the increase is 1 day (Table 7 and Figure 11).

The percentage of the Victorian public sector that works part time has also showed an upward trend, increasing from 34.2% of the sector in 2006-07 to 36.9% in 2011-12.

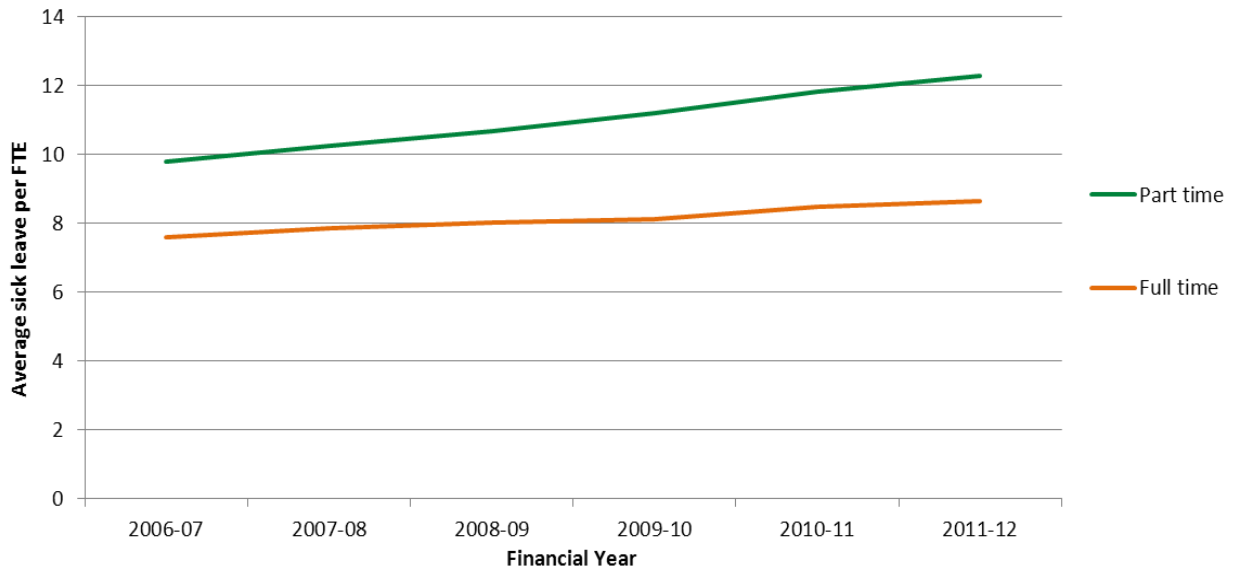
Part time employees are having a similar dual effect as with employees over 50 years. Part time employees are not only increasing as a proportion of the workforce but their sick leave is increasing at a much higher rate than full-time employees.

Table 7: Average sick days per FTE per year for part time and full time employees 2006-07 to 2011-12

Average sick days per FTE						
Year	2006-07	2007-08	2008-09	2011-10	2010-11	2011-12
Part time	9.8	10.2	10.7	11.2	11.8	12.3
Full time	7.6	7.8	8.0	8.1	8.5	8.6

Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

Figure 11: Average sick leave days per FTE for part time and full time employees 2006-07 to 2011-12



Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

While it is reasonable to conclude that part time employees are more likely to take sick leave, we note that:

- Over 83% of the part time workforce are employed in Public health care and Government schools, the sectors with higher rates of sick leave, while only 51% of the full time workforce work in these two industries;
- 86% of the part time workforce are women; and
- The part time workforce is older and is ageing more quickly than the full time workforce, the percentage of the part time workforce aged over 50 years grew from 33% in 2007 to 38% in 2012. By contrast 31% of the full time workforce was aged over 50 in 2007, increasing to only 32% in 2012.

It follows that the higher rate of sick leave in the part time workforce is related to the type of work they do, their age and gender.

1.1.8 Sick leave and salary

In broad terms salary levels are an indicator of responsibility and / or skills and knowledge required for the type of job performed. Jobs exercising higher levels of responsibility or requiring higher levels of skill or knowledge tend to be paid high salaries. Salary therefore is an indicator of both type of work and position within an organisational hierarchy.

Sick leave rates by salary cohort are shown in Table 8. It indicates that while sick leave rates have increased for all salary cohorts over the 2006-07 to 2011-12 period, employees on higher salaries tend to take less sick leave than employees on lower salaries. This pattern is consistent for all industries, for each age cohort, for both men and women, and for full time and part time employees and is also consistent with sick leave rates being influenced by type of job.

Table 8: Average sick days per FTE by salary group 2006-07 to 2011-12

Salary Group	Average sick days per FTE by year					
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
<\$50,000	8.2	8.9	9.4	10.4	10.8	11.3
\$50,000-\$69,999	8.6	8.3	8.6	8.8	8.8	8.9
\$70,000-\$89,999	7.4	9.0	9.1	9.0	10.0	10.6
\$90,000-\$109,999	5.9	5.9	6.3	6.1	7.2	7.7
>=\$110,000	4.6	4.9	4.6	4.7	5.5	5.7

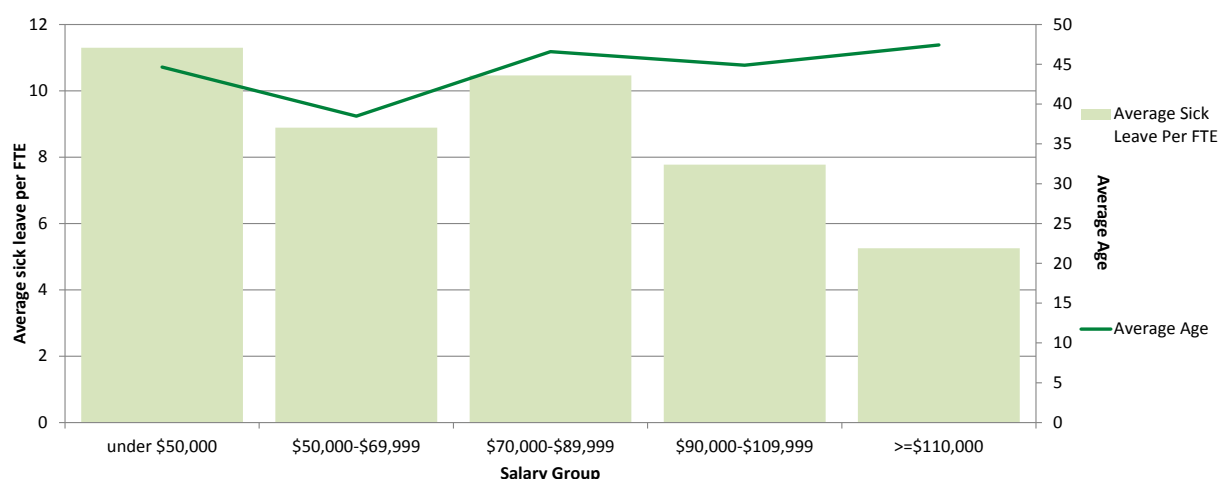
Source: Workforce Data Collection 2012, Victorian Public Sector Commission

The impact of type of job is further illustrated when the age of the workforce in each salary cohort is considered, shown in Figure 12. This illustrates that employees that comprise the highest salary cohort are older (unsurprisingly), but have the lowest rate of sick leave. This highest salary cohort has the highest proportion of employees aged over 50.

The \$50,000-\$69,999 salary cohort is the exception to this pattern. In 2012, 36% of public sector employees fell into this cohort (86,000 ongoing and fixed term employees). It has a very different age profile to the other cohorts with far more employees under 30 years (31% compared to 17% for the under \$50,000 cohort and 7% or less for the remaining cohorts) and far fewer employees aged over 50 (22% compared to around 40% for the other cohorts).

The \$70,000-\$89,999 salary cohort shows a relatively high rate of sick leave. Over half of all nurses and 87% of all teachers fall into this salary bracket so it is highly represented by employees in service delivery occupations that have close contact with people.

Figure 12: Average sick days per FTE and average age by salary group and 2011-12



Source: Workforce Data Collection 2012, Victorian Public Sector Commission

1.1.9 Sick leave by ongoing and fixed term employment

Ongoing employees generally take more sick leave than fixed term employees. Across the public sector ongoing employees sick leave rates have been rising at a constant rate since 2006-07 while fixed term employees sick leave has grown, albeit less steadily and at a lower rate, since 2006-07 (Table 9 and Figure 13).

While sick leave rates are higher for ongoing employees than for fixed term employees, a pattern has emerged showing that sick leave rates have increased more for ongoing employees since 2006-07. This pattern is consistent across industry groups, for all age cohorts, for both men and women, for full time and part time employees and across all salary cohorts.

These patterns are not surprising given that fixed term employees have less employment security, are generally employed for short periods and therefore do not accrue the same level of sick leave entitlements.

In addition, fixed term employees are younger than ongoing employees - the average age of fixed term employees in 2012 was 38.5 years compared with 44 years for ongoing employees. Of fixed term employees, 30% are under 30 years and 21% are over 50, compared to 13% of ongoing employees being under 30 and 38% being over 50.

It is also notable that:

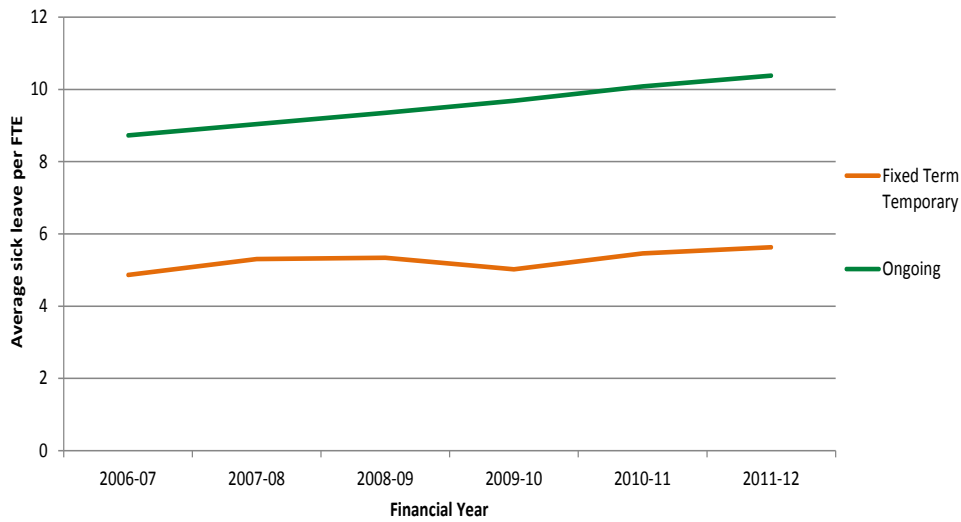
- 79% of fixed term employees are employed in Public health care and Government schools, the sectors with higher rates of sick leave, while only 60% of the full time employees work in these two industries; and
- 44% of fixed term employees work part time compared to 35% of full time employees.

Table 9: Average sick days per FTE by ongoing and fixed term employment status 2006-07 to 2011-12

Average sick days per FTE by year							
Employment status	2006-07	2007-08	2008-09	2011-10	2010-11	2011-12	Change since 2007 (%)
Ongoing	8.7	9.0	9.4	9.7	10.1	10.4	19%
Fixed Term	4.9	5.3	5.3	5.0	5.5	5.6	16%

Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

Figure 13: Average sick days per FTE for fixed term and ongoing employee status 2006-07 to 2011-12



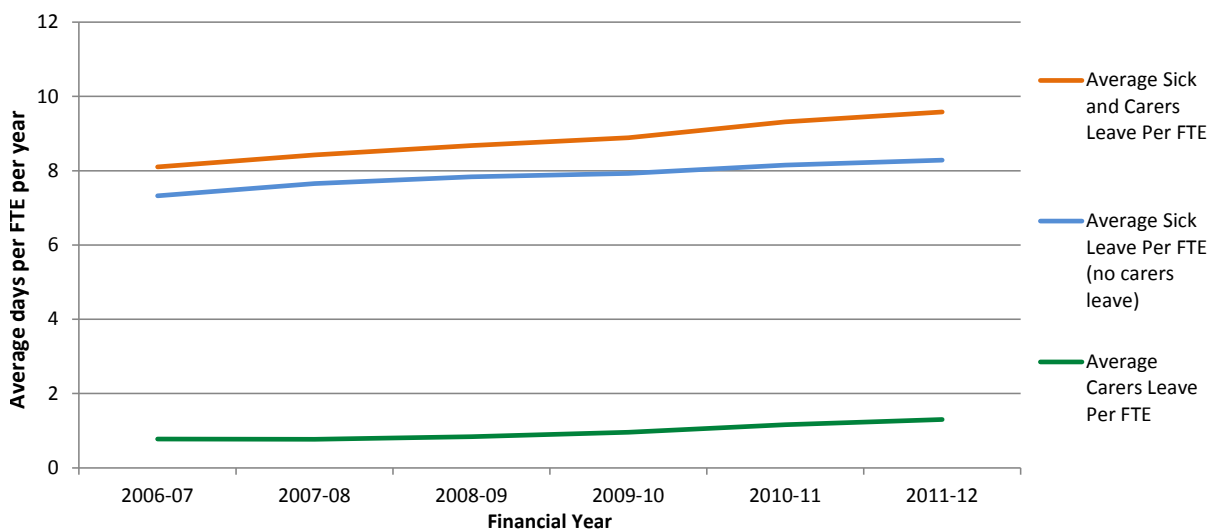
Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

1.2 Carer’s leave across the Victorian public sector

1.2.1 Carer’s leave rates

Carer’s leave has risen from 0.8 days per FTE in 2006-07 to 1.3 days per FTE in 2011-12. Most of the increase has occurred in the last two years with carer’s leave rising from 0.8 days per FTE in 2008-09 to 1.3 days per FTE in 2011-12. Carer’s leave accounts for only 14% of total sick leave. The increase of 0.5 days per FTE of carer’s leave between 2007 and 2012 represents 30% of the rise in total sick leave during the this period (illustrated in Figure 14).

Figure 14: Victorian public sector average days of carer’s leave per FTE compared to sick leave and sick and carer’s leave 2006-07 to 2011-12



Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

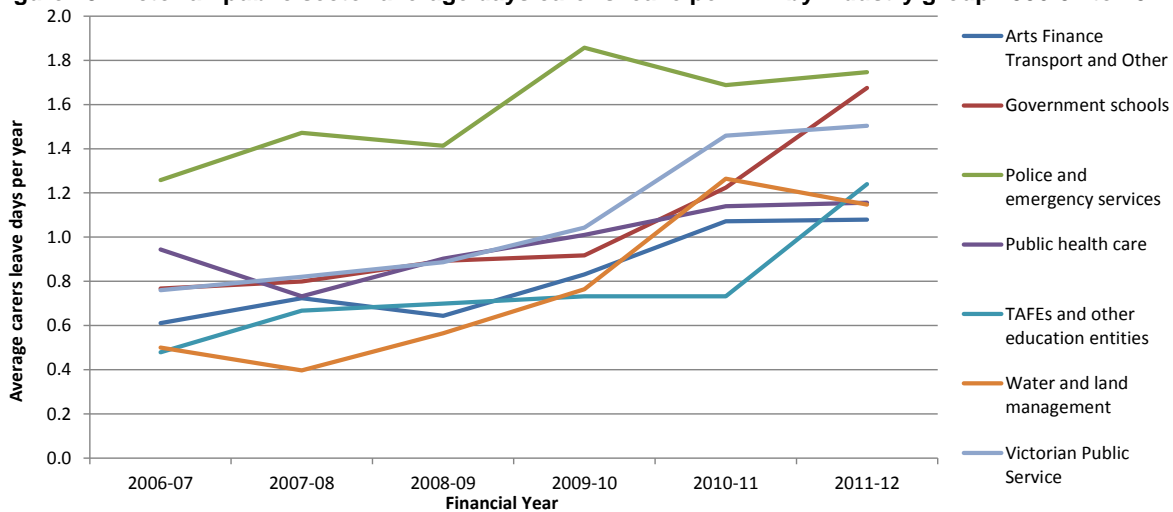
Other carer's leave findings:

- The rate of carer's leave is not substantially higher for women (1.4 days a year per FTE in 2011-12) than for men (1.2 days a year per FTE) which may be surprising given that women are often the primary caregiver to children.
- Part time employees (1.7 days per FTE in 2011-12) take more carer's leave on average than full time employees (1.1 days per FTE). This may indicate that part time employees are more likely to have work arrangements based around minding dependants than full time employees and are therefore more likely to take carer's leave when these children are unwell.
- Ongoing employees (1.4 days per FTE in 2011-12) take more carer's leave than fixed term employees (0.8 days per FTE).
- The salary cohort that takes the most carer's leave is the \$70,000-\$89,999 which took 1.7 days per FTE in 2011-12, 25% more carer's leave than any other salary cohort. As with sick leave, the \$110,000 and over salary cohort takes the least carer's leave with 0.9 days per FTE in 2011-12.

1.2.2 Carer's leave by industry group

As illustrated in Figure 15, when broken down into industry groups, Police and emergency services has the highest incidence of carer's leave at 1.7 days a year per FTE and has had the highest since 2006-07. TAFE and other education entities and Government schools showed steep rises in 2011-12 while Water and land management was the only industry sector to show a decrease in carer's leave in 2011-12.

Figure 15: Victorian public sector average days carer's leave per FTE by industry group 2006-07 to 2011-12

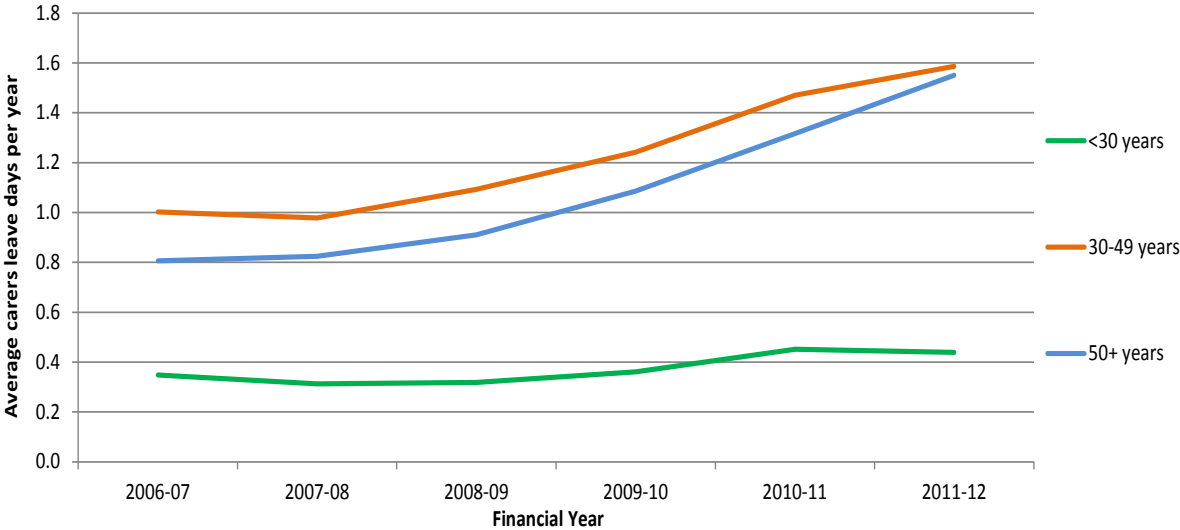


Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

1.2.3 Carer's leave by age group

The age makeup of those taking carer's leave is similar to that of sick leave generally. Those aged under 30 years have the lowest incidence of carer's leave averaging under 0.4 days per FTE a year. Employees in the age groups 30-49 years and 50+ years have a higher incidence of carer's leave as well as large increases in the past few years. The 50+ year age group recorded the largest increase (Figure 16). This is consistent with the older age groups being more likely to have caring responsibilities for children, parents and/or spouses.

Figure 16: Victorian public sector average days carer's leave per FTE by age group 2006-07 to 2011-12



Source: Workforce Data Collection 2007-2012, Victorian Public Sector Commission

CHAPTER 2: WHAT INFLUENCES SICK LEAVE RATES?

2.1 Type of work

Australian and New Zealand Standard Classification of Occupations (ANZSCO) is a skill-based classification of occupations, developed as the national standard for organising occupation-related information for purposes such as policy development and review, human resource management, and labour market and social research. The classification includes all jobs in the Australian workforce. The VPSC collects occupation information using the ANZSCO structure as part of the annual *Workforce Data Collection*.

When sick leave usage by occupation is considered it appears that the type of work undertaken by the employee is a significant influence on sick leave rates. Regardless of industry group, jobs in the Community and Personal Services occupational category (covering police, security employees, operational ambulance and fire services, sub-degree qualified nurses, carer's and welfare jobs, and teacher aides) show higher sick leave rates. The professional occupations of school teacher and nurse also show higher sick leave rates. This is unsurprising given that these occupations typically work in close proximity with people in roles that are emotionally and/or physically demanding, and, in the case of nurses and other carer's, involve working with people with compromised health and wellbeing.

It follows that the Public health care, Police and emergency services, and Government schools industry groups, which have a large proportion of employees in these occupations, have the highest rates of sick leave, as indicated in section 1.2.2.

Public health care and Police and emergency services also show comparatively high sick leave rates in the other occupational categories for which they have significant numbers of employees (Managers, Technicians and trades, and Clerical and administrative workers). This indicates that there are characteristics of the work and practises in the organisations in these sectors which influence sick leave rates. It may be that the practises of the operational occupations establish a culture around sick leave use that influences the sick leave usage of their colleagues working in other occupations.

The observation that employees who are paid higher salaries consistently have lower rates of sick leave and employees on lower rates of pay have higher sick leave rates is also consistent with sick leave being influenced by type of job. Higher salaries align to jobs that demand higher levels of responsibility and/or a higher level of knowledge, skills and experience.

When sick leave rates for specific occupations are considered, there is a concentration of lower skilled and lower paid jobs amongst the occupations with the highest rates of sick leave, and conversely a concentration of higher responsibility/skill and higher paid jobs amongst the occupations with the lowest rate of sick leave, as illustrated in Tables 10 and 11.

Table 10: Occupation groups with the highest rates of sick leave in the Victorian Public Sector 2011-12

Occupation group	Average days sick leave per FTE	Number of employees	Percent of employees who work part time	Average Age (years)	Average Salary	Percent of employees who are female
Food Preparation Assistants	15.9	2,962	80%	49.2	\$36,058	85%
Cleaners and Laundry Workers	15.8	2,740	68%	49.9	\$38,998	73%
Automobile, Bus and Rail Drivers	15.3	375	5%	50.8	\$101,454	3%
Hospitality Workers	14.0	542	65%	50.4	\$43,323	75%
Personal Carer's and Assistants	13.7	3,297	76%	47.8	\$40,651	82%
Health and Welfare Support Workers	13.6	15,522	54%	45.2	\$54,360	73%
Electronics and Telecommunications Trades Workers	13.6	695	50%	48.7	\$48,338	73%
Receptionists	13.4	1,698	65%	47.1	\$42,188	93%
Store persons	12.9	306	14%	47.6	\$42,119	18%
Food Trades Workers	12.8	422	51%	46.7	\$41,488	64%
Total	14.0	28,559	60%	46.8	\$48,623	75%

Source: Workforce Data Collection 2012, Victorian Public Sector Commission

Table 11: Occupation groups with the lowest rates of sick leave in the Victorian Public Sector 2011-12

Occupation group	Average days sick leave per FTE	Number of employees	Percent of employees who work part time	Average Age (years)	Average Salary	Percent of employees who are female
Medical Practitioners	2.8	11,450	42%	38.8	\$166,336	42%
Construction, Distribution and Production Managers	4.4	620	4%	46.8	\$113,487	15%
Chief Executives, General Managers and Legislators	4.8	1,460	5%	49.3	\$169,272	40%
Engineering Professionals	5.0	1,638	6%	39.2	\$84,406	20%
Vocational Education Teachers	5.4	5,365	32%	50.0	\$75,176	47%
Sales, Marketing and Public Relations Professionals	5.7	626	15%	38.7	\$81,469	69%
ICT Managers	6.6	566	4%	44.8	\$103,330	26%
ICT Network and Support Professionals	7.1	596	7%	40.0	\$76,982	25%
Legal Professionals	7.1	984	18%	39.2	\$90,260	66%
Business Administration Managers	7.1	3,181	12%	45.7	\$101,549	49%
Total	4.7	26,489	28%	42.9	\$125,788	43%

Source: Workforce Data Collection 2012, Victorian Public Sector Commission

2.2 Age of the employee

The age of an employee also appears to be a significant influence on sick leave rates. On average, sick leave rates are higher for older employees regardless of type of work, industry, gender, employment arrangements, and length of service. As detailed in section 1.2.4, in 2011-12:

- sick leave rates for employees aged 50 or more were nearly double that for employees aged under 30 (12.2 days per FTE compared to 6.3 days per FTE); and
- between the ages of 50 and 76, the rate of sick leave increases by around 0.4 days per year for every year a employees member ages.

When considering the impact of age on sick leave, it might be assumed that employees on higher salaries would also have higher rates of sick leave given that employees on higher salaries are on average older. However, this is not the case, as indicated in Figure 17, closer examination of sick leave against both age and salary shows that across all salary ranges, employees in the older age cohorts have higher sick leave rates. This clearly demonstrates the consistent influence of age on sick leave rates. It also confirms the independent influence of salary rate on sick leave and illustrates that competing influences need to be taken into account when analysing impacts on sick leave.

Figure 17: Average sick days per FTE by age and salary group 2011-12



Source: Workforce Data Collection 2012, Victorian Public Sector Commission

2.3 Gender

Section 1.2.6 identifies that across the public sector workforce, on average, women take around 1.7 days per year more sick leave than men. However 61 per cent of women work in jobs in the Community and Personal Services occupational category or as school teachers or nurses that have high sick leave rates, compared to 48 per cent of men. Similarly, 91 per cent of women have base salaries of less than \$90,000 per year compared to only 77 per cent of men. The higher rate of sick leave of women compared to men is therefore heavily influenced by the type of work performed and the associated lower salaries.

Notwithstanding, when men and women in the same age cohort and working in similar jobs are compared (as indicated by same age cohort, same industry group and same \$10,000 salary band), women tend to have a higher sick leave rates than men, in most cases. As such the proportion of women in an organisation's workforce will influence the sick leave rate, but the influence of gender composition is secondary to the impact of type of work and age.

2.4 Part time employment

Part time employees comprise around one third of the workforce across the public sector. The proportion of part time employees varies within each industry sector from around 8 per cent in Police and emergency services to around 60 per cent in Public Health Care.

As indicated in Section 1.2.7 sick leave rates for part time employees are around 3 days per year higher than for full time employees. Part time employees are overwhelmingly women, and employed in the Public Health Care and Government Schools sectors and in jobs in the Community and Personal Services occupational category or as school teachers or nurses that have high sick leave rate.

That part time employees have a higher rate of sick leave than full time employees is a consequence of both the type of work undertaken by part time employees and that the vast majority (86 per cent) are women. It is not clear that part time employment on its own is associated with higher sick leave rates.

2.5 Workplace culture

It is common to use sick leave rates as a measure of organisational health. There is a significant body of research that links poor organisational culture and lower levels of employees satisfaction and engagement with higher levels of sick leave. In a 2008 report, the United States Merit Systems Protection Board identified that disengaged employees are more likely to take sick leave than engaged employees. The Australian Public Service Commission similarly reported in its State of the Service Report 2010-11 that employees with higher levels of engagement were consistently less likely to take sick leave than employees with lower levels of engagement.⁵

In the Victorian Public Sector, organisation culture is measured through the People Matter Survey. The People Matter Survey is an annual employee opinion survey conducted by the VPSC across the breadth of the Victorian Public Sector. The survey provides a forum for staff to share their beliefs, attitudes and insights about the workplace. It provides a window into what is valued in the workplace, what the organisation's culture is like, and whether people in the organisation are satisfied.

Employee job satisfaction levels reported through the People Matter Survey over time provide a measure of how employees are thinking about their work environment and therefore provides an available proxy for employee engagement. [Please note: From 2013, the VPSC has included a suite of engagement questions in the People Matter Survey based on those used by the UK Civil Service and the Australian Public Service Commission. Employee engagement will therefore be directly assessable in future updates of this research.]

Employee's satisfaction is measured by employees indicating their agreement or disagreement to the following set of indicator questions:

- Opportunities for career development;
- Fair pay
- Job security
- Relationship with members of your workgroup
- Relationship with manager
- Regular feedback/recognition for effort,
- Ability to work on own initiative,
- Interesting/challenging work provided,

⁵ Australian Public Service Commission, *State of the Service Report 2010-11*, Commonwealth of Australia, Canberra, 2011, p. 32

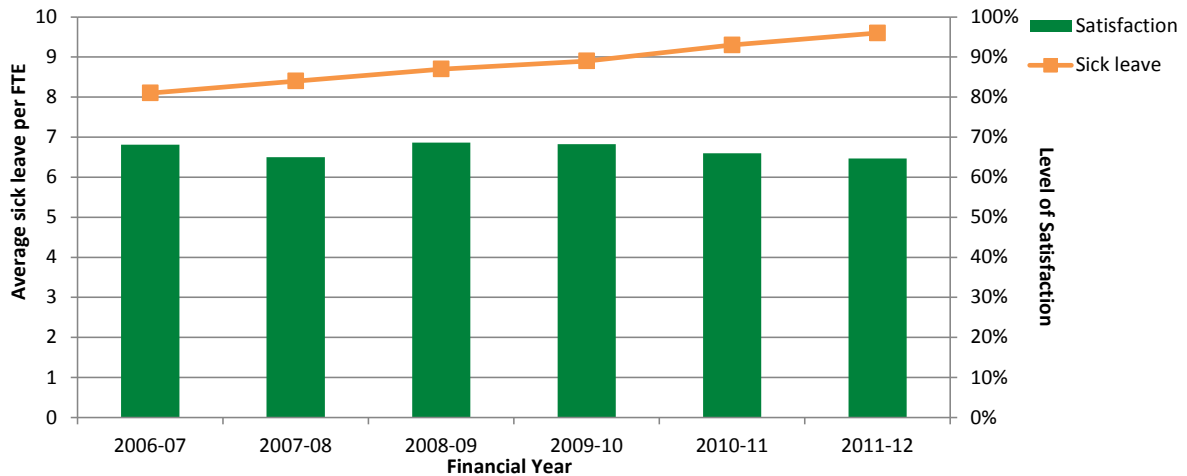
- Comfortable working environment,
- Work-life balance,
- Level of satisfaction with your present job overall

Since 2007, the percentage of employees indicating agreement to these questions has varied within a narrow band of 65% to 69%, albeit with a slight downward trend over time as sick leave usage has increased (Figure 18).

However, when satisfaction levels are considered at the industry group level, there is not a consistent pattern between increases in sick leave and decreases in employees' satisfaction. This suggests that in general, the small changes observed in employees' satisfaction have had little impact on sick leave rates.

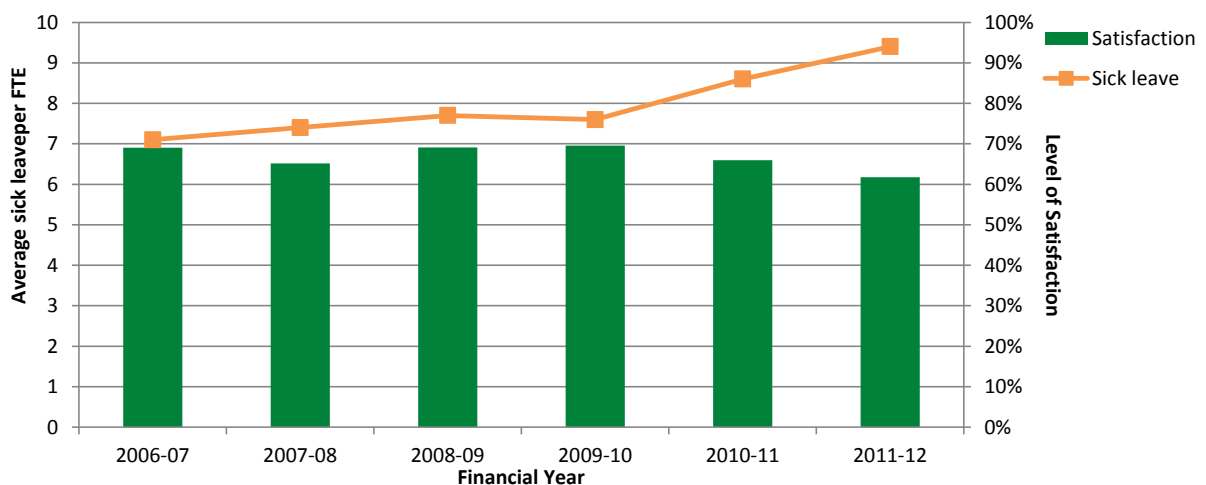
The Public Service is an exception where an increase in sick leave recorded for the public service over 2010-11 and 2011-12 coincides with a significant fall in employees satisfaction levels (Figure 19).

Figure 18: Average sick days per FTE in the Victorian public sector by satisfaction level 2006-07 to 2011-12



Source: Workforce Data Collection 2007-2012, People Matter Survey 2007-2012, Victorian Public Sector Commission

Figure 19: Average sick days per FTE in the Victorian Public Service by satisfaction level 2006-07 – 2011-12



Source: Workforce Data Collection 2007-2012, People Matter Survey 2007-2012, Victorian Public Sector Commission

CHAPTER 3: CONCLUSION

As illustrated in the first section of this paper, sick leave in the Victorian public sector increased in 2011-12, continuing an upward trend since 2006-07. A major cause of this increase is the dual effect of the increasing number and proportion of employees aged over 50 years (a proportional increase of 30 per cent since 2006-07) as well as the increased number of sick days these employees aged over 50 are taking (an increase of 21 per cent since 2006-07). Upward trends in part-time employees, female employees and an increase in the use of carer's leave have also contributed to the overall increase in sick leave usage but the rise in proportion of the workforce and rate of sick leave for employees aged over 50 has had the greatest impact on this upward trend.

Sick leave has a myriad of intersecting causes and influences but the two primary influencers of sick leave appear to be the age of the employee and the type of job in which they are employed.

Older employees are linked to higher rates of sick leave across all industries and demographic groups. It follows that as employees get older, they are more susceptible to illness and consequently take more sick leave.

Type of job is the other main contributor to employees taking sick leave. Teachers, nurses and employees in Community and Personal Care all have higher rates of sick leave than employees in other jobs. The majority of these employees work closely with people, often with compromised health or in jobs which are physically and emotionally demanding. The workforce demographics which affect type of job are ANZSCO code, industry and salary.

The contents of this paper present a holistic look at sick leave across the Victorian public sector over five years. Organisations are encouraged to evaluate their rate of sick leave compare these to like organisations. Understanding sick leave and its causes are essential to establishing processes and systems which may minimise sick leave usage and consequently enhance productivity and workplace culture.

APPENDIX A - LIST OF AGENCIES AS AT JUNE 2012

The Victorian public sector comprises the public service and public entities operating in the wider public sector. At June 2012, the Victorian Public Service consisted of the 11 departments, nine administrative offices and 17 other bodies and the Victorian public sector consisted of 1,780 employing public entities and approximately 2,000 non-employing entities.

This appendix details employee numbers for employing organisations in the Victorian public sector. The 1,543 school councils have been amalgamated into one listing.

The appendix also identifies which organisations participated in the 2012 People Matter Survey. Most employing organisations participate at least once every two years.

a.1 Victorian Public Service

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
Departments			
Department of Business and Innovation	722	691.2	
Department of Education and Early Childhood Development	3,199	2,831.1	
Department of Health	1,567	1,460.2	
Department of Human Services	11,589	10,058.1	
Department of Justice	7,311	6,900.0	✓
Department of Planning and Community Development	928	878.8	✓
Department of Premier and Cabinet	419	387.2	
Department of Primary Industries	2,161	1,999.1	
Department of Sustainability and Environment	2,897	2,728.3	
Department of Transport	817	786.2	✓
Department of Treasury and Finance	1,257	1,198.1	✓
Administrative offices			
Environment Protection Authority	387	363.1	✓
Local Government Investigations and Compliance Inspectorate	9	9.0	✓
Office of the Chief Parliamentary Counsel	40	37.7	✓
Office of the Child Safety Commissioner	28	22.6	✓
Office of the Governor of Victoria	30	27.5	

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
Office of the Victorian Government Architect	7	6.1	
Public Record Office Victoria	76	68.1	✓
Regional Rail Link Authority	100	97.5	
Victorian Government Solicitor's Office	211	193.8	
Other offices			
CenITex	592	585.7	
Emergency Services Superannuation Board	160	148.2	✓
Essential Services Commission	70	67.8	✓
Office of Police Integrity	135	129.7	✓
Office of Public Prosecutions	321	301.3	✓
Office of the Chief Commissioner of Police	2,829	2,670.8	✓
Office of the Legal Services Commissioner	75	72.4	✓
Office of the Ombudsman Victoria	73	64.9	✓
Office of the Road Safety Camera Commissioner	3	3.0	
Office of the Special Investigations Monitor	5	5.0	
Office of the Victorian Electoral Commissioner	84	76.9	
Office of the Victorian Privacy Commissioner	15	13.4	
State Services Authority	54	51.6	✓
Victorian Auditor-General's Office	169	162.5	✓
Victorian Commission for Gambling and Liquor Regulation	234	227.2	✓
Victorian Equal Opportunity and Human Rights Commission	69	63.1	
Victorian Multicultural Commission	7	6.8	

a.2 Broader Public Sector

a.2.1 Government Schools

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
Department of Education and Early Childhood Development – teaching service and school support employees	62,167	53,677.1	
School council employees	3,621	1,191.3	

a.2.2 TAFEs and Other Education

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
TAFEs			
Advance TAFE	337	233.0	✓
Bendigo Regional Institute of TAFE	512	398.1	
Box Hill Institute of TAFE	1,134	829.3	✓
Central Gippsland Institute of TAFE	396	274.2	✓
Chisholm Institute of TAFE	1,454	999.3	
Gordon Institute of TAFE	891	636.8	
Goulburn Ovens Institute of TAFE	552	435.6	
Holmesglen Institute of TAFE	1,679	1,141.8	
Kangan Batman Institute of TAFE	997	814.6	
Northern Melbourne Institute of TAFE	1,989	1,086.3	✓
RMIT – TAFE Division	903	676.1	
South West Institute of TAFE	302	267.2	✓
Sunraysia Institute of TAFE	324	229.2	
Swinburne University of Technology – TAFE Division	968	646.5	
University of Ballarat – TAFE Division	308	250.5	
Victoria University of Technology – TAFE Division	1,276	854.5	
William Angliss Institute of TAFE	421	366.0	
Wodonga Institute of TAFE	418	296.9	
Other Education			
Adult Multicultural Education Services	901	629.7	✓
Centre for Adult Education	360	146.1	
Driver Education Centre of Australia Ltd	144	92.2	
International Fibre Centre	2	2.0	
TAFE Development Centre	9	8.4	
Victorian Institute of Teaching	124	109.3	✓

a.2.3 Public Health Sector

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
Health services			
Albury Wodonga Health Service	1,527	1,185.2	
Alexandra District Hospital	92	50.3	✓
Alfred Health	6,940	5,373.9	
Alpine Health	303	213.3	✓
Austin Health	6,970	5,397.8	
Bairnsdale Regional Health Service	659	449.8	✓
Ballarat Health Services	3,420	2,526.1	
Barwon Health	5,390	3,765.4	
Bass Coast Regional Health	508	346.7	✓
Beaufort and Skipton Health Service	160	93.6	
Beechworth Health Service	219	149.1	✓
Benalla Health	307	203.9	✓
Bendigo Health Care Group	2,854	2,069.0	
Boort District Hospital	91	51.9	✓
Casterton Memorial Hospital	92	72.3	✓
Castlemaine Health	572	361.6	✓
Central Gippsland Health Service	904	589.8	✓
Cobram District Hospital	182	155.6	✓
Cohuna District Hospital	102	66.0	
Colac Area Health	430	297.4	
Dental Health Services Victoria	650	404.2	
Djerriwarrh Health Services	477	331.0	
Dunmunkle Health Services	110	46.6	✓
East Grampians Health Service	340	228.0	
East Wimmera Health Service	313	202.4	✓
Eastern Health	7,132	5,168.1	✓
Echuca Regional Health	528	379.1	
Edenhope and District Memorial Hospital	103	68.6	✓
ForensiCare (Victorian Institute of Forensic Mental Health)	387	336.1	✓
Gippsland Southern Health Service	376	211.6	
Goulburn Valley Health Services	1,818	1,390.3	✓

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
Heathcote Health	111	58.4	✓
Hepburn Health Service	340	200.4	✓
Hesse Rural Health Service	106	67.1	✓
Heywood Rural Health	110	69.6	✓
Inglewood and District Health Service	101	53.8	✓
Kerang District Health	151	100.5	✓
Kilmore and District Hospital	226	132.4	
Kooweerup Regional Health Service	156	88.0	
Kyabram and District Health Services	249	153.1	✓
Kyneton District Health Service	172	98.0	✓
Latrobe Regional Hospital	1,543	1,154.3	
Lorne Community Hospital	73	38.8	✓
Maldon Hospital	42	20.8	✓
Mallee Track Health and Community Service	238	148.6	✓
Mansfield District Hospital	163	108.8	✓
Maryborough District Health Service	421	294.6	✓
Melbourne Health	7,894	6,177.9	
Moyne Health Services	168	93.4	✓
Nathalia District Hospital	82	54.5	✓
Northeast Health Wangaratta	950	719.8	✓
Northern Health	3,453	2,514.6	✓
Numurkah District Health Service	164	119.6	✓
Omeo District Health	59	29.1	
Orbost Regional Health	180	104.7	✓
Otway Health and Community Services	92	62.7	
Peninsula Health	4,881	3,325.1	✓
Peter MacCallum Cancer Centre	2,250	1,891.7	
Portland District Health	360	243.8	
Robinvale District Health Services	173	132.3	✓
Rochester and Elmore District Health Service	160	101.2	
Royal Children's Hospital	3,878	3,065.5	
Royal Victorian Eye and Ear Hospital	707	467.3	✓
Royal Women's Hospital	1,882	1,289.7	✓
Rural Northwest Health	241	168.2	✓

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
Seymour Health	196	125.2	
South Gippsland Hospital	89	48.6	
South West Healthcare	1,287	938.9	
Southern Health	12,326	9,337.6	
Stawell Regional Health	216	152.0	✓
Swan Hill District Hospital	505	348.5	
Tallangatta Health Service	133	82.1	
Terang and Mortlake Health Service	143	83.0	
The Queen Elizabeth Centre	82	82.0	✓
Timboon and District Health Care Service	87	52.8	✓
Tweddle Child and Family Health Service	82	41.8	
Upper Murray Health and Community Service	124	83.4	✓
West Gippsland Healthcare Group	986	666.4	✓
West Wimmera Health Service	448	300.3	✓
Western District Health Service	724	506.9	
Western Health	4,996	3,818.9	
Wimmera Health Care Group	892	627.9	✓
Yarram and District Health Service	174	118.4	✓
Yarrawonga District Health Service	219	150.0	
Yea and District Memorial Hospital	54	49.0	✓
Others			
Breast Screen Victoria	109	75.1	
Chinese Medicine Registration Board	5	2.8	
Health Purchasing Victoria	31	29.4	✓
Victorian Assisted Reproductive Treatment Authority	7	4.8	
Victorian Health Promotion Foundation	145	133.8	✓

a.2.4 Police and Emergency Services

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
Ambulance Victoria	3,845	3,494.4	✓
Country Fire Authority	1,907	1,835.9	
Emergency Services Telecommunications Authority	765	727.3	
Metropolitan Fire and Emergency Services Board	2,140	2,130.8	
Victoria Police – sworn officers	13,192	12,898.3	✓
Victoria State Emergency Service	199	194.6	✓

a.2.5 Water and Land Management

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
Alpine Resorts			
Falls Creek Alpine Resort Management Board	111	102.9	
Lake Mountain Alpine Resort Management Board	56	35.0	
Mount Baw Baw Alpine Resort Management Board	104	86.0	
Mount Buller and Mount Stirling Alpine Resort Management Board	63	45.4	
Mount Hotham Alpine Resort Management Board	82	67.4	
Catchment management authorities			
Corangamite Catchment Management Authority	51	49.1	✓
East Gippsland Catchment Management Authority	23	21.8	✓
Glenelg Hopkins Catchment Management Authority	57	50.6	✓
Goulburn Broken Catchment Management Authority	69	62.7	✓
Mallee Catchment Management Authority	53	51.0	
North Central Catchment Management Authority	82	77.3	✓
North East Catchment Management Authority	48	42.0	
Port Philip and Westernport Catchment	23	21.0	✓

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
Management Authority			
West Gippsland Catchment Management Authority	57	47.0	✓
Wimmera Catchment Management Authority	37	32.7	✓
Land management agencies			
Barwon Coast Committee of Management	43	35.2	
Bellarine Bayside Committee of Management	29	18.0	✓
Capel Sound Foreshore Committee of Management	5	3.8	
Gippsland Ports Committee of Management	55	51.6	✓
Great Ocean Road Coast Committee	42	31.0	✓
Parks Victoria	1,109	1,036.9	
Point Leo Foreshore Committee of Management	4	3.0	
Trust for Nature (Victoria)	62	52.0	
VicForests	121	117.0	
Winton Wetlands Committee of Management	2	2.0	
Planning agencies			
Growth Areas Authority	56	51.1	
Metropolitan Waste Management Group	19	18.0	✓
Northern Victorian Irrigation Renewal Project	71	69.2	✓
Sustainability Victoria (CEO only – other employees are employees of the Department of Sustainability and Environment)	1	1.0	
Urban Renewal Authority (Places Victoria)	198	189.3	
Water corporations			
Barwon Region Water Authority	423	411.2	✓
Central Gippsland Region Water Authority (Gippsland Water)	262	246.4	✓
Central Highlands Region Water Authority	198	189.1	✓
City West Water Limited	420	397.2	
Coliban Region Water Authority	142	134.7	✓
East Gippsland Region Water Authority	88	84.2	✓
Gippsland and Southern Rural Water Authority (Southern Rural Water)	162	155.0	✓
Goulburn Murray Rural Water Authority	708	689.5	
Goulburn Valley Region Water Authority	209	203.2	✓

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
Grampians Wimmera Mallee Water Authority	203	199.7	✓
Lower Murray Urban and Rural Water Authority	157	153.7	✓
Melbourne Water Corporation	834	807.9	
North East Region Water Authority	161	155.2	
South East Water Limited	584	553.4	
South Gippsland Region Water Authority	91	88.8	✓
Wannon Region Water Authority	215	209.3	✓
Western Region Water Authority	160	148.8	✓
Westernport Region Water Authority	75	71.7	✓
Yarra Valley Water Limited	615	569.5	

a.2.6 Arts, Finance, Transport and Other

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
Arts Agencies			
Australian Centre for the Moving Image	200	147.6	✓
Film Victoria	51	44.1	
Geelong Performing Arts Centre Trust	68	32.0	✓
Melbourne Recital Centre	89	30.4	✓
Museum Victoria	620	463.0	
National Gallery of Victoria	352	293.0	✓
State Library of Victoria	386	315.5	✓
Victorian Arts Centre Trust	553	337.8	✓
Wheeler Centre	24	15.0	
Cemeteries			
Ballarat General Cemeteries Trust	17	17.0	
Bendigo Cemeteries Trust	24	16.0	
Geelong Cemeteries Trust	25	25.0	✓
Greater Metropolitan Cemetery Trust	164	156.7	✓
Southern Metropolitan Cemeteries Trust	221	212.6	✓
Facilities management agencies			
Docklands Studios Melbourne	10	8.0	

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
Federation Square Management Pty Ltd	63	45.5	✓
Melbourne Convention and Exhibition Centre	447	307.0	
Melbourne Market Authority	35	35.0	
Old Treasury Building Reserve Committee of Management	2	2.0	
Queen Victoria Women's Centre Trust	9	4.0	
Shrine of Remembrance Trust	35	24.2	
The Mint Incorporated	2	1.8	
Finance / insurance agencies			
Rural Finance Corporation of Victoria	115	108.7	
State Electricity Commission of Victoria	8	7.0	
State Trustees Limited	546	503.6	✓
Transport Accident Commission	925	883.5	
Treasury Corporation of Victoria	55	51.0	
Victorian Funds Management Corporation	82	81.0	
Victorian Managed Insurance Authority	128	121.1	
Victorian WorkCover Authority	1,242	1,189.2	
Regulators			
Architects Registration Board of Victoria	4	3.6	
Building Commission	119	112.2	✓
Dairy Food Safety Victoria	25	22.4	
Energy Safe Victoria	122	120.3	✓
Plumbing Industry Commission	59	56.0	✓
PrimeSafe	10	10.0	
Veterinary Practitioners Registration Board of Victoria	6	4.0	
Sports and recreation agencies			
Australian Grand Prix Corporation	57	55.0	✓
Emerald Tourist Railway Board	78	55.0	
Greyhound Racing Victoria	99	63.7	
Harness Racing Victoria	71	61.1	
Melbourne and Olympic Parks Trust	289	135.8	
Phillip Island Nature Park Board of Management	187	141.0	✓
Royal Botanic Gardens Board	214	170.8	
State Sport Centres Trust	359	153.0	

	Headcount	FTE	Participated in 2012 <i>People Matter Survey</i>
Victorian Institute of Sport	48	42.7	✓
Victorian Major Events Company Ltd	12	11.5	✓
Zoological Parks and Gardens Board	566	453.3	
Transport agencies			
Linking Melbourne Authority	39	37.2	✓
Port of Hastings Development Authority	2	2.0	
Port of Melbourne Corporation	241	224.1	
Public Transport Development Authority	542	508.3	✓
Transport Ticketing Authority	70	67.1	
V/Line Passenger Corporation	1,459	1,433.4	
VicRoads	2,992	2,872.7	
Victorian Rail Track Corporation	302	298.6	
Victorian Regional Channels Authority	6	6.0	
Other			
Agriculture Victoria Services Pty Ltd	4	3.2	
Consumer Utilities Advocacy Centre Ltd	4	4.0	
Departments of the Parliament	247	224.2	
Murray Valley Citrus Board	3	3.0	
Responsible Gambling Advocacy Centre	6	4.0	
Victoria Law Foundation	13	8.8	
Victoria Legal Aid	651	579.9	✓
Victorian Institute of Forensic Medicine (executives only – non executive employees employed by the Department of Justice)	33	26.8	✓
VITS LanguageLink	19	15.0	

APPENDIX B - THE WORKFORCE DATA COLLECTION AND THE PEOPLE MATTER SURVEY

b.1 Workforce Data Collection

The *Workforce Data Collection* is an annual census of employees of all Victorian public sector employer organisations. It is conducted by the VPSC consistent with its functions and powers as provided under the *Public Administration Act 2004*.

The collection is undertaken to support delivery on the VPSC's statutory objective to:

strengthen the efficiency, effectiveness and capability of the public sector in order to meet existing and emerging needs and deliver high quality services (PAA s.38(a)).

Information gathered includes a range of basic demographic and employment data on each employee as at the last full pay period of June in each year, and is supplied by employer organisations from information held by the employer in their human resource management information systems. While the Commission validates the submitted data, the quality and completeness of the data is ultimately dependent upon the quality of the information supplied by the submitting employers.

The information is used for whole of government reporting on the public sector workforce and is a critical input into the annual *State of the Public Sector in Victoria Report*⁶. Data is also used to inform workforce planning and advise government on workforce issues. In addition, each employing agency receives a report which compares their workforce profile to the profile of the workforce in like organisations.

b.2 People Matter Survey

The People Matter Survey is an annual employee opinion survey that collects data on public sector employee perceptions about what it is like to work in their organisation.

The survey provides a forum for staff to share their beliefs, attitudes and insights about the workplace. It provides a window into what is valued in the workplace, what the organisation's culture is like, and whether people in the organisation are satisfied.

Once collected, the survey data is analysed and used for a number of different purposes:

- to provide participating organisations with key information, through a suite of reports, regarding what their employees think about their organisation as a place to work, including areas of strength and areas where employees have identified a need for improvement;
- to report annually on employee perceptions across the Victorian public sector in the State of the Public Sector in Victoria report;
- to inform the VPSC's work program, including the development of resources that may assist organisations in areas where employees have identified a need for improvement; and
- to create the basis for topical reports about major trends and issues that emerge from the Survey as well as detailed research using this rich data source, in combination with other data sources.

⁶ Victorian Public Sector Commission, *State of the Public Sector in Victoria 2012-13*, Victorian Public Sector Commission, Melbourne, 2014.