

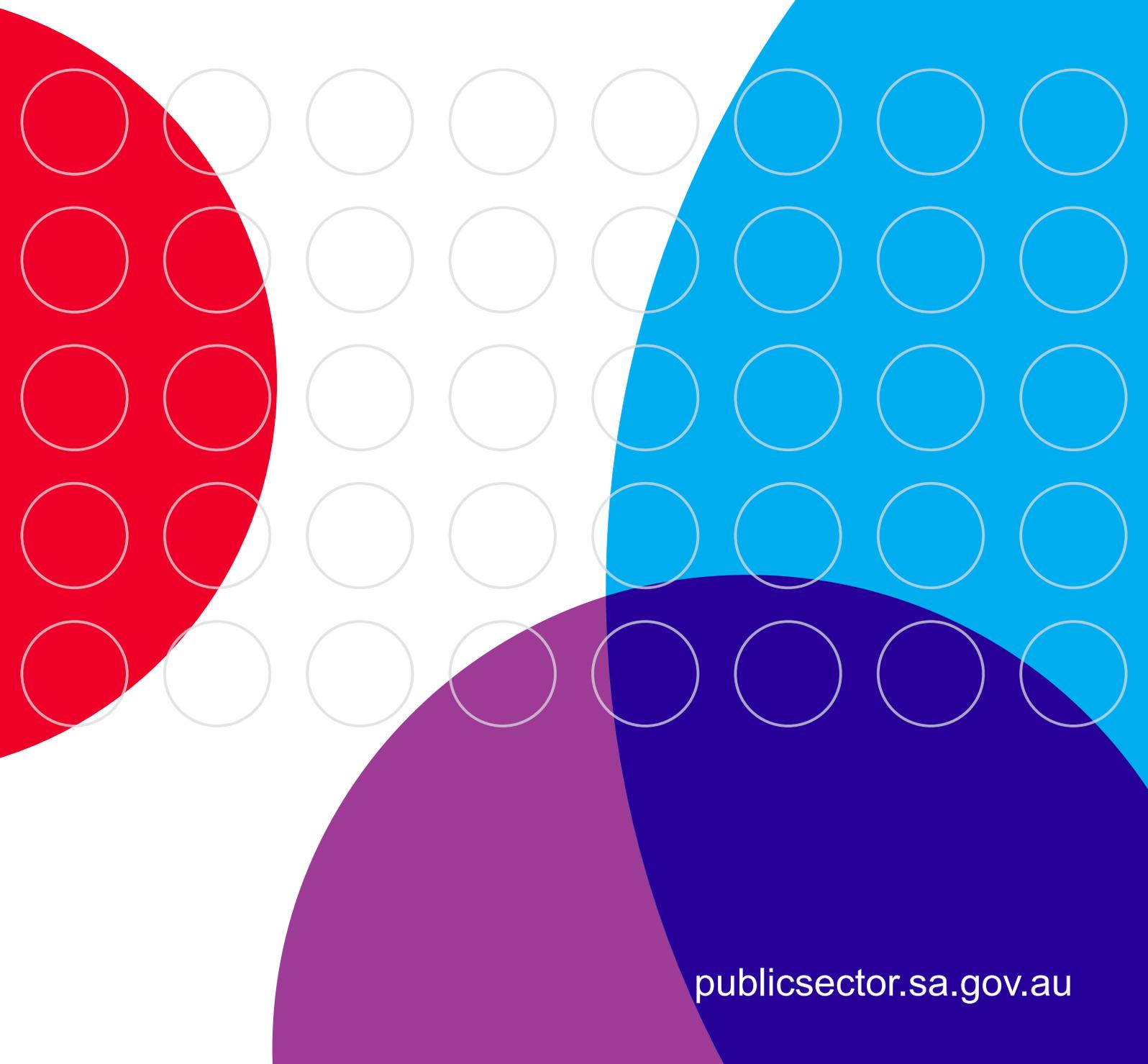
2018

STATE OF THE SECTOR REPORT



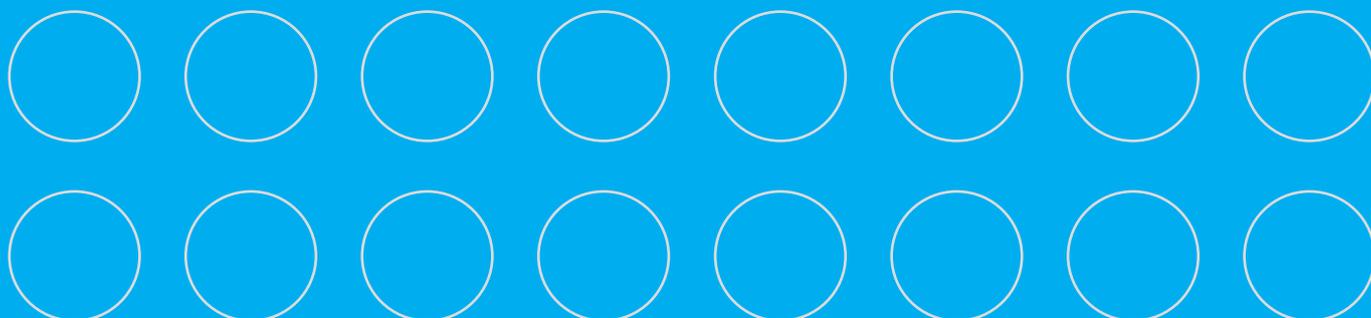
Government of South Australia

Office of the Commissioner
for Public Sector Employment



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COMMISSIONER'S FOREWORD

Strong. Responsive. Diverse. Capable.

These words crystallise in my mind what the South Australian Public Sector must be to serve our State and our community well.

The *State of the Sector* is my annual report to Parliament on the performance of our sector, consistent with the objects and principles of the *Public Sector Act 2009* (the Act). As Commissioner, it is my role to put a lens over our sector's achievements, performance and areas ripe for transformation.

It is my priority that we act as one employer and are an employer of choice. To do this, our decision-making must be driven by data.

For the first time, my office now can access data more readily through streamlining our workforce data collection. This means we can draw on data more frequently, which supports more efficient, strategic decision-making. Importantly, I have been able to include current workforce data in this report for the first time.

In addition to 2017-18 financial year data, new information presented in this report resets the baseline, allowing for a deeper understanding of the state of our sector.

This year, I asked agencies about a range of questions, through a sector-wide survey, about how they have implemented core policies on workforce performance, culture and integrity.

The policies are part of the Directions made by the Premier under section 10 of the Act, the Commissioner's Determinations and Guidelines issued under the Act, and other policy/legislative instruments such as the South Australian Public Sector Fraud and Corruption Control Policy.

Each policy applies one or more of the public sector principles. By reviewing their implementation, the observance of the public sector principles, as they apply to public sector employment, can be evaluated across the sector.

Of the 52 questions I asked of agencies, 38 were asked for the first time. The responses that I have received will be used as the baseline to compare future performance.

This report relies on cooperation and collaboration from public sector agencies. I thank the 56 agencies that contributed (seven more than last year). These agencies employed 106,147 individuals, or 97.99 per cent of the total public sector workforce, as at 30 June 2018¹.

I will remind chief executives and agency heads about the importance of agency participation. As outlined in section 32 of the Act, chief executives and agency heads have a responsibility to ensure the objects of this Act are advanced and the public sector principles and code of conduct are observed in the management and day-to-day operations of their organisation.

Working with chief executives and agency heads to develop and implement core policies has been my focus since becoming Commissioner in July 2014.

1. Based on initial data collected by my office, there were 106,147 active employees in the agencies that participated in the survey, as at 30 June 2018. The data for the entire public sector workforce will be confirmed and published in the Workforce Information Report – my report on the composition of the public sector workforce - in late 2018.

I am pleased to report that, based on agency responses to my questions, the vast majority of agencies have now implemented, or are working towards implementing mandated policy requirements. In particular, I note high compliance across agencies in the following areas:

- 89 per cent of agencies that responded had implemented a performance management and development system
- approximately 99.86 per cent were employed in agencies that had a process for initiating, reporting and recording investigations into breaches of the Code of Ethics and outcomes and actions
- approximately 99.93 per cent worked in agencies that had a process where employees could report fraud, corruption, maladministration and misconduct, as well as ensure the protection of employees making such reports.

I will monitor the data to ensure policy compliance translates into improved performance.

I have also observed a decline in engagements without a merit-based selection process. Last year I reminded chief executives and agency heads about the need to ensure merit in recruitment decisions. In 2017-18, agencies reported 80 exemptions to merit-based selection processes – compared with 192 in the previous year. The 80 exemptions is the lowest number recorded in a year since the Act was enacted in 2010.

I am particularly pleased to note that, as at 30 June 2018, Aboriginal employees made up 1.99 per cent of the South Australian Public Sector workforce.

In addition to my reporting requirements under the Act, I will discuss my office's activities, which include:

- launch of the I WORK FOR SA online jobs board
- establishing the South Australian Public Sector Aboriginal Employment Register
- piloting the South Australian Leadership Academy
- integrating of the 90-Day Projects into the South Australian Public Sector Innovation Lab

- placing 120 Department for Human Services employees affected by disability and domiciliary care reforms into new jobs in the public sector, as at 30 June 2018.

On 1 July 2018 my office (Office for the Public Sector) became the Office of the Commissioner for Public Sector Employment (OCPSE). The OCPSE is an attached office to the Department of Treasury and Finance and, this change strengthens my independence. The Premier appointed me Chief Executive in addition to my Commissioner role.

The Premier has also expanded my role as Commissioner, giving me increased responsibility for strategic workforce and leadership development across the public sector, including strengthening the capability of human resources professionals and workforce data.

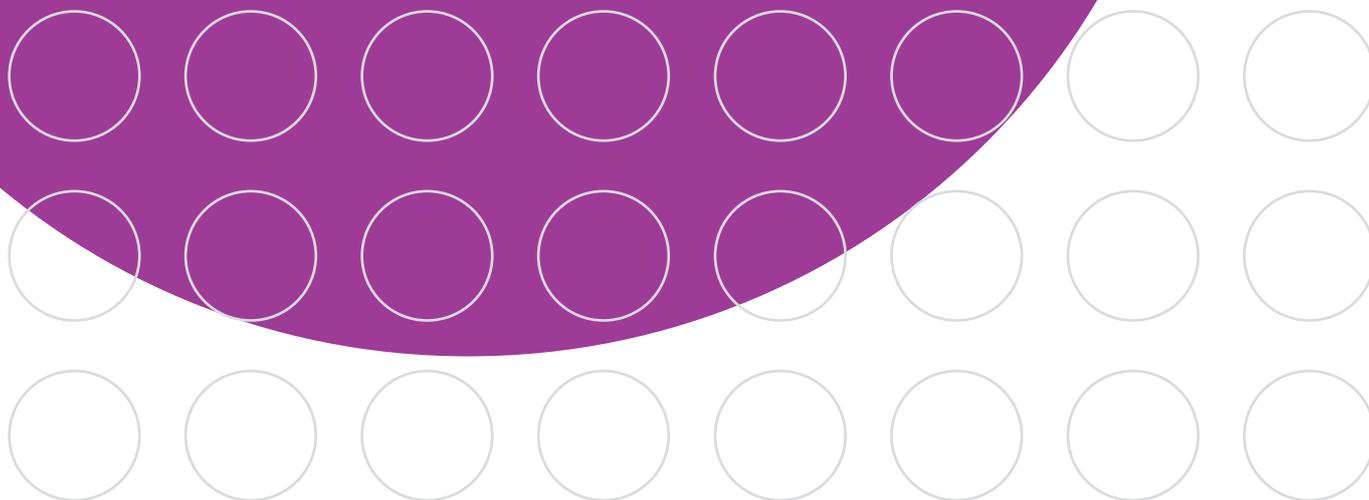
I firmly believe the testament to our sector's success is in our culture. That's why this September I have invited the public sector to participate in a voluntary whole-of-government survey to ask people how they feel about their workplace. The I WORK FOR SA - Your Voice Survey will supplement this report and improve the data available about our public sector workplace.

I look forward to working collaboratively with agencies to ensure we continue to build a strong, responsive, diverse and confident sector, with our data driving better decision-making for the citizens we serve.



Erma Ranieri
Commissioner for Public Sector Employment

ABOUT THIS REPORT



The *State of the Sector* is my annual report to Parliament, as required by the *Public Sector Act 2009* (the Act). Specifically, section 21(1) of the Act requires my annual report to describe the extent of observance of the public sector principles in relation to public sector employment and report on the measures undertaken by my office to promote the observance of those principles.

The public sector principles describe the expectations that Parliament and South Australians have of performance, culture and integrity in all public sector agencies.

Regulations 11(a) and 11(b) of the *Public Sector Regulations 2010* (the Regulations) also require my annual report to include:

- variation or substitutions of the public sector code of conduct
- new public sector employment determinations
- new guidelines relating to public sector employment matters
- the number of occasions on which public interest information was disclosed to the Commissioner under the *Whistleblowers Protection Act 1993*.

The reporting period for this year's *State of the Sector* is 1 July 2017 to 30 June 2018.

The *State of the Sector* report is the first to be produced under my new Workforce Information Data Framework, released on 19 June 2018. This describes my new approach to modernising how workforce data is collected and reported. The framework aims to make it easier for agencies to submit information and enable more detailed and timely information to be made available.

This year's report contains information and data submitted by 56 agencies through a sector-wide survey in July 2017. The agencies that did not participate in the survey are listed in Appendix 1.

It is important that all agencies provide data for the *State of the Sector*. Consistent participation of all agencies in successive *State of the Sector* reports makes it easier to compare data over time.

This year's survey consisted of two parts:

- the Public Sector Employment Review (PSER), which asked agencies to self-assess their implementation of current Premier's Directions, Commissioner's Determinations and Guidelines and other policy/legislative instruments
- the Agency Information Collection (AIC), through which agencies provided statistical data on the application of the Premier's Directions, Commissioner's Determinations and Guidelines and other policy/legislative instruments within their organisation.

Agencies were asked to answer all survey questions applicable to them. Several questions in the AIC required agencies to report data on those employees covered by Part 7 of the Act only. Part 7 sets common employment arrangements such as recruitment and separation for Public Service employees and those public sector employees declared by their employing legislation or by the Regulations as being covered by Part 7.

The PSER focused on agency implementation of the Premier's Directions, Commissioner's Determinations and Guidelines and other policy/legislative instruments. These core policies implement the public sector principles and, by assessing agency compliance with these policies, I can measure the observance of the public sector principles across the public sector. Aggregated responses to the PSER will be published on my office's website after this report has been tabled in Parliament.

By improving the workforce data collection, I can for the first time consider the current size of the agency (as measured by their employee count as at 30 June 2018) in the State of the Sector. By doing so, I can better understand the extent that a particular policy has been implemented across the workforce.

Later in 2018, I will release the annual Workforce Information Report, which will provide detailed demographic information about the public sector.

THE PUBLIC SECTOR PRINCIPLES

1. PUBLIC FOCUS

The public sector is to:

- focus on the provision of services to the public
- recognise the diversity of public needs and respond to changing needs
- consult and involve the public, where appropriate, to improve services and outcomes on an ongoing basis.

2. RESPONSIVENESS

The public sector is to:

- implement the policies of the Government of the day in a timely manner
- provide accurate, timely and comprehensive advice
- align structure and systems to achieve major strategies while continuing to deliver core services.

3. COLLABORATION

The public sector is to:

- ensure collaboration between all agencies in order to achieve outcomes for the Government and community
- focus on services and outcomes within their agency as well as those that involve and impact multiple agencies across the sector.

4. EXCELLENCE

The public sector is to:

- provide services with a high level of efficiency and effectiveness
- move resources rapidly in response to changing needs
- devolve decision-making authority to the lowest appropriate level
- manage resources effectively, prudently and in a fully accountable manner
- maintain and enhance the value of public assets.

5. EMPLOYER OF CHOICE

Public sector agencies are to:

- treat public sector employees fairly, justly and reasonably

- prevent unlawful discrimination against public sector employees or persons seeking employment in the public sector
- ensure that public sector employees may give frank advice without fear of reprisal
- encourage public sector employees to undertake professional development and to pursue opportunities throughout the public sector
- set clear objectives for public sector employees and make them known
- acknowledge employee successes and achievement and address underperformance
- ensure that public sector employees may join, or choose not to join, organisations that represent their interests
- consult public sector employees and public sector representative organisations on matters that affect public sector employment.

6. ETHICAL BEHAVIOUR AND PROFESSIONAL INTEGRITY

Public sector employees are to:

- be honest
- promptly report and deal with improper conduct
- avoid conflicts of interest, nepotism and patronage
- treat the public and public sector employees with respect and courtesy
- make decisions and provide advice fairly and without bias, caprice, favouritism or self-interest
- deal with agency information in accordance with law and agency requirements
- avoid conduct that will reflect adversely on the public sector
- accept responsibility for decisions and actions
- submit to appropriate scrutiny.

7. LEGAL REQUIREMENTS

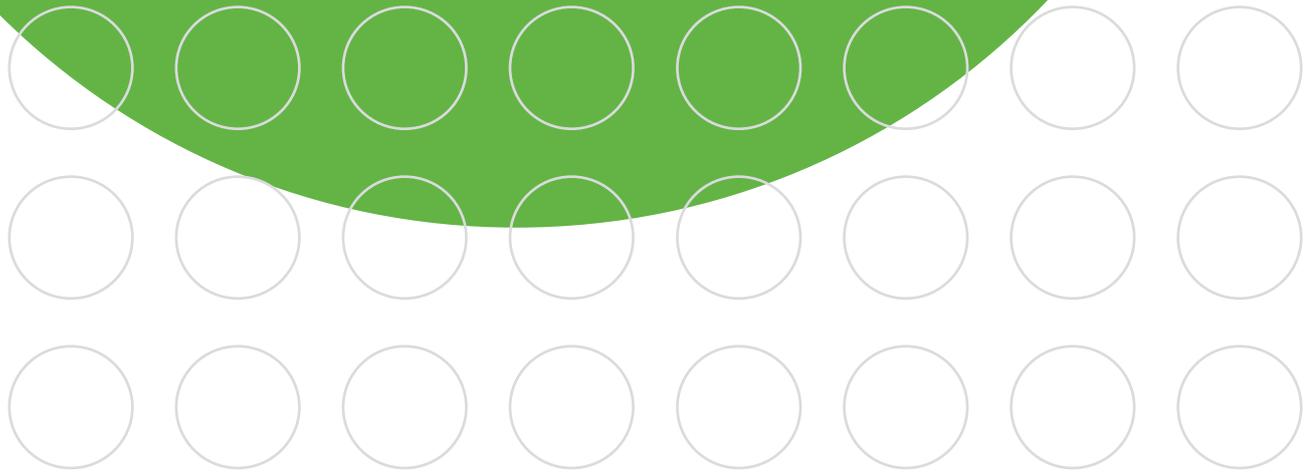
Public sector agencies are to:

- implement all legislative requirements relevant to agencies
- properly administer and keep under review legislation for which the agencies are responsible.

Table 1: The Public Sector Principles (Source: *Public Sector Act 2009*)

CHAPTER 1:

Observance of the public sector principles



The agency survey included the Public Sector Employment Review (PSER), which asked about how agencies implemented Premier’s Directions, Commissioner’s Determinations and Guidelines and other policy/legislative instruments.

Given there were 52 questions, this chapter provides an overview and highlights those questions that I believe are particularly notable indicators of observance of each public sector principle. I will also refer to other survey questions where relevant in following chapters.

I am greatly encouraged by the overall compliance with core policies across the public sector. There are areas for improvement, which I will follow up with relevant chief executives.

It is my intention to repeat the Public Sector Employment Review throughout the year, and to consider agency self-assessments alongside data from the employee survey, which will be conducted in late 2018, to determine the impact of these policies on the workforce.

About the data:
For the purpose of this report, I have grouped agency responses, as follows:

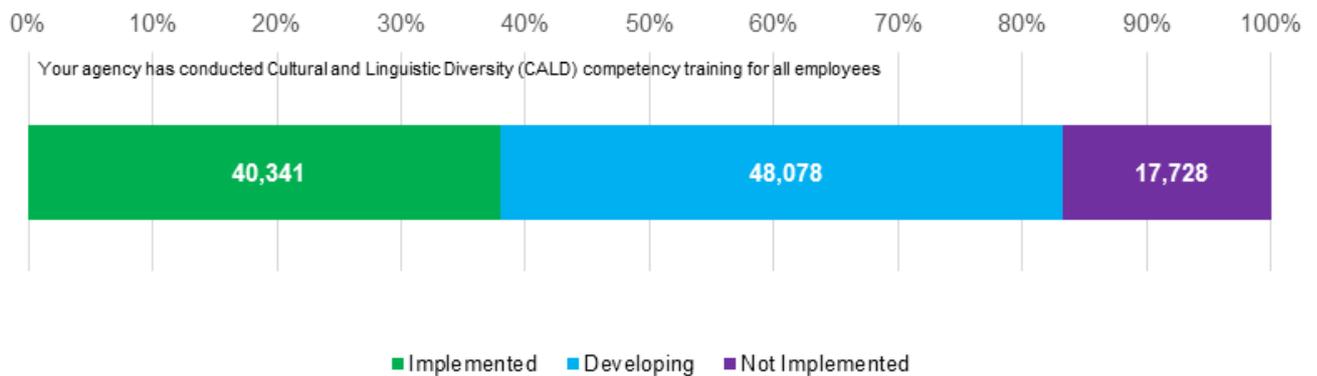
	Implemented	The policy requirement is fully implemented within the agency
	Developing	A strategy to implement the policy requirement has been approved or is being developed
	Not Implemented	Implementation of the policy requirement has yet to be considered, or the agency did not respond to the question

Principle: Public focus

One of the questions asked of agencies was whether they had ensured employees had the necessary skills to work with clients, as well as colleagues, with a Cultural and Linguistic Diversity (CALD) background.

About 38 per cent of the total workforce of surveyed agencies that responded (40,341 employees) was employed in agencies that had implemented CALD training for all employees. Another 45.29 per cent (48,078) of the workforce were in agencies that were working towards implementing this training.

There is still room for improvement, but I am encouraged by the responses given agencies were not required as at 30 June 2018 to have mandatory CALD training for employees.

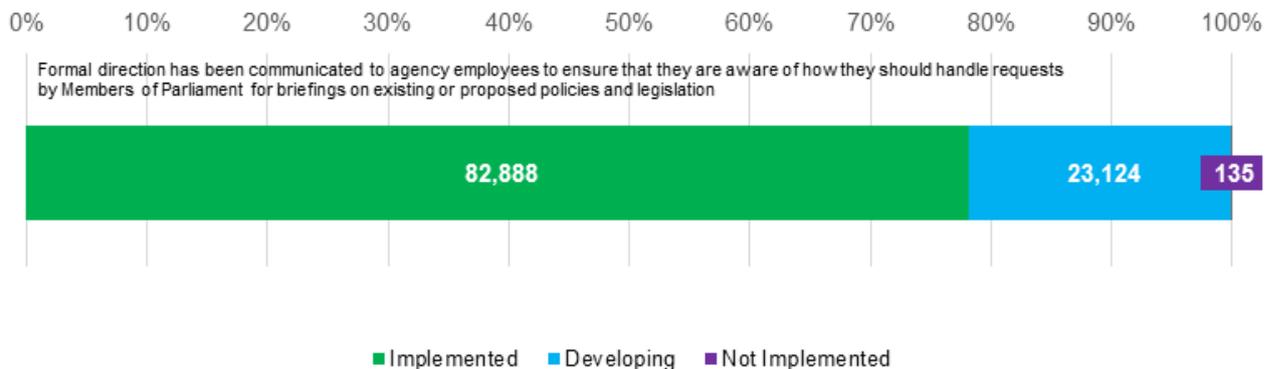


Graph 1: Cultural and Linguistic Diversity (CALD) Competency Training (Source: 2018 Public Sector Employment Review)

Principle: Responsiveness

Agencies were asked to self-assess their compliance with *Commissioner for Public Sector Employment Guideline: Requests by Members of Parliament for Briefings*. This guideline contributes to transparency and responsiveness in government.

About 78.09 per cent of the total workforce of surveyed agencies (82,888 employees) worked in agencies that had either implemented implementation of a formal direction to staff regarding requests from Members of Parliament for briefings.



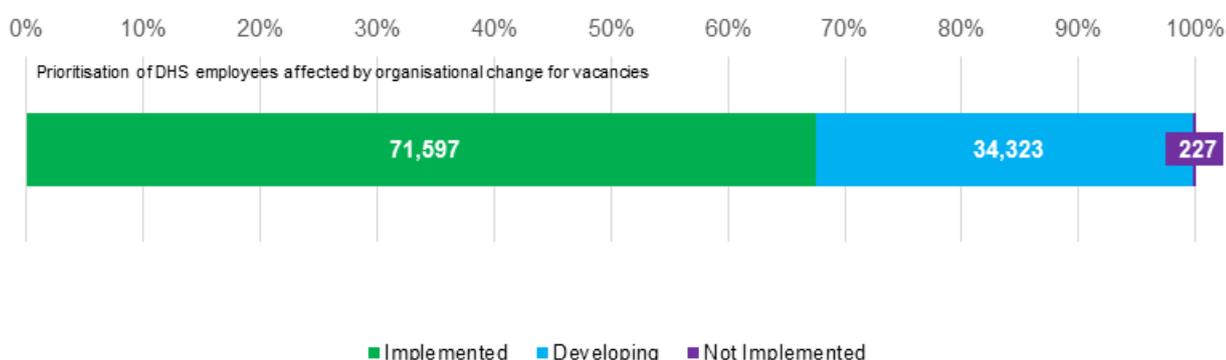
Graph 2: Handling Requests by Members of Parliament for Briefings (Source: 2018 Public Sector Employment Review)

Principle: Collaboration

This question asked agencies to report on how they implemented *Direction of the Premier of South Australia – Public Sector Employee Mobility Strategy*. The Direction requires agencies to provide priority consideration of ongoing Department of Human Services employees affected by National Disability Insurance Scheme and Commonwealth Aged Care reforms for vacancies across the South Australian Public Sector. Implementing this requirement requires collaboration between agencies to place affected employees into roles that use their skills and experience.

About 67.45 per cent of the total workforce of surveyed agencies (71,597 employees) was employed in agencies that had implemented this requirement.

I will discuss the support that my office has provided agencies to implement this Direction in Chapter 2.



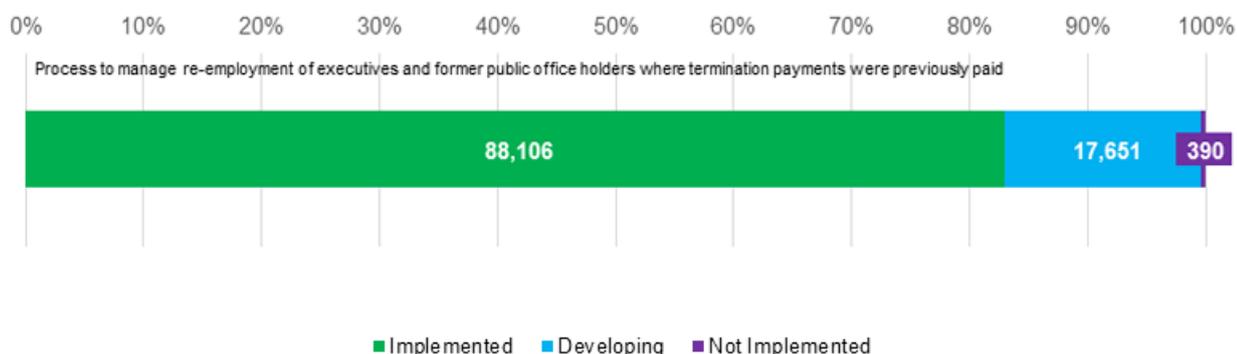
Graph 3: Priority Consideration of Ongoing Department of Human Services Employees Affected by National Disability Insurance Scheme and Aged Care Reforms for Vacancies across the Public Sector (Source: 2018 Public Sector Employment Review)

Principle: Excellence

Agencies were asked to self-assess their implementation of *Direction of the Premier of South Australia - Restraints on Re-engagement of Former Executive Employees and Other Public Office Holders in Certain Circumstances*. Specifically, agencies had to confirm if they had a system to identify whether former executives or public office holders who had received a termination payment were required to repay part of their payment prior to re-employment by the agency. This question helps ensure resources are managed effectively, prudently, and in a fully accountable manner.

About 83 per cent of the total workforce of surveyed agencies (88,106 individuals) was employed in agencies that had implemented a system that met this requirement.

My office is developing the Eligibility for Re-Employment Register that will hold similar information for the sector that all agencies can access as part of their recruitment processes. The register is likely to be launched in the first half of 2018-19.



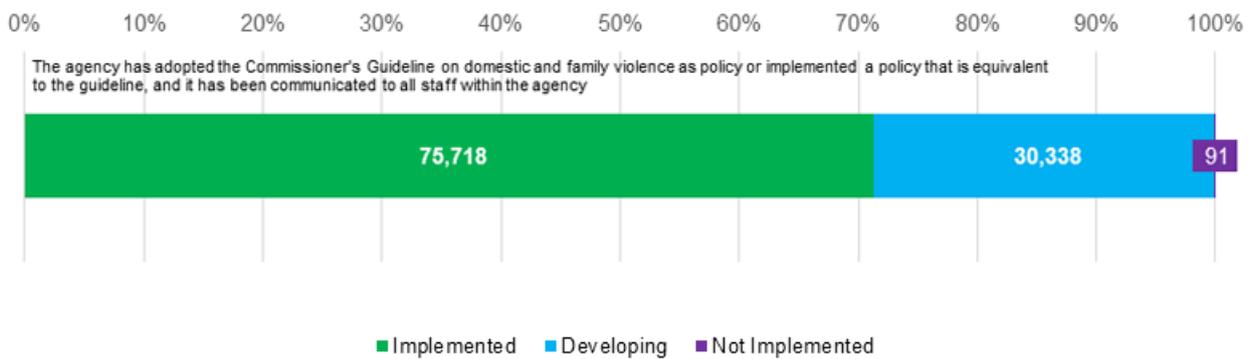
Graph 4: Re-Employment of Former Executives or Public Officer Holders Who Received a Termination Payment (Source: 2018 Public Sector Employment Review)

Principle: Employer of choice

Below are some survey questions that I asked in relation to the public sector being an employer of choice. I will discuss responses to survey questions on Aboriginal employment, flexible working arrangements, gender equality in leadership, and performance management and development in Chapter 3.

Agencies were asked to report whether they had adopted *Guideline of the Commissioner for Public Sector Employment: Domestic and Family Violence* as policy or equivalent, and if it has been communicated to all staff.

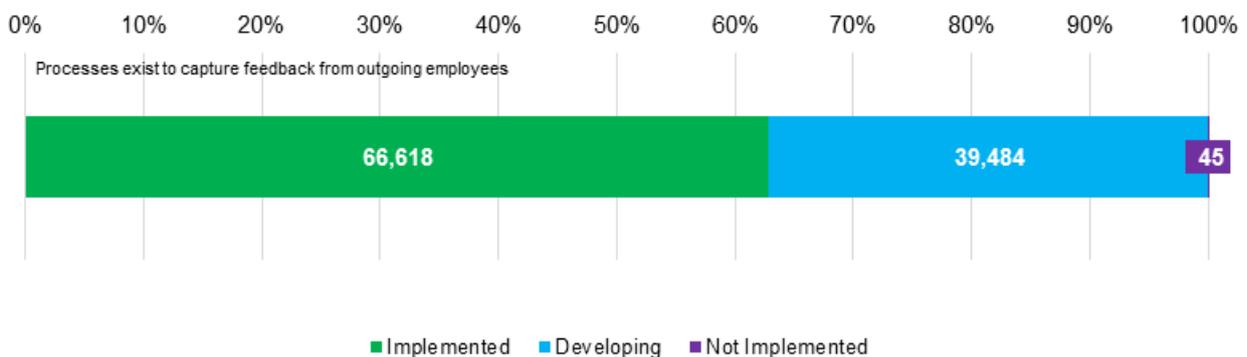
About 71.33 per cent of the total workforce of surveyed agencies (75,718 employees) was employed in agencies that had adopted the Commissioner’s Guideline or equivalent and had communicated the policy to employees.



Graph 5: Domestic and Family Violence Policy (Source: 2018 Public Sector Employment Review)

Another question was asked about agency employee exit processes. Minimum requirements for employee exit processes are detailed in *Direction of the Premier of South Australia - Exit Employee Feedback*. Feedback from employees leaving an agency is important to identify any concerns about the agency or sector practices and culture that need to be addressed to retain staff.

About 62.76 per cent of the total workforce of surveyed agencies (66,618 employees) worked in agencies that had implemented the requirement. A further 37.2 per cent (39,484 employees) of employees were in agencies that were developing their exit process.



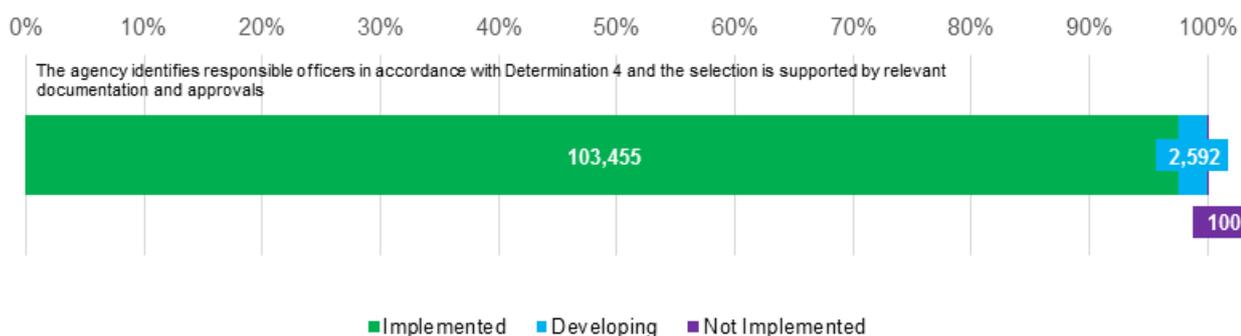
Graph 6: Employee Exit Processes (Source: 2018 Public Sector Employment Review)

Principle: Ethical behaviour and professional integrity

Below I will discuss agency practices to promote ethical behaviour and professional integrity. Additional questions about the Code of Ethics will be discussed in Chapter 4.

A question was asked about agency implementation of *Determination 4 – Qualifications for Designated Whistleblower Contact Officers*, which establishes the minimum qualifications of a designated contact officer under the *Whistleblowers Act 1993*.

About 97.46 per cent of the total workforce in surveyed agencies (103,455 employees) was employed in agencies that had implemented this requirement.



Graph 7: Designated Whistleblower Contact Officers (Source: 2018 Public Sector Employment Review)

A strong process for employees to report fraud, corruption, maladministration and misconduct (as well as ensure that employees making reports are protected) is critical for integrity within agencies. The minimum standard that agencies need to adopt are set out in the *South Australian Public Sector Fraud and Corruption Control Policy*, published by my office.

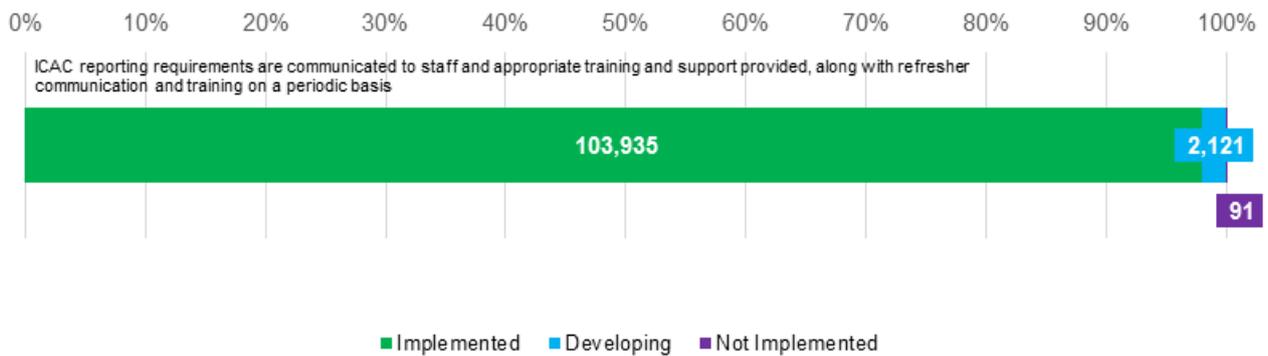
I am pleased to report that 99.93 per cent of the total workforce of surveyed agencies (106,074 employees) was employed in agencies that had implemented a process for employees to report fraud, corruption, maladministration and misconduct.



Graph 8: A Process to Report Fraud, Corruption, Maladministration and Misconduct (Source: 2018 Public Sector Employment Review)

Agencies were asked whether the Independent Commissioner Against Corruption (ICAC) reporting requirements were communicated to staff and appropriate training and support provided, along with refresher communication and training on a periodic basis.

About 97.92 per cent of the total workforce of surveyed agencies (103,935 employees) was employed in agencies that had implemented this important requirement, which is consistent with the *South Australian Public Sector Fraud and Corruption Control Policy*.



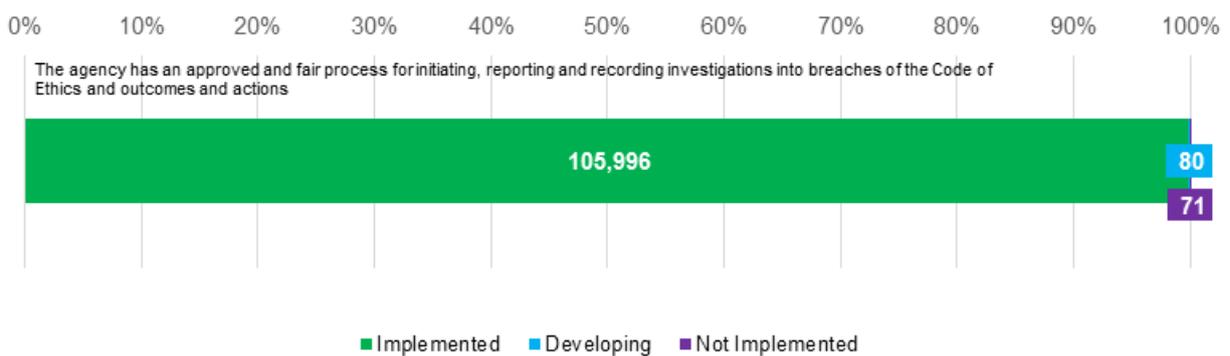
Graph 9: ICAC Reporting Requirements (Source: 2018 Public Sector Employment Review)

Principle: Legal requirements

A question was asked about whether agencies maintained Pre-Employment Declarations and background checks or screening in accordance with the requirements of the *State Records Act 1997* and the Department of the Premier and Cabinet Instruction PC012, the Information Privacy Principles.

About 99.91 per cent of the total workforce of surveyed agencies (106,047 individuals) was employed in agencies that were compliant with this requirement from *Direction of the Premier of South Australia - Recruitment*.

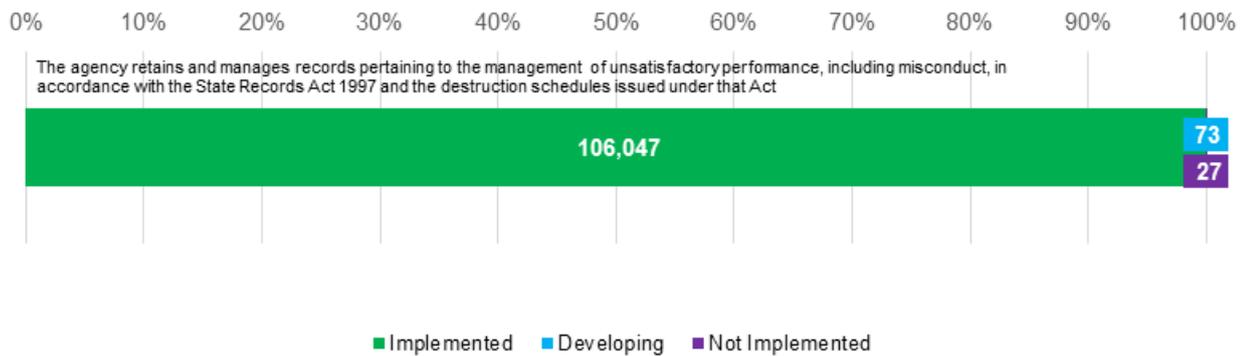
I will be following up with agencies that have not considered implementation of this requirement.



Graph 10: Maintenance of Pre-Employment Declarations and background checks or screening in Accordance with Legal Requirements (Source: 2018 Public Sector Employment Review)

Agencies were also asked whether they retained and managed records on the management of unsatisfactory performance, including misconduct, in accordance with the *State Records Act 1997* and the destruction schedules issued under that Act.

Approximately 99.91 per cent of the total workforce in surveyed agencies (106,047 employees) was employed in agencies that had implemented this requirement from *Guideline of the Commissioner for Public Sector Employment - Management of Unsatisfactory Performance (Including Misconduct)*.



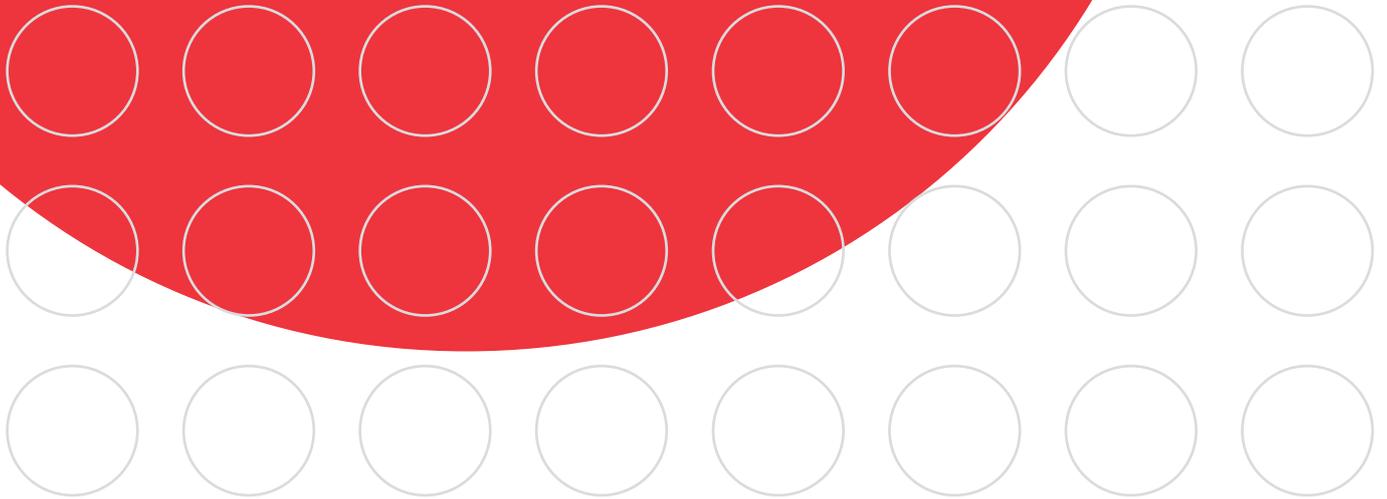
Graph 11: Maintenance of Records on the Management of Unsatisfactory Performance, including Misconduct, in Accordance with Legal Requirements (Source: 2018 Public Sector Employment Review)

Overall commentary

Based on the data provided to me by agencies on their progress in implementing Premier’s Directions, Commissioner’s Determinations and Guidelines and other policy/legislative instruments, it appears to me that the chief executives and agency heads have either implemented or are working towards implementing strategies to ensure their organisations are observing the public sector principles, as they relate to public sector employment, as at 30 June 2018.

CHAPTER 2:

One employer



The public sector principles, as they relate to public sector employment, are intended to ensure agencies work as one employer. When agencies work together to target inconsistent or duplicated practices, they can lower workforce costs and achieve better value for money for the State.

In the last 12 months, my office has led programs to ensure the public sector acts as one employer, namely:

- using the combined purchasing power of the sector to lower the cost of essential workforce activities such as recruitment
- addressing common workforce issues such as placing employees whose roles have been affected by policy reform into other roles in the public sector.

These programs support the following public sector principles, as they relate to public sector employment:

COLLABORATION	EXCELLENCE
<ul style="list-style-type: none">• ensure collaboration between all agencies in order to achieve outcomes for the Government and community• focus on services and outcomes within their agency as well as those that involve and impact multiple agencies across the sector	<ul style="list-style-type: none">• provide services with a high level of efficiency and effectiveness• move resources rapidly in response to changing needs• manage resources effectively, prudently and in a fully accountable manner• maintain and enhance the value of public assets

Table 2: Public Sector Principles: Collaboration and Excellence (Source: *Public Sector Act 2009*)

One Government, One Employer

In the last *State of the Sector*, I reported on a new program to enhance the consistency of workforce management practices across the public sector. The One Government, One Employer program will create better and more efficient ways to attract, recruit and manage employees across the public sector. It will also focus on ensuring human resources professionals have the right skills and capabilities to help agencies maximise employee performance.

Specifically, the program aims to:

- create an employee value proposition (<https://iworkfor.sa.gov.au/iworkforsa/why-sixreasons.php>) that explains why people choose to work in the public sector
- establish a culture where employees feel they are working for South Australia, in terms of the South Australian Government as a whole and not as an employee of an individual agency
- shift the focus of human resources in the public sector from transactions to providing advice that value-adds
- procure high quality human resources technology (Human Capital Management capability) for the sector at the best possible price.

The employee value proposition and the new I WORK FOR SA jobs board (<https://iworkfor.sa.gov.au>) were launched in November 2017. I WORK FOR SA also provides testimonials from public sector employees to give job seekers a better understanding of the breadth of opportunities that exist across the sector.

The One Government One Employer program will continue to work collaboratively with agencies in the coming year.

Workforce Transition

Implementation of the National Disability Insurance Scheme (NDIS) and Commonwealth Aged Care reforms is underway across Australia. These are important national reforms that will provide clients with greater choice in how they access and manage the services that they need.

In South Australia, the State Government is transferring domiciliary care services and some disability services to the non-government sector. This may affect up to 3,000 Department of Human Services (DHS) employees.

A workforce transition of this scale requires a coordinated response to find alternate roles for affected ongoing employees who wish to continue their career in the public sector.

In last year's *State of the Sector*, I reported that the *Direction of the Premier of South Australia – Public Sector Employee Mobility Strategy* was issued on 26 June 2017. It required chief executives and agency heads to:

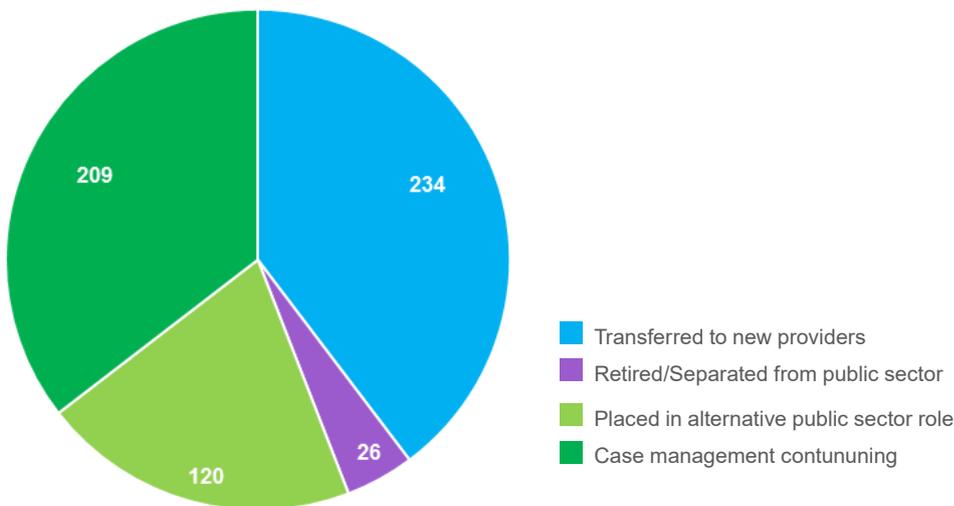
- give affected DHS employees priority consideration for filling suitable vacancies (after work injured employees and those declared as excess to requirements have been considered first)
- hold (and temporarily backfill where necessary) a relevant position for an ongoing DHS employee who needs to be retained to support the implementation of the reforms.

During this year's reporting period, I gave further guidance to agencies on implementing the Employee Mobility Strategy when I released *Guideline of the Commissioner for Public Sector Employment – Public Sector Employment Mobility* on 6 July 2017.

In this year's survey, I asked agencies about whether they had a process in place to prioritise the consideration of DHS employees, as required by the Premier's Direction. As I reported in Chapter 1, about 67.45 per cent of the workforce (71,597 employees) worked in agencies that had implemented a process, as at 30 June 2018. A further 32.34 per cent (34,323 employees) were in agencies that were developing a process.

The Workforce Transition Unit within my office also continued to provide centralised case management for DHS employees and to assist agencies to fulfil their responsibilities under the Premier's Direction.

As at 30 June 2018, 589 DHS employees have been referred to the unit for case management. Outcomes for these employees are below. Of the 209 employees who are being case managed by the unit, they either continue in their current role, perform temporary work assignments, or are on long term leave.



Graph 12: Outcomes for Employees Referred to the Workforce Transition Unit, as at 30 June 2018 (Source: OCPSE)

The success of the collaboration between the Workforce Transition Unit and agencies is demonstrated by 11 agencies accepting placements of 120 affected DHS employees.

Redeployment

Redeployment is the process of transferring an employee who is excess to requirements into another role. Employees may become excess because of changed business priorities, funding and/or demand for services. Managing excess employees across the public sector effectively and efficiently helps minimise cost to the employer and retain valued employees.

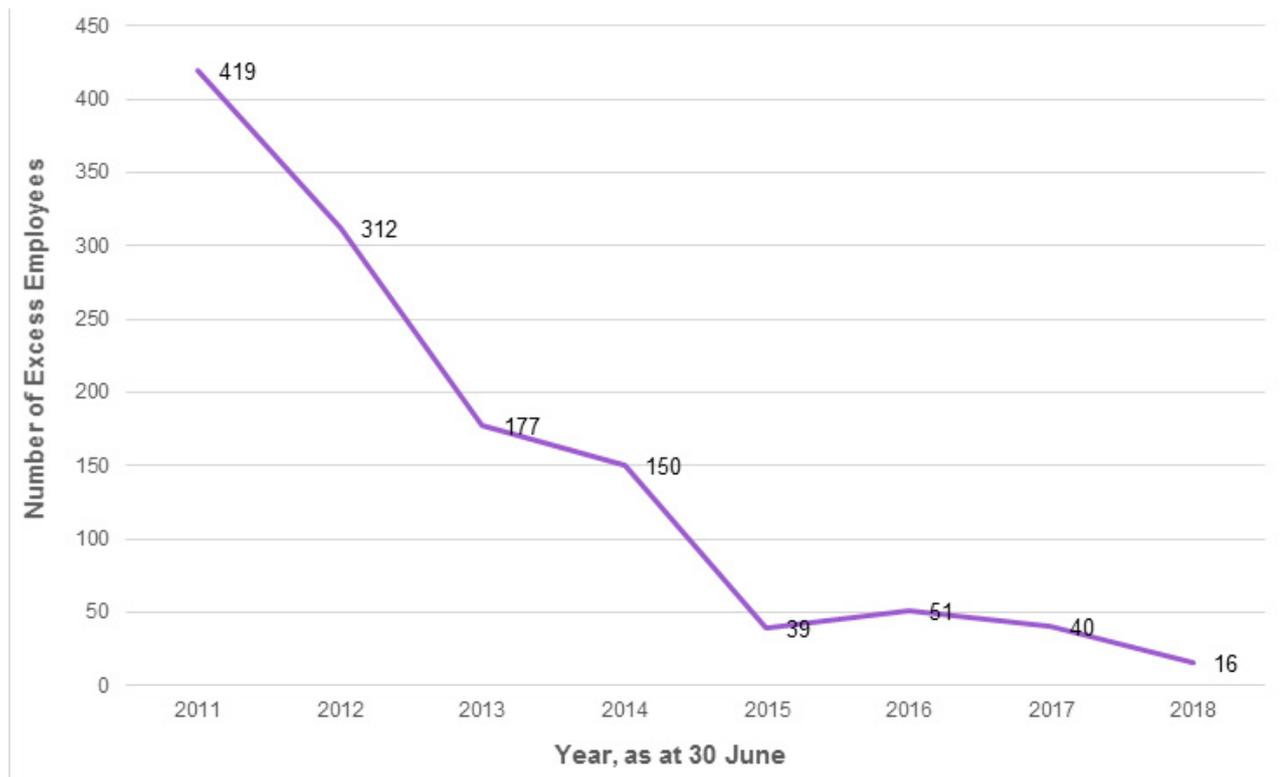
Entitlements of excess employees and the processes for managing them are set out in enterprise agreements. A new enterprise agreement covering salaried public sector employees (*SA Public Sector Wages Parity Enterprise Agreement: Salaried*) came into effect on 31 January 2018.

In light of the new enterprise agreement, my office revised key policies, document and templates, including *Determination 7: Management of Excess Employees – Redeployment, Retraining and Redundancy* and the *Practitioner's Guide (for Case Managers)*, to ensure a consistent approach to managing excess employees covered by the agreement.

As at 30 June 2018, there were 16 excess employees across the public sector.

- This represented a decrease of 60 per cent, compared to June 2017
- Three excess employees were in temporary roles or on leave, and so were not available for immediate placement
- Eight employees had been declared excess for nine months or more.

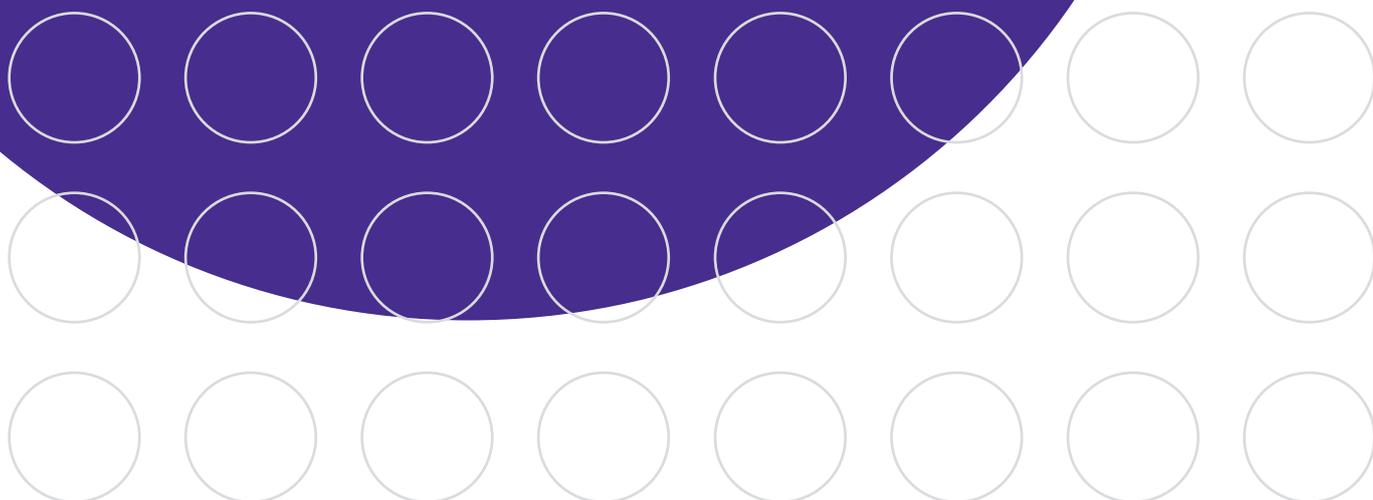
As can be seen below, the number of excess employees across the public sector since the Act came into force is at a historical low.



Graph 13: Number of Excess Employees from 2012-13 to 2017-18 (Source: OCPSE)

CHAPTER 3:

Employer of choice



My office is leading projects to ensure the public sector is regarded by job seekers and current employees as an employer of choice. These projects support observance of the following public sector principles:

EMPLOYER OF CHOICE	LEGAL REQUIREMENTS
<ul style="list-style-type: none"> • treat public sector employees fairly, justly and reasonably • prevent unlawful discrimination against public sector employees or persons seeking employment in the public sector • encourage public sector employees to undertake professional development and to pursue opportunities throughout the public sector • set clear objectives for public sector employees and make them known • acknowledge employee successes and achievement and address underperformance 	<ul style="list-style-type: none"> • implement all legislative requirements relevant to agencies

Table 3: Public Sector Principles: Employer of Choice and Legal Requirements (Source: *Public Sector Act 2009*)

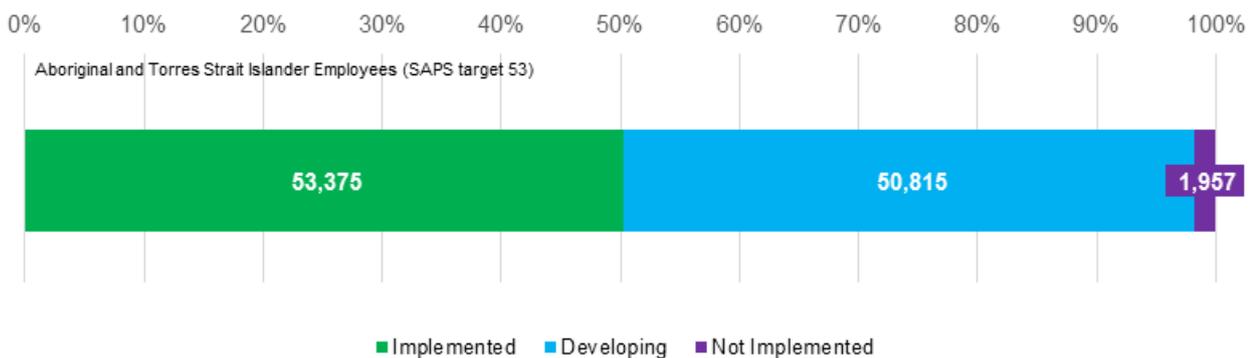
Earlier, I discussed the One Government, One Employer program from the perspective of efficiency and value for money. This program also contributes to presenting the public sector as a contemporary employer that offers diverse and interesting opportunities.

Below I will discuss other programs that my office has led over the last 12 months to make the public sector an employer of choice.

Increasing Aboriginal employment in the public sector

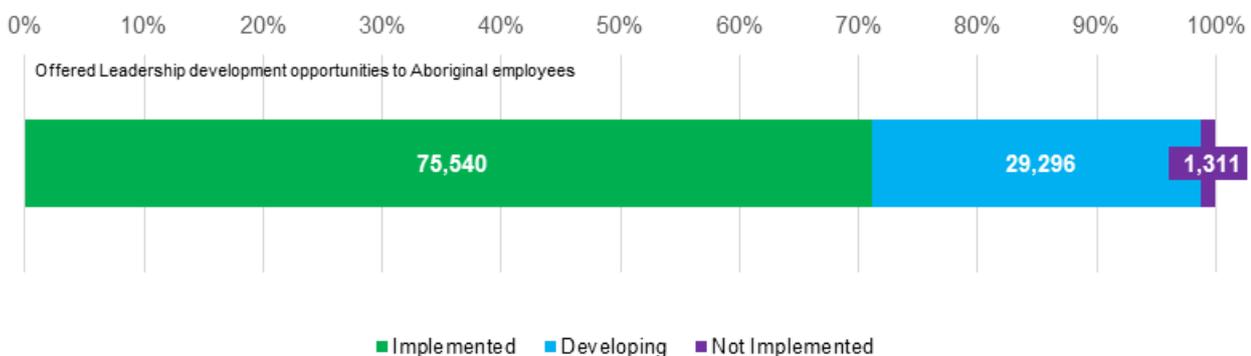
As at 30 June 2018, Aboriginal employees made up 1.99 per cent of the South Australian public sector workforce. This compares to 30 June 2017, when Aboriginal employees made up 1.89 per cent of the total workforce.

In the agency survey, I asked about implementation of workforce strategies to increase Aboriginal employment. Approximately 50.28 per cent of the total workforce of surveyed agencies (53,375 employees) was employed in agencies that had implemented an Aboriginal employment strategy. A further 47.87 per cent (50,815 employees) were in agencies that were developing a strategy.



Graph 14: Implementation of an Aboriginal Employment Strategy (Source: 2018 Public Sector Employment Review)

I also asked agencies about whether they provided Aboriginal employees with leadership opportunities. Approximately 71.17 per cent of the total workforce of surveyed agencies (75,540 individuals) worked in agencies that had implemented leadership opportunities for Aboriginal employees.



Graph 15: Leadership Opportunities for Aboriginal employees (Source: 2018 Public Sector Employment Review)

This data is encouraging but there is significant room for improvement.

In 2017-18, my office continued to lead projects to:

- recruit, retain and develop Aboriginal employees
- equip Aboriginal job seekers and employees with the skills and confidence to build a successful public sector career.

A key initiative was the new South Australian Public Sector Aboriginal Employment Register, which connects Aboriginal job seekers to public sector employment opportunities. Since November 2017, 487 candidates have been assessed and placed on the register.

For Aboriginal employees seeking to advance their careers, my office offered new development opportunities, including confidence building workshops for more than 100 Aboriginal employees and placements in pilot South Australian Leadership Academy programs for Aboriginal employees, including the Aboriginal Frontline Leadership Program. Feedback from participants from these initiatives has been very positive.

My office also successfully trialled the Work Health and Safety Framework for Cultural Safety to develop culturally safe work environments for Aboriginal people. This framework is expected to be rolled out across the public sector in 2018-19.

Support for young Aboriginal job seekers to secure ongoing employment in the public sector will continue in 2018-19. A new Aboriginal Traineeship Program for the Public Sector will be launched for Aboriginal job seekers aged 17-35 years. This program will provide a Certificate III in Business Administration qualification (tailored for the public sector) delivered by Tauondi Aboriginal College, dedicated mentoring support, and the opportunity for ongoing employment in the public sector for participants who successfully complete the program.

Youth employment

In 2017-18, the Jobs4Youth program achieved its target of 800 trainee and graduate placements in the public sector. A total of 815 placements were made by September 2017, well in advance of the projected completion date of March 2018.

Established by my office in 2014, Jobs4Youth aimed to increase employment opportunities for young people and address the ageing public sector workforce by placing 200 trainees and graduates annually. Each young person was employed within an agency for 12 months and was supported with training and mentoring.

Jobs4Youth demonstrated the importance of central leadership in coordinating a successful program on behalf of the entire sector.

Building on the success of Jobs4Youth, my office continued to implement the Flexibility for the Future program during the reporting period.

Flexibility for the Future supported more employees to take up the use of flexible working arrangements, and assisted agencies to redesign and redistribute work to create new jobs for trainees or graduates.

Flexible working arrangements are a key benefit of working in the public sector. As at 30 June 2018, part-time employees comprised 45.38 per cent of the total public sector workforce.

As part of Flexibility for the Future, new guidance on flexible working arrangements were issued to agencies. This included *Direction of the Premier of South Australia – Flexibility for the Future* (issued on 26 June 2017) and *Commissioner for Public Sector Employment Determination and Guideline – Flexible Workplaces* on 1 July 2017. Further information about my efforts to promote flexible working arrangements is presented below.

Since the program commenced, agencies have employed 509 trainees and graduates on contracts for a minimum of 12 months, as at 30 June 2018.

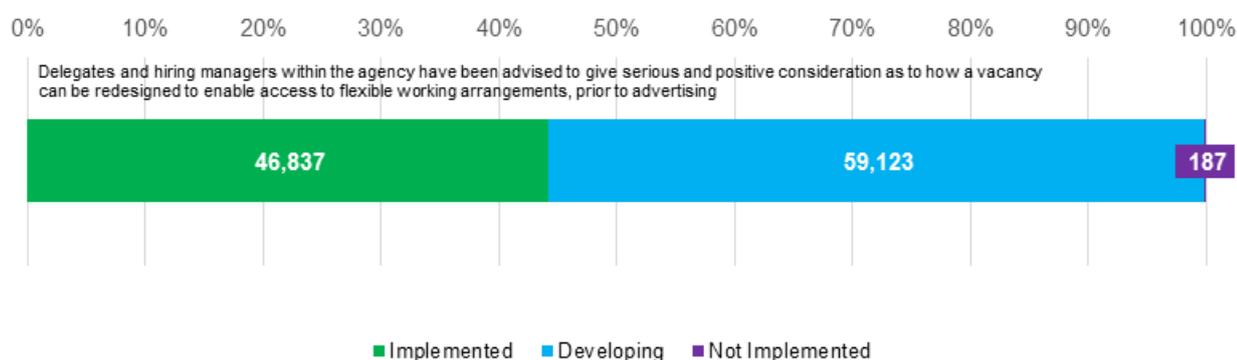
My office has provided additional support to 124 of these trainees and graduates to undertake further study, and to receive mentoring and additional training.

Flexible working arrangements

The *State of the Sector* survey asked agencies on their implementation of the Premier’s Direction.

One question asked whether delegates and hiring managers had been advised to give serious and positive consideration as to how a vacancy can be redesigned to enable access to flexible working arrangements, prior to advertising.

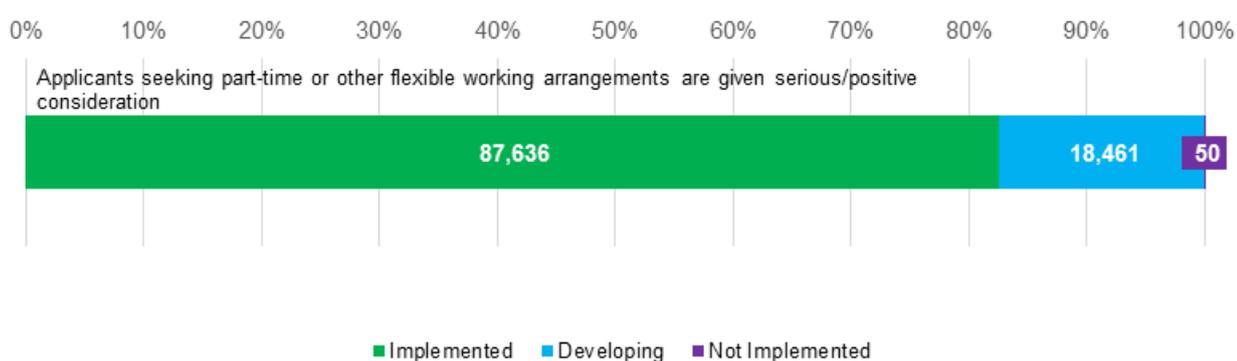
About 44.12 per cent of the total workforce of surveyed agencies (46,837 individuals) was employed in agencies that had implemented this requirement of the Premier’s Direction. A further 55.7 per cent (59,123 employees) were in agencies that were working towards this requirement.



Graph 16: Advice to Delegates and Hiring Managers to Consider Redesigning a Vacancy to Enable Access to Flexible Working Arrangements (Source: 2018 Public Sector Employment Review)

I also asked agencies whether delegates and hiring managers have been advised to give serious and positive consideration to all suitable job applicants who desire to work on a part-time basis or use other flexible working arrangements.

About 82.56 per cent of the total workforce of surveyed agencies (87,636 employees) worked in agencies that had implemented this requirement.



Graph 17: Advice to Delegates and Hiring Managers to Consider All Applicants Who Desire to Work on a Part-Time Basis or Utilise other Flexible Working Arrangements (Source: 2018 Public Sector Employment Review)

The results are encouraging but I note that improvement is still possible with delegates and managers to re-design vacant roles to accommodate flexible working arrangements.

To help agencies implement Flexibility for the Future, my office released the *Flexibility at Work: Information for Managers and Supervisors* toolkit and the *Working It Out – A Workforce Planning Guide*. We also delivered a regional roadshow and training sessions for managers and human resource practitioners to promote Flexibility for the Future and challenge commonly held assumptions about flexible working arrangements.

Employing people with disability

In December 2017, my office broadened the eligibility criteria for the Public Sector Disability Employment Program to enable prospective employees with disability to apply for all public sector vacancies, including those normally open to current public sector employees only. This also allowed agencies to engage people with disability into temporary roles for up to five years.

The Disability Employment Program is an Employment Opportunity program, as provided for under section 65 of the *Public Sector Act 2009*.

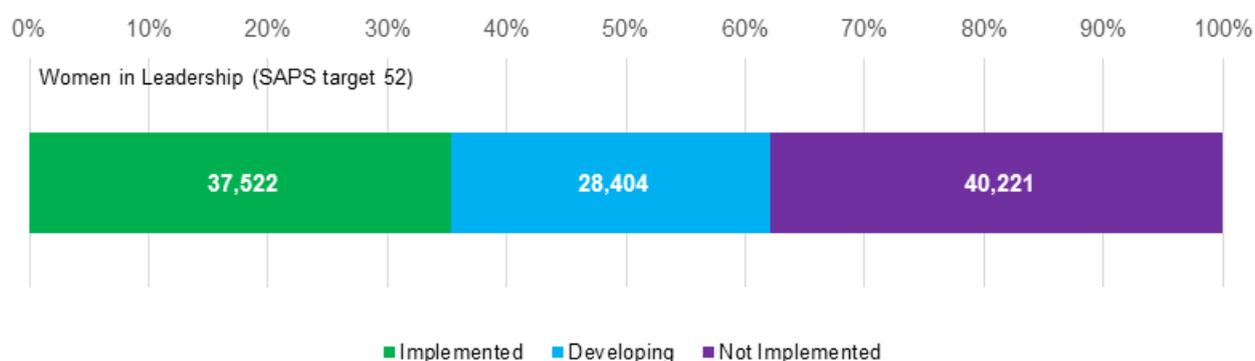
The Government’s introduction of the Disability Inclusion Bill 2018 into Parliament signalled a new requirement for agencies to develop a Disability Access and Inclusion Plan (DAIP).² A key DAIP focus is improving employment outcomes for people with disability.

My office has commenced developing resources on disability employment to assist agencies to implement their DAIP, which I expect to release during 2018-19.

Gender equality in leadership

During 2017-18, *South Australia’s Strategic Plan* had a target of women making up 50 per cent of public sector executives. As at June 2018, 49.5 per cent of public sector executives were women.

I also asked agencies if they had a strategy to increase the number of women executives. About 35.35 per cent of the total workforce of surveyed agencies (37,522 employees) was employed in agencies that had implemented such a strategy. A further 26.76 per cent (28,404 employees) were in agencies that were developing a strategy.



Graph 18: Strategy to Increase the Number of Women Executives (Source: 2018 Public Sector Employment Review)

2. The Bill was passed by Parliament and the Act came into operation on 1 July 2018.

During 2017-18, my office:

- released the first South Australian Public Sector Gender Pay Gap Analysis in September 2017, in collaboration with the Office for Women
- presented three Women in Leadership Series events to strengthen the leadership and management skills of participants
- held a '50/50' event in October 2017 to connect male senior public sector leaders and chairs of government boards with aspiring female executives and board chairs
- completed the second Reverse Mentoring Program, where male senior leaders were mentored by females to deepening their understanding of gender inequality and identify strategies to mitigate unconscious bias
- completed the delivery of the first Empower Sponsorship Program for female leaders
- partnered with three universities (University of NSW Canberra, Central Queensland University and the University of Sydney), in a research project with Queensland, New South Wales and Tasmania to examine the role of middle managers in progressing gender equity in the public sector.

Many of the actions outlined in the Gender Equality in Leadership Strategy have been achieved and my office has commenced a review of the strategy to determine next steps.

Leadership development

During 2017-18, my office piloted the South Australian Leadership Academy to strengthen the pipeline of public sector leaders through a sector-wide, integrated and contemporary approach.

The Academy offered programs for high performing executives and emerging executives, as well as initiatives that supported other Senior Management Council³ priority projects, including strengthening performance management and development practices, increasing the number of female executives and increasing the number of Aboriginal leaders.

The key initiatives delivered during the pilot included:

- an Executive Excellence Program for high potential executives
- an Emerging Executives Program for high potential managers
- an Aboriginal Frontline Leadership Program for aspiring managers of Aboriginal background
- three Performance Management and Development masterclasses
- an adaptive leadership masterclass
- a Transforming Performance forum and an Adaptive Leadership forum for executives and aspiring executives.

The pilot programs have received positive feedback from participants and a review of the pilot South Australian Leadership Academy is currently underway.

In addition to the Academy, my office coordinated a suite of leadership programs that focused on the different levels of leadership, considered whole-of-government priorities, and reinforced a One Government, One Employer mindset.

The partnership between the Institute of Public Administration Australia (IPAA), South Australia Division and Senior Management Council also continued during 2017-18. The partnership aims to promote ethical standards and integrity and equip employees with the knowledge and information they need for their role.

3. Senior Management Council (SMC) comprises the chief executives of the major agencies, and meets regularly to discuss issues concerning the public sector including workforce matters. As Commissioner, I am a member of SMC.

During the reporting period:

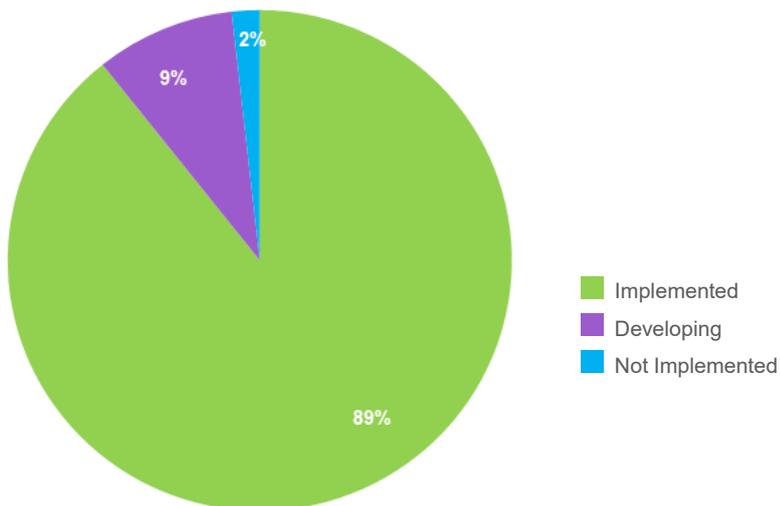
- over 5,000 public sector employees attended 41 events, forums and workshops organised by IPAA
- about 2,700 public sector employees participated in 48 IPAA professional development courses on 176 occasions covering four themes: career management and self-development, core skills for the public sector (including workplace communications and writing), financial management, and strategic and technical leadership.

Performance management and development

All agencies are obliged by section 8 of the Act to establish and administer an effective performance management and development systems for employees. Further the *Direction of the Premier: Performance Management and Development* requires chief executives and agency heads to implement in their agency a performance management and development system that, at a minimum, incorporates performance management and development reviews with all employees (including executives) at least biannually.

I reported last year that 91.8 per cent of agencies had implemented performance management and development systems that required biannual performance management and development reviews.⁴ Further, 86.5 per cent of agencies reported that they intended to modify their system within 12 months, which would impact 92 per cent of the total workforce.⁵ More than a third of agencies indicated in March 2017 that their agency intended to introduce a new or significantly revised approach to performance management and development within their agency over the subsequent 12 months.

This year I asked agencies to provide an update on the implementation of their agency's performance management and development system.



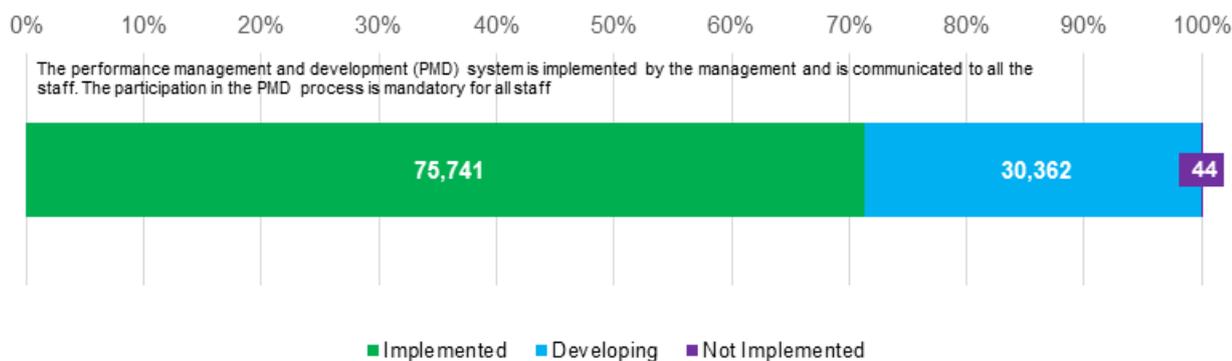
Graph 19: Performance Management and Development System Implemented (Source: 2018 Agency Survey)

Agencies were asked to report on the status of the performance management and development system within their agency. Eighty-nine per cent of agencies reported that they have completed development and implementation of internal policies, processes and/or systems for performance management and development within their agency, with the process communicated and mandatory for all employees (Graph 19). This means that approximately 71.4 per cent of the total workforce in surveyed agencies (75,741 employees) worked in agencies that have a fully implemented performance management and development system at 30 June 2018 (Graph 20).

4. 2017 State of the Sector survey.

5. Audit of agency performance management and development systems (March 2017).

A further nine per cent of agencies reported that while a system is in place, they are currently in the process of implementing or evaluating internal policies, processes and/or systems concerning the performance management and development of employees, impacting approximately 28.6 per cent (30,362 employees) of the public sector workforce. Two per cent of agencies reported that they were yet to implement a performance management and development system.



Graph 20: Workforce Impact - Performance Management and Development System Status (Source: 2018 Public Sector Employment Review)

In line with the Premier’s Direction, I asked agencies to report if their performance management and development system required all employees to participate in a performance management and development review at least twice a year, with an appropriate level of documentation maintained for recording purposes. Responses to this question suggest that nearly all agencies have implemented biannual performance reviews, with 89 per cent reporting full implementation. A further nine per cent reported that they were in the process of implementing or evaluating an agency approach to this end.

In accordance with the Premier’s Direction, agencies are required to report biannually on the number of employees who have completed a performance management and development review within the previous six months. Four data points have now been collated since the launch of the Premier’s Direction. As outlined in Table 4, the public sector average participation rate stands at 48.9 per cent for the latest reporting period. This represents a marginal increase from previous periods.

Reporting period	Sector-wide participation in performance management and development reviews (%)
1 July - 31 December 2016	42.7
1 January - 30 June 2017	36.0
1 July - 31 December 2017	44.0
1 January - 30 June 2018	48.9

Table 4: Reported Employee Participation in Performance Management and Development Reviews (Source: OCPSE)

With the majority of agencies reporting that they have fully implemented employee performance management and development systems, and that the systems require reviews at least biannually, it is interesting to observe that the sector-wide participation rate in performance management and development reviews remains below 50 per cent. The data provided to my office in 2017-18 suggests that modifications to agency systems are yet to translate to a substantial improvement in sector-wide participation levels, with uneven participation of employees in performance management and development reviews across the sector.

Some agencies are performing well, with 42.9 per cent of agencies reporting employee participation in performance management and development reviews above 80 per cent. However, these agencies represent only 7.7 per cent of the total sector workforce. Further, a number of agencies reported a substantial improvement in participation rates between 2017 and 2018.

Of note, 35.7 per cent of agencies continue to report employee participation in performance management and development reviews below 50 per cent. These agencies represent 50 per cent of the public sector workforce.

As Commissioner for Public Sector Employment, I remain committed to ensuring that 100 per cent of public sector employees have a current performance management and development plan in place.

Over 2017-18 my office worked with agencies to improve participation and enhance effectiveness of performance management and development systems, including:

- workshops for human resource professionals on the design of effective performance management and development systems, and building the skills and strategies to embed effective systems
- workshops on implementing systems with limited or no internal human resource function, managing the performance of shift and remote workers, and managing the performance of casual workforces
- training for new and aspiring managers to lead high performing teams through effective performance and development conversations.

The whole-of-government I WORK FOR SA - Your Voice employee survey that my office will conduct will provide insight into the effectiveness of performance management and development systems from the employee perspective, and will complement the data received from agencies in the *State of the Sector*.

This will help inform my actions in 2018-19 to strengthen performance management and development. At this stage, I plan to:

- update the guideline on performance management and development and strengthened guidance around minimum standards, roles and responsibilities, and best practice components for inclusion in agency systems
- launch online education modules for employees and managers to raise awareness and understanding of performance management and development
- offer workshops for managers, executives and human resources professionals to supplement the support already available.

Safe and sustainable work

The South Australian Government is committed to ensuring employees have healthy, safe and productive working lives, and that agencies meet legislative obligations under the *Work Health and Safety Act 2012 (SA)* and associated Regulations and Codes of Practice.

In 2017-18, my office assisted agencies by:

- launching the Job Analysis System to help agencies improve their understanding of the physical and psychological demands of work tasks undertaken in various occupations
- managing the Audit and Verification System (AVS) to evaluate the management of significant safety risks by agencies
- coordinating the provision of Mental Health First Aid Training to support employee wellbeing.

Work Health and Safety Injury Management performance

Incidence and frequency rates of workplace injury claims continued to trend downward in 2017-18:

The number of claims reduced by 19 per cent over the last seven financial years (from 4,200 in 2011-12 to 3,268 in 2017-18).

The rate of significant injuries (defined as involving the loss of a week or more of work time) reduced from a high of 21.9 per 1000 full time equivalent (FTE) in March 2014 to 14.0 in March 2017.

The significant musculoskeletal injury rate reduced from 13.3 to 8.2 per 1000 FTE and the significant psychological injury rate reduced from 5.3 to 3.6 per 1000 FTE over the same period.

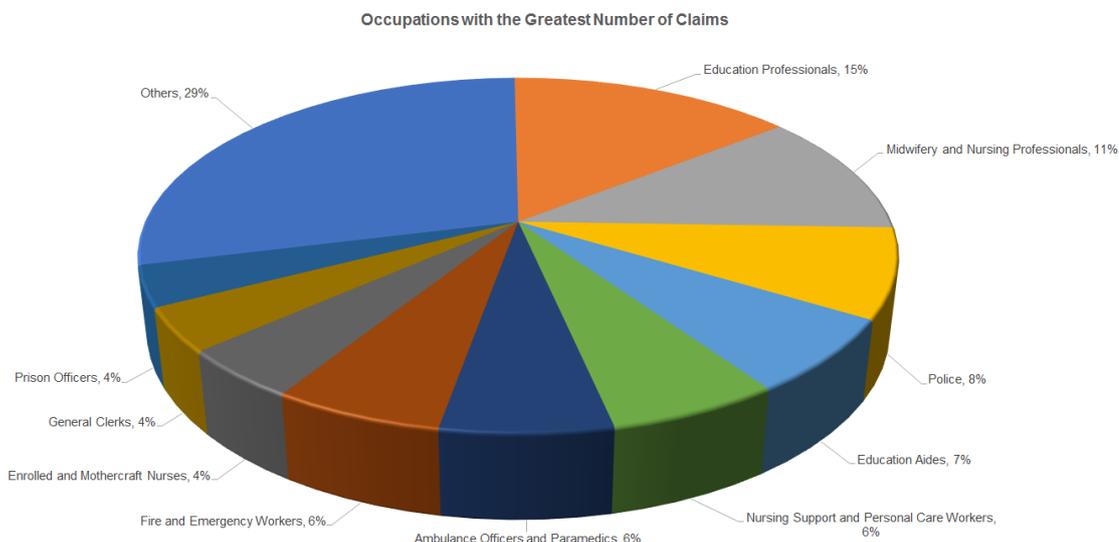
During 2017-18, the total work injury claims expenditure was \$80.32 million, continuing a downward trend from \$102.3 million in the previous year and 40 per cent lower than two years ago when it was \$133.71 million. Much of the reduction was attributable to reduced redemptions and income support payments, partly as a result of the cessation of payments to transitional claims after 102 weeks following the commencement of the *Return to Work Act 2014*.

Expenditure	2017-18 \$m	2016-17 \$m	Variation \$m +/-	Percent change +/-
Income support	33.65	45.14	- 11.49	- 25.4
Lump sum – non-economic loss	7.84	11.30	- 3.46	- 30.6
Redemption (income support + medical)	6.71	12.16	- 5.45	- 44.8
Other (medical, rehabilitation, legal)	32.42	33.7	- 1.28	- 3.8
Total claims expenditure	80.32	102.3	- 20.98	- 20.5

Table 5: Total Work Injury Claims Expenditure 2016-17 to 2017-18 (Source: OCPSE)

Occupations with the greatest number of claims

The occupation with the greatest number of claims in 2017-18 was teaching, accounting for 15 per cent of new claims. The next largest groups were nursing at 11 per cent followed by police officers at 8 per cent. The top 10 occupations that accounted for 71 per cent of all new claims this year (see graph 21), was very similar to last year.



Graph 21: New Claims for 2017-18 by Occupation (Source: OCPSE)

Provision for estimated outstanding liabilities

Independent actuaries have performed valuations of the outstanding liability as at 30 June 2018 for all public sector self-insured agencies. This provides an estimate of the amount required to meet future payments for workers compensation claims that were incurred up to 30 June 2018. These costs are budget funded within an agency's appropriation and accounted for in the forward estimates.

Approximately 65 per cent of the estimated liabilities for the public sector relate to Seriously Injured (SI) claims.

A summary of the estimated outstanding liability for the past three years is as follows:

Date as at	Liability Provision#	
	Gross \$m	Net \$m*
June 2018	362.7	354.4
June 2017	351.4	346.3
June 2016	376.1	372.0

Includes figures from SA Water and Minda Inc. which commissioned their own valuations.

* After 3rd party recoveries

Table 6: Summary of Estimated Outstanding Liability (Source: OCPSE)

CHAPTER 4:

Culture of performance and responsiveness and the Code of Ethics

A culture of high performance, responsiveness and integrity must be at the core of the public sector, but measuring the culture of a diverse and dispersed organisation is challenging.

I am undertaking a whole-of-sector employee survey. The results will provide additional insights into the culture of the public sector, enabling analysis of the impact of policies and processes implemented by agencies.

In this chapter, I will report on two projects led by my office to improve public focus and responsiveness, and then I will look at the observance of the Code of Ethics.

PUBLIC FOCUS	RESPONSIVENESS
<ul style="list-style-type: none">focus on the provision of services to the publicrecognise the diversity of public needs and respond to changing needs	<ul style="list-style-type: none">implement the policies of the Government of the day in a timely manner

Table 7: Public Sector Principles: Public Focus and Responsiveness (Source: *Public Sector Act 2009*)

90-Day Projects and the Innovation Lab

The 90-Day Projects were developed in December 2012 to deliver services and manage change across the public sector. Since its inception, the program has delivered more than 80 projects.

The approach supports organisations to deliver projects that address complex problems, with a focus on improving services. Projects come from both inside and outside of the public sector. The majority of agencies have delivered at least one 90-Day Project, along with a number of projects established by non-government organisations and not for profit organisations.

In 2017-18, the 90-Day Projects were integrated into the South Australian Public Sector Innovation Lab. The Innovation Lab combines a broad suite of innovation methods with the same model of accelerated delivery and change management that helped to make the 90-Day Projects such a success.

Agency Capability Review

In 2016, Senior Management Council initiated a pilot program to develop a whole-of-sector approach to improving agency capability and replace the existing High Performance Framework.

The pilot developed the Agency Capability Review (ACR), a tool to assist agencies to undertake a systemic review of their organisational capability to deliver on future performance challenges.

On 21 November 2017, the Senior Management Council endorsed the ACR tool, incorporating the following key features:

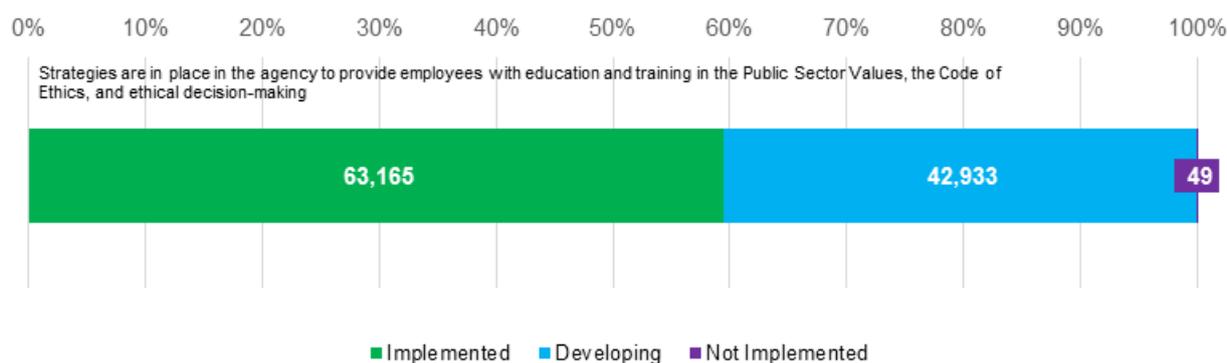
- Qualitative information, such as stakeholder feedback, to understand the effectiveness of agency systems, structures, processes and strategies.
- Consistent quantitative data, including industry benchmarks, to improve insight into improvement planning.
- Flexible methodology to accommodate differing maturity and context of agencies.
- Inclusion of independent input, to be sourced external to agency, to ensure objectivity, insight and perspective.
- Outcomes of the ACR should be an Improvement Plan that is action and future focussed.
- The program to be conducted every two to three years to ensure relevance.

Consideration is now being given to deployment of the program across the public sector through a central agency.

Code of Ethics

I asked agencies to report on whether they had strategies to provide employees with education and training in the Public Sector Values, the Code of Ethics, and ethical decision-making.

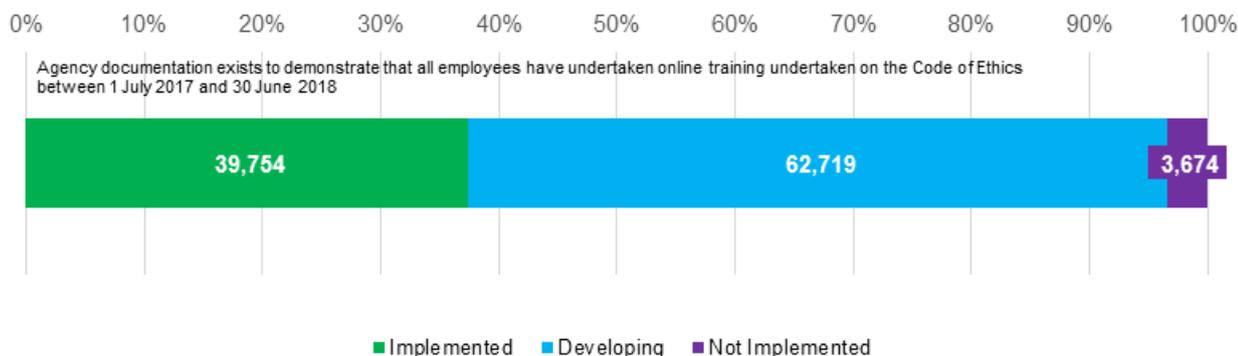
About 59.51 per cent of the total workforce in surveyed agencies (63,165 employees) was employed in agencies that had implemented strategies to educate and train employees in the Public Sector Values, the Code of Ethics and ethical decision-making, as at 30 June 2018. A further 40.45 per cent (42,933 employees) were in agencies that were developing strategies.



Graph 22: Strategies to Educate and Train Employees in the Public Sector Values, the Code of Ethics and Ethical Decision-Making (Source: 2018 Public Sector Employment Review)

Further, I asked agencies to report whether they documented participation of all employees in online training on the Code of Ethics between 1 July 2017 and 30 June 2018.

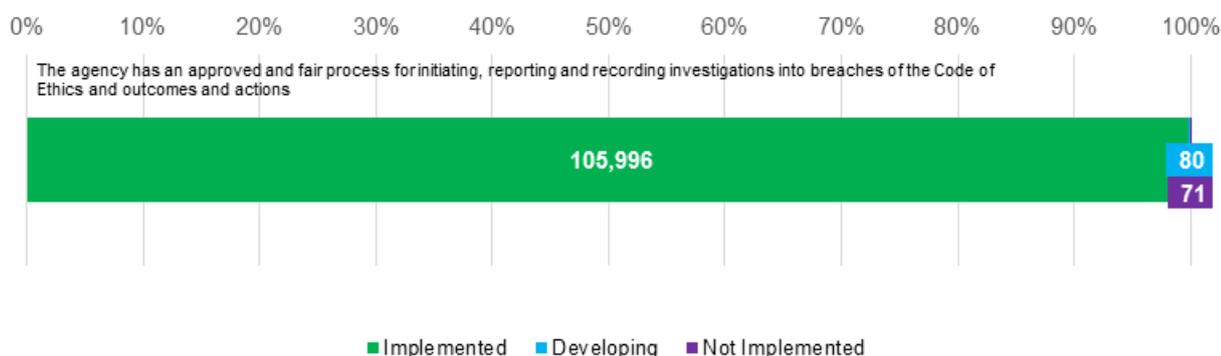
Approximately 37.45 per cent of the total workforce of surveyed agencies (39,754 individuals) was employed in agencies that documented or had approved the documentation of employee participation in online Code of Ethics training. A further 59.09 per cent (62,719 employees) were in agencies that were working towards this requirement.



Graph 23: A Process to Document that All Employees Have Undertaken Online Training on the Code of Ethics between 1 July 2017 and 30 June 2018 (Source: 2018 Public Sector Employment Review)

I also asked agencies if they had a process for initiating, reporting and recording investigations into breaches of the Code of Ethics and outcomes and actions.

Approximately 99.86 per cent of the total workforce in surveyed agencies (105,996 employees) was employed in agencies that had implemented a process for handling breaches of the Code of Ethics, as at 30 June 2018.



Graph 24: Process for Initiating, Reporting and Recording Investigations into Breaches of the Code of Ethics and Outcomes and Actions (Source: 2018 Public Sector Employment Review)

I am encouraged by the above responses. There is still room to improve with many agencies still evaluating or not yet considered how they would document employee participation in online Code of Ethics training.

Agencies also provided me with data on investigations into breaches of the Code of Ethics.

In 2017-18, agencies reported 785 investigations into breaches of the Code of Ethics. There were 735 investigations in the previous year. Caution should be exercised in interpreting investigations data over time, as the number of agencies that have previously reported data varies.

Outcomes of the investigations in 2016-17 and 2017-18 are below.

Outcome, as at 30 June	Number of Instances			
	2016-17 (total)	2016-17 (%)	2017-18 (total)	2017-18 (%)
Breach found	328	45%	357	45%
Breach not found	112	15%	150	19%
Investigation continuing	295	40%	278	36%
Total	735	100%	785	100%

Table 8: Investigations into breaches of the Code of Ethics, 1 July 2017 to 30 June 2018 (Source: 2018 Agency Survey)

The type of breaches found included:

- professional and courteous behaviour (60 per cent)
- handling of official information (9 per cent).
- use of government/public resources (8 per cent).

These categories of breaches are broadly consistent with last year.

Approximately 14.01 per cent of completed investigations took more than six months to complete.

CHAPTER 5:

Commissioner's reports

This chapter presents data that I am either required to report by the *Public Sector Act 2009 (the Act)* or the *Public Sector Regulations 2010 (the Regulations)*, or which I think there is significant public interest in.

Premier's Directions

The Premier may under section 10(1) of the Act give directions to public sector agencies about the implementation of specified whole-of-government objectives.

Premier's Directions apply to all agencies with the exception of Courts Administration Authority, Legal Services Commission, and the Office of Public Integrity.

As at 30 June 2018, the following Premier's Directions are in place.

Title	Purpose
Standard Duration of Executive Level Employment*	Requires agencies to restrict the term of new contracts for executive level employees to a maximum of three years, except in exceptional circumstances
Cease to Participate in or be a Member of Self Insurers of South Australia (SISA)*	Outlines obligations of relevant South Australian Public Sector agencies to not participate in or be a member of Self Insurers of South Australia
Recruitment	Outlines the minimum standards that relevant South Australian Public Sector agencies are obligated to implement in their recruitment systems
Public Sector Employee Mobility Strategy	Outlines minimum standards of relevant South Australian Public Sector agencies in prioritising consideration of the Department of Human Services employees affected by organisational change resulting from the implementation of the National Disability Insurance Scheme and Commonwealth Aged Care reforms, after work injured employees and employees declared excess to requirements

Restraints on Re-engagement of Former Executive Employees and Other Public Office Holders in Certain Circumstances	Outlines obligations of relevant South Australian public sector agencies when engaging a person previously employed on an executive basis under a fixed term contract or appointed to public office and whose employment was terminated or who was removed from office, entitling them to a termination payment
Induction	Outlines the minimum standards that relevant South Australian Public Sector agencies are obligated to implement in their induction systems
Employee Exit Feedback	Outlines the minimum standards that relevant South Australian Public Sector agencies are obligated to implement in their employee exit feedback systems
Performance Management and Development	Outlines the minimum standards that relevant South Australian Public Sector agencies are obligated to implement in their performance management systems
Flexibility for the Future	Outlines the minimum standards that relevant South Australian Public Sector agencies are obligated to implement to increase the opportunities for existing and future public sector employees to access flexible working arrangements and invest in the creation of additional new positions for trainees and graduates

*New Premier's Direction issued during 2017-18. Table 9: Premier's Directions, current as at 30 June 2018

Commissioner's Determinations

Pursuant to section 16(1) of the Act, I may issue determinations relating to employment in the Public Service and, in some cases, to public sector employment outside the Public Service. Determinations are binding on agencies to which the determination applies.

During 2017-18, I issued no new determinations. However, I updated the following existing determinations:

- *Commissioner's Determination 3.1: Employment Conditions – Hours of Work, Overtime and Leave*
- *Commissioner's Determination 3.2: Employment Conditions – Remuneration – Allowances and Reimbursements*
- *Commissioner for Public Sector Employment Determination and Guideline: Flexible Workplaces.*

As at 30 June 2018, the following nine determinations are in force:

1	Merit, Engagement, Assignment of Duties and Transfer of Non-Executive Employees
2	Excess Employees – Income Maintenance
3.1	Employment Conditions – Hours of Work, Overtime and Leave
3.2	Employment Conditions – Remuneration – Allowances and Reimbursements
4	Qualifications for Designated Whistleblower Contact Officers
5	Classification and Remuneration of Employees
6	Recovery of Overpayments (which is also a guideline)
7	Management of Excess Employees - Redeployment, Retraining and Redundancy
8	Flexible Workplaces (which is also a guideline)

Table 10: Commissioner's Determinations, current as at 30 June 2018

Additionally, *Commissioner's Standard 3.3: Responsive and Safe Employment Conditions – Employment Relations* is under review and will be replaced by a Commissioner's determination and guideline in early 2018-19.

Commissioner's standards issued under the *Public Sector Management Act 1995* remain valid until they are rescinded and replaced with determinations issued under the *Public Sector Act 2009*. All Commissioner's standards except *Standard 3.3: Responsive and Safe Employment Conditions – Employment Relations* have now been superseded.⁶

Commissioner's Guidelines

I may issue guidelines on employment matters, as per section 14(1)(d) of the Act. Guidelines are non-binding; they are intended to help agency managers and employees improve practice in specific employment matters.

During 2017-18, I issued the following new guidelines:

- *Guideline of the Commissioner for Public Sector Employment: Recruitment*
- *Guideline of the Commissioner for Public Sector Employment: Public Sector Employee Mobility.*

As at 30 June 2018, the following guidelines are in force (note the two determinations that are also guidelines in Table 10 above):

Recruitment
Review of Employment Decisions
Public Sector Employee Mobility
Management of Unsatisfactory Performance (including Misconduct)
Gifts and Benefits
Management of Excess Employees
Women in Leadership in the Public Sector
Requests by Members of Parliament for Briefings
Extent of Obligation on Employees to Report They have been Charged with a Criminal Offence
Power to Require Medical Examination
Domestic and Family Violence
Volunteers
Induction
Employee Exit Feedback
Performance Management and Development

Table 11: Commissioner's Guidelines, current as at 30 June 2018

All determinations and guidelines are continuously reviewed to ensure relevance and appropriate principle based governance.

As Commissioner for Public Sector Employment, I will ensure my office will continue to advocate and support the principles of and compliance with my guidelines, determinations and the obligations under the Premier's Directions to public sector agencies.

6. *Commissioner's Standard 3.3: Responsive and Safe Employment Conditions – Employment Relations* was rescinded and replaced on 13 September 2018 with *Determination and Guideline of the Commissioner for Public Sector Employment: Employment Relations*.

Whistleblower disclosures

Regulation 11 requires that I report “the number of occasions on which public interest information has been disclosed to the Commissioner under the *Whistleblowers Protection Act 1993* during the financial year”.

No disclosures were made to me during the reporting period.

Employee movement

The rules relating to employee mobility are outlined in Regulation 6.

Chief executives may decide not to apply this regulation in relation to a specific area of their agency, but under Regulation 6(11) must notify me of any such decisions. I received no such notifications during 2017-18.

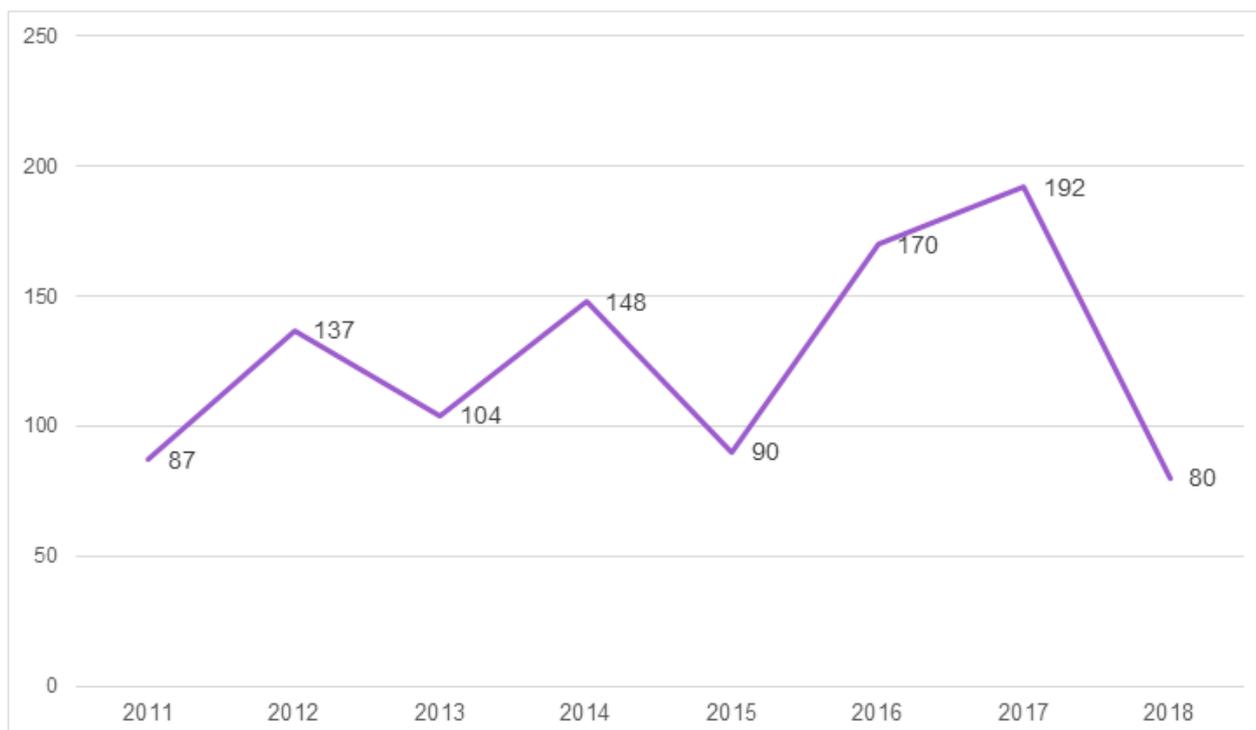
Exemptions to merit-based selection processes

Regulation 17(1)(i) allows for chief executives to engage an individual without a merit-based selection process, taking into account the individual’s skills and experience.

Following the last *State of the Sector*, I wrote to chief executives and agency heads reminding them of the importance of merit-based selection processes to ensure that recruitment is fair and transparent.

During 2017-18, agencies reported a total of 80 exemptions. In the previous year, agencies reported 192 exemptions.

The 80 exemptions reported in 2017-18 is the lowest recorded in a year since the Act was enacted, as seen below.



Graph 25: Exemption from Merit-Based Selection Processes across the Public Sector, 2011 to 2018 (Source: 2018 Agency Information Survey, previous *State of the Sector* reports)

Industrial relations

During the 2017-18 reporting period, I was delegated to act on behalf of the Chief Executive of the Department of the Premier and Cabinet as the declared employer for public sector employees pursuant to the *Fair Work (General) Regulations 2009* under the *Fair Work Act 1994*.

As a result, my office implemented the Government's salaries and wages policy, led enterprise bargaining negotiations for major public sector employment groups and agencies, and provided governance and support in relation to other enterprise bargaining within the public sector. It also provided industrial relations advice, support and representation to agencies, including advocacy at the South Australian Employment Tribunal in relation to disputes and monetary claims.

During 2017-18, eight new enterprise agreements were approved by the South Australian Employment Tribunal/Fair Work Commission, including the following major agreements:

- *SA Public Sector Wages Parity Enterprise Agreement: Salaried* (covering approximately 37,000 employees)
- *SA Public Sector Wages Parity Enterprise Agreement: Weekly Paid* (covering about 6,600 employees)
- *Salaried Medical Officers* (covering about 4,000 employees)
- *SA Metropolitan Firefighters* (covering about 1,100 employees)
- *Rail Commissioner Tram Operations* (covering about 80 employees) and *Infrastructure* employees (covering about 50 employees).

In addition, other enterprise bargaining negotiations continued, or were commenced during this period, including the following major agreements:

- *SA Health Visiting Medical Specialists Enterprise Agreement* (covering about 320 employees)
- *SA Health Clinical Academics Enterprise Agreement* (covering about 80 employees)
- *South Australian School and Preschool Education Staff Enterprise Agreement* (covering about 27,000 employees).

As part of the Machinery of Government change, I will no longer be the delegate of the Chief Executive of the Department of the Premier and Cabinet from 1 July 2018. Responsibility for public sector industrial relations is to be managed by the Department of Treasury and Finance.

APPENDIX 1:

Agencies that participated in the 2017-18 *State of the Sector Survey**



Agencies that participated

Adelaide Festival Centre Trust
Adelaide Venue Management Corporation
Attorney-General's Department*
Auditor-General's Department
Central Adelaide Local Health Network
Child Protection, Department for
Correctional Services, Department for
Country Health SA Local Health Network
Country Fire Service
Dairy Authority of South Australia
Defence SA
Education, Department for
Education Standards Board
Electoral Commission SA
Environment and Water, Department for
Environment Protection Authority
Essential Services Commission
Funds SA
Green Industries SA
Government House

Health and Wellbeing, Department for
History Trust of South Australia
Human Services, Department of
Independent Commissioner Against Corruption
Investment Attraction South Australia
Jam Factory Contemporary Craft and Design
Legal Profession Conduct Commissioner
Lifetime Support Authority
Lotteries Commission of South Australia
Motor Accident Commission
Northern Area Local Health Network
Planning, Transport and Infrastructure, Department of **
Premier and Cabinet, Department of the
Primary Industries and Regions SA
Return to Work SA
SA Water
SACE Board of South Australia
Southern Adelaide Local Health Network
South Australia Police
South Australian Ambulance Service
South Australian Film Corporation

South Australian Fire and Emergency Services Commission
South Australian Mental Health Commissioner
South Australian Metropolitan Fire Service
South Australian Tourism Commission
State Development, Department of #
State Emergency Service
State Opera of South Australia
TAFE SA
Teachers Registration Board of SA
TechinSA
Treasury and Finance, Department of the ##
Veterinary Surgeons Board of South Australia
Vinehealth Australia
West Beach Trust
Women's and Children's Health Network

Agencies that did not participate

Adelaide Cemeteries Authority
Adelaide Festival Corporation
Carclew Youth Arts Centre
Country Arts SA
Forestry SA
HomeStart Finance
Local Government Grants Commission
National Aboriginal Cultural Institute - Tandanya
Renewal SA
State Theatre Company
Study Adelaide

Out of scope

Courts Administration Authority
Legal Services Commission
Parliament of South Australia

*Department names were as at 30 June 2018

Includes Art Gallery of SA, Carrick Hill, Office of the Industry Advocate, Office of the Small Business Commissioner, South Australian Museum and the State Library.

Includes SA Government Financing Authority and Super SA.

+ Includes Independent Gambling Authority and Public Trustee.

++ Includes Office of the Outback Communities Authority

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