Ethnic minority public sector employment

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Question

Please provide an overview of initiatives in developing countries which seek to provide targeted recruitment, professional development and retention for indigenous or ethnic minority employees. Please focus on public sector agencies/positions that are responsible for managing public policy advice and government programmes.

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1. Overview

This report identifies initiatives in developing countries which seek to attract, develop and retain indigenous or ethnic minority employees in the public sector workforce. This is supported with a brief overview of lessons learned from similar programmes in Australia, which are largely considered successful. The paper concentrates on civil service and central government positions rather than positions in government services such as health and education.

There are few developing countries which have these kinds of policies. Few countries keep statistics on employment of indigenous peoples (expert comments), and most literature on affirmative action concentrates on the USA (Prakash, 2009, p.3). In most countries, the public sector is small and the numbers of indigenous people employed even smaller – career progression may be more focused on the private sector.
However, some literature does exist. The strongest examples come from Australia and India. In general, most policies are targeted recruitment and quota systems; the literature is very weak on professional development, retention and career progression once in employment (PwC, 2013). Drawing from the literature, some of the best practice and lessons learnt include:

- **Affirmative action policies** are generally considered effective, with strong evidence from Malaysia that they can be highly successful when well enforced over a long time period (30 years).
- **Strong leadership** from central government appears to have played a role in successful implementation of programmes. In Nigeria, the weak state is unable to control affirmative action resulting in further ethnic fragmentation and conflict, fighting over available jobs.
- **Monitoring and punitive measures** have been effective in South Africa to ensure compliance.
- Affirmative action has usually resulted in increased numbers of minority groups, but these are frequently concentrated in lower-level jobs. Countries with long-established policies note that there is a lack of progression of indigenous peoples through the ‘glass ceiling’ and into managerial positions. In Australia, indigenous employees felt strongly that they were pigeonholed into ‘indigenous’ roles and that their skills were not being transferred to mainstream government (PwC, 2013).
- In similarly established programmes, affirmative action has caused resentment from other groups, who feel that they are overlooked in favour of under-qualified but quota-filling candidates.
- The skill level of indigenous peoples is a major issue in the literature on employment; job quotas do not address the need for access and support through the education system. In countries with newer recruitment policies (India, Nigeria, South Africa) there have been issues with the large-scale transition from higher-skilled employees to lower-skilled minority employees, where there has been a lack of well-qualified candidates. In some cases this results in a skills deficit in the public sector.

2. India


This paper provides a comprehensive overview of the public sector employment status of ethnic minority groups, of which the largest groups are the scheduled castes and tribes (SCs/STs) in India. It breaks the public sector into four categories: Government Services; Public Sector Undertakings; Nationalised Banks; and Insurance Companies. The Indian government has consistently employed a two-pronged approach to reducing marginalisation: protective anti-discrimination measures; and positive empowerment and development measures. The private sector is not held to quota policies, although this is where 90 per cent of the STs/SCs work. India’s long-term policy of privatisation means fewer jobs will be reserved for STs/SCs as the public sector decreases.

In federal all-India recruitment, around 15 per cent of posts are reserved for SCs, 7.5 per cent for STs, and 27 per cent for ‘Other Backward Castes’. In promotions and appointments from within government, 15 per cent of posts are reserved for SCs and 7.5 per cent for STs. This amounts to up to 50 per cent of all
public sector appointments. In 2003, the number of SCs in government services was 540,000, making up 17 per cent of total government employees, and approximately equal to their share of the population. STs were counted at 211,000 government employees in 2003, 6.4 per cent of total employees. Similar figures are seen in the other three government categories. However, increases in employment tend to be clustered in certain categories of jobs; namely Group C and group D jobs, which are state or regional level. This is attributed to resistance against quotas by employers, which is not tracked or punished.

Some government procedures for effective implementation are:

- Holding separate interviews for the SC/ST candidates.
- Appointing Liaison Officers to oversee the implementation of the reservation policy in each office.
- Appointing representatives of the SC/ST on selection boards.
- Banning de-reservation of reserved posts.
- Banning the full exchange of posts with the general category candidates if candidates belonging to the SC/ST categories are not available.

The paper concludes that the reservation system has certainly been effective in increasing the numbers of STs/SCs in government employment; usually around the percentage mandated by the quota. However, these groups are still under-represented in high-level jobs, falling way below the quota, and tend to concentrate in more menial positions. Where privatisation is occurring, STs/SCs are more likely to suffer a decline in jobs than non-SCs/STs.


This paper covers many of the same issues as above, but provides further details on the surrounding environment and institutions which enable the functioning of the reservation policy. Chief among these are the Department of Personnel and Training, which monitors and enforces the fulfilment of quotas via central oversight and individual liaison officers, and the National Commission for Scheduled Castes and Scheduled Tribes, an independent organisation which receives discrimination complaints from STs/SCs, can summon employers for enquiry, and presents an annual report to Parliament. Other Ministries and Working Groups are also charged with various aspects of monitoring and implementing the reservation policy and more general development of STs/SCs. The reservation policy is thus coordinated with broader development goals and complementary policies for the overall development of STs/SCs. General improvement in their situation is measured through human development indicators, showing that it has improved absolutely over time although a relative gap still remains with the non-SCs/SCs.


This paper examines the effects of India’s reservation of a proportion of public sector jobs for scheduled castes and tribes. The author broadly concludes that the affirmative action increases the probability of a salaried job for SCs, but the results are more mixed for STs. The proportion of jobs reserved is decided by the group’s percentage size of the total population in each state, measured through censuses. The policy applies only to new jobs – that is, new vacancies set aside a percentage to be filled by ST/SC, but no existing employees are removed to make up the quota. If no qualified candidates are available, the post
will go unfilled. The **quota is a minimum limit**; minorities are free and encouraged to compete for unreserved jobs.

The main finding is that employment quotas do not affect the probability of working at all, but that they do **raise the probability that an SC member works in a salaried job**. Men and women experience similar effects, while benefits are more pronounced for the less educated, and those in urban areas. These groups are more likely to significantly increase their household consumption, as a result of affirmative action. SCs in employment appear to send more male children to school and use more female children for child labour, while STs appear to send more female children to school and use more male children for child labour. The programme therefore has mixed impacts on households.


This paper performs a statistical analysis of employment data from 1999-2000 for India, and concludes that the reservation policy has resulted in a **5 percentage point increase of SC/ST people in regular salaried and wage employment**. The paper reviews the figures for SC/ST against Muslims and other discriminated groups, and shows that the reservation policy has had a positive effect on improving employment prospects for those groups which it supports. It highlights that the policy does nothing to improve educational standards or job-related attributes of ST/SC, and therefore focuses on the group which needs the least help.


This paper provides employment data from 1960-2010 on SCs/STs in India. The number of SCs employed in central government services in 2009 has risen to 481,000, which is a decline from the high of 590,000 in 1990. The number of STs has, however, increased from 185,000 in 1990 to 202,500 in 2009. The number of non-SCs/STs has risen in this same time period. Overall, the **share of jobs has increased for STs, remained about the same for SCs** and declined somewhat for non-STs/SCs. As previously noted, SCs/STs continue to be **under-represented in higher-level** Group A and B job categories. This means that the scheduled castes and tribes are not experiencing a transformation in their socio-economic status.

### 3. Malaysia


This paper has four case studies on affirmative action in the public sector: India, Malaysia, Nigeria and South Africa. In Malaysia, affirmative action is mainly aimed at *bumiputra*, ethnic Malays, who were discriminated against under British colonial rule in favour of Chinese and Indian populations. Malays make up two-thirds of the population and now constitute 90 per cent of the public sector workforce, largely as a result of the New Economic Policy (NEP) of 1971. The NEP had as its second prong the reduction of ethnic economic inequality within twenty years, and included job and university admission quotas for Malays, the replacement of English by Malay language in schools, and preference for Malays in
obtaining government licences and contracts. At the time of independence, there were not enough skilled Malays to take over all civil service positions, so the policy was implemented gradually in tandem with quotas and scholarships for university and professional education. The system has been extremely effective (over 30 years) in reconstituting the civil service. Bumiputra have consistently been over-represented in public service since 1970, including at the highest levels and in key departments.

However, the bumiputra who benefited from the affirmative action were those who were already more fortunate and thus more able to take up new opportunities. The declining representation of Chinese and Indian groups has caused some anger within these groups, and a significant decline in their applications to government posts. Around 2001-2003, Malaysia experienced a swing in the opposite direction to a more merit-based system in response to public disillusionment with affirmative action.


This PhD thesis reviews recent outcomes of affirmative action in the case study countries. In Malaysia, the author finds that bumiputra have increased access to tertiary education, but struggle to translate this into high-level occupations. The thesis highlights that affirmative action can effectively increase education levels and access to jobs, but does not address the quality of these institutions. The NEP also provided a substantial public budget for educational reform and affirmative action within the schooling system (p.52), which contributed to its success. The preferential treatment of bumiputra caused an increase in private universities which catered to non-bumiputra, easing quota-based tensions. There is little evidence on who benefited from this affirmative action, but the literature suggests it was mostly children of high-income/middle-class families who were newly attending university and college. Between 1970-1990, the proportion of bumiputra among professionals and technicians increased from 47.2 per cent to 62.2 per cent, a remarkable increase. A success factor for the policy has been Malaysia’s centralised and executive dominant mode of governance (p. 67), making it possible to implement quotas with speed and little bureaucracy. The study finds that bumiputra graduates are now more dependent on public sector employment than previously.

4. South Africa


This PhD thesis reviews recent outcomes of affirmative action in the case study countries. Affirmative action in South Africa largely sought to redress the legacy of apartheid, leading to large-scale political and economic transitions (p. 72). Systemic reforms had to be comprehensive, meaning affirmative action was situated as only one element tackling discrimination within a vast set of reforms. The thesis highlights that affirmative action can effectively increase education levels and access to jobs, but does not address the quality of these institutions. In South Africa, the author finds that black people have increased access to tertiary education, but are disproportionately affected by (low) quality of education and performance. Black representation has increased in high-level professional public sector jobs.

The policy was formally set out in 1998 under the Employment Equity Bill, which set rapid and ambitious goals for increased black representation in both public and private sectors. Affirmative action was not universally popular, but was taken up in the public sector more vigorously than the private. The policy makes provision for preferential treatment for black people, women and people with disabilities, but does not set quotas. It requires employers to submit disaggregated reports and set targets and plans to increase representation, using their own sector knowledge and needs (p. 89). Proportions for representation are considered in terms of the racial composition at the national and provincial levels. The policy has a penalty system for non-compliance (fines). It includes skills development, although in practice this is not as common as preferential hiring. A major problem was avoiding the mass evacuation of key posts, and finding enough qualified black candidates in the early stages of the transition. The study finds that black graduates are now more dependent on public sector employment than white graduates.


South Africa’s 1994 Public Service Act contained ‘sunset clauses’ which allowed the continuation of white public servants in jobs for an interim period (1994-96). The final constitution in 1996 protects equality and enshrines affirmative action, and removed the sunset clauses (p.75). The first White Paper in 1995 declared that within four years all departments should have 50 per cent black employees at management level, at least 30 per cent of new recruits at senior and management level should be women, and within 10 years, persons with disabilities should comprise 2 per cent of the public service personnel. Affirmative action had to be included as a holistic approach throughout human resources development. Following White Papers further developed this framework to suggest that minimum targets were reviewed and revised every three years, that human resources management was modernised, and that affirmative action objectives were included in Director-Generals’ contracts.

Departments are required to develop employment equity plans which include objectives, measures, numerical goals, timetable, and responsibilities. Job advertisements must be circulated in places where disadvantaged candidates will see them. There is a thorough monitoring system in place: reporting is conducted through the Public Service Commission, and the Department of Labour has the authority to fine employers for contravention of employment equity measures. Parliament also scrutinises departments on occasion, and ministers use their affirmative action successes to win points in budget vote speeches. Responsibility is complex, since heads of departments are responsible for some aspects of human resources and ministers are responsible for others, which creates an inefficient division of labour.

The policy has had positive impact – in 2004, the percentage of black managers was 64 per cent, up from 37 per cent in 1995 (p.82). This may have been because the political economy of South Africa was overwhelmingly in support of achieving this change, and many different push factors contributed to the success. However, South Africa still suffers from brain drain away from the public sector, lack of skilled candidates, and lack of support for affirmative action appointees.


This paper provides a critical examination of South Africa’s post-apartheid affirmative action policy. It argues that the problems experienced by the South African state are wrongly attributed to affirmative
action. It highlights that there is a strong discourse that these policies can constrain state capacity by the appointment of unfit or unskilled (black) employees. However, this is not visible in statistics – numbers from 1995-2000 show that there were absolute increases in numbers of public sector black and white staff, with the white population over-represented in managerial categories (and highly over-represented in comparable private sector managerial positions). Thus there is no evidence to suggest that white workers are being pushed out of jobs due to affirmative action, meaning there was no capacity constraint from this source. White people have left South Africa and its administration throughout the 1990s, but this is due to a combination of overarching push and pull factors. The author attributes the poor state capacity to the failures of the education system, in not producing capable public sector technocrats. There is also a high turnover of public sector staff, as they acquire skills at the junior level then move into more lucrative positions in the private sector – partly in search of better pay, and partly because public service is not regarded as prestigious, and is tainted with corruption.

5. Nigeria


Nigeria has a strong constitutional principle of non-discrimination and unity, based on its high ethnic diversity and need to promote a discourse of national unity to avoid inter-ethnic rivalries. Affirmative action aims to have equal representation of all states at all levels of federal government ("federal character" principle), with fair and equitable distribution of public posts among ethnic groups (p.59). There is a system of reserved positions, but in 2003, fewer than half the states were reaching the necessary numbers. Problems are attributed to the low level of educational development and poor monitoring and lack of enforcement (p.61). The policy has been highly contested, with negative connotations around the lack of merit of reserved appointees and tensions for those (often Southerners) who see it as a plot to deprive them of jobs in favour of Northerners. On the other hand, advocates suggest the policy protects against nepotism (p.63). It has also created an extremely complex system of governmental units in order to fairly represent each state in the federation. In 2004, the Nigerian Armed Forces contested the use of the federal character principle beyond the point of recruitment. The use of ethnic characteristics as reasons to recruit and promote has only caused further separateness and conflicts between groups in a nation with a high number of different ethnicities, leading to a tendency to promote one’s own group’s narrow interests.


This peer-reviewed article compares the recruitment practices of public and private sector employers in Nigeria to determine if they adhere to the federal character principle. It concludes that the public sector complies more with the policy than the private. The paper also suggests that public sector recruitment is liable to be subject to personal interests and allegiances of the recruiter, more so than the private sector, which may be more rigid in hiring credible candidates. A basic survey of 42 public and private human resources practitioners shows that all practitioners consider equality and diversity in their recruitment but find these difficult to attain due to nepotism and favouritism. About 18 per cent of public sector respondents did not believe the federal character principle was strictly adhered to.
The problem of ethnic division has resulted in discrimination against non-indigenous peoples. In federal Nigeria, the 36 states must all have representation in each government department, leading to high competition between state representatives for good positions, and state support for only hiring people indigenous to that state (“indigenes”). This Human Rights Watch report notes that state governments have implemented policies which actively prevent non-indigenes from competing for civil service positions. In Kaduna, Kano and Plateau States, government policy is to hire non-indigenes into the state civil service only if there are no qualified indigene applicants for a position. Once hired, non-indigenes may find they are only allowed a contracted position and no pension rights. Although this is not allowed by law, it has become common practice. At the federal level, each state competes to have its own indigene representative hired, to the detriment of national unity. In some cases, attempts to fill positions with non-locals has led to violence. In 2000 and 2002, Plateau state and Kano state respectively purged hundreds of non-indigene staff and replaced them with indigenes. This was legal due to the lack of permanent contracts, but left hundreds of people arbitrarily out of work.

6. Australia


This paper reviews the effectiveness of Australian strategies (from 1994 to 2008) to increase indigenous employment in both public and private sectors. It synthesises public domain research and thus is strongly evidence-based. The key messages of ‘what works’ are as follows:

- Increasing the skill levels of indigenous Australians via formal education and training.
- Pre-employment assessment and customised training for individuals in order to get indigenous job seekers employment-ready.
- Non-standard recruitment strategies that give indigenous people who would be screened out from conventional selection processes the opportunity to win jobs.
- The provision of cross-cultural training by employers.
- Support mechanisms to improve retention, which include:
  - Ongoing mentoring and support.
  - Flexible work arrangements to allow indigenous employees to meet their work, family and/or community obligations.
  - Provision of family support.
  - Dealing with racism in the workplace via initiatives such as the provision of cross-cultural training.
- Wage subsidy and other labour market programmes can be effective for indigenous job seekers.
- A strong macro-economy which creates a range of new jobs.
- Having explicit Indigenous employment goals for government programs that deliver goods or environmental or personal services.

While the economy is strong, the authors recommend that increasing skill levels is the top priority; while in economic recession the task will be harder in keeping indigenous Australians connected to the labour market. The report reviews the available evaluations of government programmes, and concludes that labour market programmes have been quite effective: wage subsidy and structured training programmes are the most effective. In the long-term, increasing educational attainment (building human capital) is likely to be one of the most important ways to narrow the employment gap. There is, however, little rigorous evidence on its effectiveness.


This paper is a comprehensive review at the time of the evidence and literature on barriers and drivers of successful workforce participation of indigenous peoples in the state of Victoria. The distilled lessons from this thorough review are:

- **Clear strategy** documentation and energetic marketing of strategy to all public sector bodies.
- **Consultation and partnerships** with Indigenous communities.
- A focus on creating public sector employment opportunities using Indigenous employment brokers who are well-informed about the public sector, and based in regional areas with which they have an affinity.
- Adequate **resourcing** in terms of dollars and committed people at all levels.
- **Monitoring and evaluation** of progress.
- **Education and training** – including the provision of scholarships, cadetships, traineeships, apprenticeships, in-service professional development and training, time allowance for further study. It also includes the development of connections with schools to promote an awareness and understanding of employment and career opportunities and how to access them, and to assist in the improvement of general employability skills to help lift Indigenous productivity.
- **Workplace practices** that give appropriate attention to recruitment processes; mechanisms for career development; flexibility; cultural awareness training.
- **Leadership** that is meaningful, purposeful, and visionary and which operates at all levels with sustained commitment.


This report investigates professional development and career advancement for indigenous public sector employees in Victoria, using surveys, consultations and literature reviews. It responds to the state action plan Karreeta Yirramboi, which includes an aim of making the public sector an employer of choice for Aboriginal people; and the Australian Public Service Commission’s ‘APS Employment and Capability Strategy for Aboriginal and Torres Strait Islander employees’, which aims to increase the number of indigenous employees in the APS. The report suggests that the existence of an Indigenous Employment
Plan is ultimately a positive force for increased employment. An important barrier identified is the trend for designated indigenous roles to plateau at a certain pay/professional level, meaning employees wishing to progress must transition into ‘mainstream’ employment, which can be difficult. Mentorships, traineeships and secondment were identified as positive career development strategies.

Most interviewees identified themselves as pigeon-holed into indigenous programme and policy positions, seeing a new tertiary qualification as vital to career advancement, which they mostly identified as being employed in a different government sector and/or outside of ‘indigenous’ roles. There is a strong message that indigenous employees felt there was a ceiling on public sector employment, confining them to certain roles and pay grades. The most valuable form of professional development is thus seen as formal study resulting in a qualification which would allow progression into a mainstream position. Most employees were unable to access this kind of programme due, in part, to poor awareness of entitlements and methods to access and (lack of) support from managers.


This report from 2011 reviews one aspect of the 2008 National Partnership Agreement on Indigenous Economic Participation\(^2\), which is part of the wider National Indigenous Reform Agreement. The report reviews Element 1 of the programme\(^3\): creating real, sustainable employment in areas of government service delivery that have previously relied on subsidisation through the Community Development Employment Projects (CDEP) programme. CDEP provides indigenous Australians with opportunities to improve employability through skills development, aiming to move them into mainstream employment. The core component is the National Jobs Creation Package, which aimed to create 2000 sustainable jobs building from CDEP activities. The aim was to move CDEP participants out of employability programmes and into properly waged government jobs providing services to indigenous peoples.

The audit concludes that the implementation of the project was successful and appropriate. It succeeded in creating a high number of jobs in areas which had been previously subsidised by CDEP, meaning indigenous Australians were moved from training programmes to full government employment with all associated benefits. Most jobs were created through partnerships with small indigenous community organisations. A central funding pool was useful in providing flexibility in the roll-out and reallocating unused funds. Employers also received funding for on-going training and extra support for new employees. However, the jobs were mostly in rural communities with limited opportunity for career progression.

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\(^3\) Element 2: strengthening current government procurement policies to maximise Indigenous employment; Element 3: incorporating Indigenous workforce strategies into all major COAG reforms, thereby contributing to the Closing the Gap targets; and Element 4: reviewing all public sector Indigenous employment and career development strategies to increase employment to reflect population share by 2015.
7. About this report

Key websites


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