Management and accountability
Corporate governance

In 2014–15 the Commission undertook a range of corporate governance activities to achieve high levels of accountability and transparency. As in the previous year, a key goal in its business plan was to be an effective, high-performing and accountable Australian Public Service (APS) agency. Its corporate governance activities were overseen by the Executive, with support from a number of committees.

The Executive

The Executive comprises the most senior managers in the Commission’s administration. It is chaired by the General Manager and meets fortnightly to discuss key planning and operational issues.

In 2014–15 the Executive was comprised of:

- General Manager – Bernadette O’Neill
- Director, Client Services – Louise Clarke
- Director, Corporate Services – Miranda Pointon (July to December 2014)
- Acting Director, Corporate Services – Ailsa Carruthers (from January 2015)
- Director, Regulatory Compliance – Chris Enright
- Director, Tribunal Services – Murray Furlong.

Fair Work Commission committees

Procurement Committee

The Procurement Committee is managed by the Manager, Reporting, Planning and Legal and includes other senior managers in the organisation. It has a pivotal role in ensuring that procurements made by the Commission are consistent with Australian Government procurement rules and that procurement is actively managed. The Procurement Committee assesses procurements over $80,000.
Audit Committee

The Audit Committee’s objective is to provide assurance to the General Manager regarding the Commission’s financial and performance reporting responsibilities, risk oversight and management, systems of internal control and internal audit. The committee meets at least four times each year.

The General Manager appoints committee members. In 2014–15, the Audit Committee was chaired by an external independent committee member. Internal committee members were the Director, Client Services, the Director, Corporate Services (until December 2014) and a senior manager (from January 2015).

The composition of the Audit Committee changed at the end of the reporting period in order to comply with s.17(4) of the Public Governance, Performance and Accountability Rule 2014, which requires that on and after 1 July 2015 the majority of committee members must be persons who are not officials of the Commission. The Audit Committee now consists of one senior manager of the Commission, two external independent members and a chair who is also an external independent member.

Staff Consultative Committee

The Commission has a well-established and functioning consultative and communication forum with a charter to consider matters affecting the workplace. The Staff Consultative Committee was established and is maintained by its inclusion in the Commission’s enterprise agreement.

The committee includes:

- the General Manager
- management representatives
- employee representatives
- a union official.

The committee endeavours to meet at least three times each year.

Major Projects Control Committee

The Major Projects Control Committee was established during the reporting period. The committee is comprised of the Executive and other senior managers of the Commission. The committee has responsibility for the high-level strategic governance of major organisational and capital expenditure projects. The committee meets on a monthly basis.
Planning and development

**Business planning**

Commission staff members are guided by a business plan which aims to provide independent, efficient and highly-regarded workplace relations services. The plan underpins branch plans for each of the Commission’s four branches and its staff performance management framework.

During the reporting period the Commission began developing strategic goals to underpin its work for the next three to four years. Having already developed draft goals for administrative staff early in the reporting period, the Executive and senior managers subsequently worked with Commission Members to ensure that these goals would support the Commission’s work.

The goals are the foundation of the Corporate Plan which was developed to meet the requirements of the enhanced Australian Government Performance Framework which was implemented through the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) from 1 July 2015. The Corporate Plan sets out the objectives and strategies the Commission intends to pursue to achieve its goals. The plan covers four reporting periods and will be reviewed and published on the Commission’s website every year by 31 August.

The four strategic goals in the Corporate Plan are:

- The community understands the role of the Commission and recognises it as an independent, expert tribunal.
- The Commission is accessible to all Australians, recognising the community’s diverse needs and expectations.
- The Commission is accountable and transparent.
- The Commission is an effective, proactive regulator of registered organisations with high levels of compliance by organisations with legislative obligations.

The Commission’s Corporate Plan was published on its website on 31 August 2015.

**Performance and development framework**

Guided by the *Australian Public Service Commissioner’s Directions 2013*, the Commission remains committed to developing a high-performing workplace.

With the continuation of the *Fair Work Australia Enterprise Agreement 2011–14* (FWAEA) past its nominal expiry date of 30 June 2014, the performance and development framework from previous years remained in place during the reporting period.
The framework links individual behaviours, performance and development with organisational goals. It aims to:

- set performance standards and expectations
- provide employees with the opportunity to give and receive feedback
- identify professional development opportunities aligned with the Commission’s core skill requirements
- recognise staff contributions beyond their immediate work area
- enable the development of goals common to a group of employees
- ensure that employee behaviour is consistent with the Commission’s values
- consistently apply performance ratings at mid-year and end-of-year assessments.

The enterprise agreement requires all staff employed for at least three months to have an individual performance and development plan. In 2014–15, plans were in place for 96.1 per cent of staff, the only exceptions being those on long-term leave.

**Learning and development**

The Commission continues to offer learning and development opportunities through a range of learning options including short courses, online and e-learning, support for staff undertaking formal study and coaching/mentoring opportunities. Individual professional development is directly linked to the Commission’s performance and development framework and aims to create a more capable workforce to meet current and future needs.

In 2014–15 the Commission spent $442,472 excluding the goods and services tax (GST) on learning and development. This covered all staff training across the Commission, including study assistance and core skills training in areas such as people management and leadership, administration, legislation, technology, project/program management and communication.

In 2014–15 the Commission ran a formal leadership program for the Executive and Senior Management Group which will continue into the next reporting period. The program built on a range of previous initiatives and consisted of workshops, individual leadership profiles, leadership insight group sessions and executive coaching.

During the reporting period the Commission also identified change management training as an organisation-wide developmental activity for all staff. The Executive and senior managers participated in workshops in July and August 2014 and the Commission provided ‘Dealing with change’ workshops to all staff in June 2015.
Management and accountability

In November 2014 the Commission developed and implemented two e-learning modules concerning anti-discrimination, bullying and harassment and the public interest disclosure scheme. In addition, it ran a number of in-house training programs including:

- Performance and development plan refresher programs reinforcing the objectives of performance management and aligning staff goals with the organisation’s goals.
- A relief conciliator training program to provide voluntary training to Commission staff to assist with conducting unfair dismissal conciliation conferences during peak workloads.
- A conciliators’ forum.
- An associates’ forum.

Productivity gains

As part of its commitment to providing outstanding service delivery, the Commission introduced a number of learning and development initiatives designed to enhance its efficiency and productivity.

In particular, it introduced a new enterprise agreement triage team to support the Agreements Pilot and expanded its relief conciliator program.

The two programs have provided Commission staff with an opportunity to broaden their skills while providing more efficient and consistent service to parties.

The relief conciliator model means that additional conciliators can be drawn from an existing staff base on an ‘as needs’ basis to enable the Commission to better resource and respond to any peaks or troughs in unfair dismissal applications.

As of 30 June 2015 the Commission had also transitioned its former in-house payroll function to Aurion, an outsourced platform.

This streamlining of the payroll process means that existing payroll staff members are able to diversify their skills and provide additional support to the human resource functions of the Commission.

The Commission has also achieved productivity gains by placing a greater emphasis on the use of technology.

Over the last 12 months the Commission has moved towards paperless files for unfair dismissal matters and has trained staff appropriately in the use of technology to facilitate this. By using paperless files, manual processes have decreased and the speed with which files can be processed has improved.
Workplace health and safety

Management arrangements

The Commission has health and safety management arrangements (HSMA) consistent with the *Work Health and Safety Act 2011* (WHS Act).

Under the HSMA there is a statement of commitment, a workplace health and safety policy, consultation arrangements, agreed employer/employee responsibilities and WHS structures and arrangements. There are also provisions relating to workplace inspections, training and information and emergency procedures. The Commission has six designated work groups, six health and safety representatives (HSRs), and a national Health and Safety Committee, which met twice in 2014–15.

Initiatives taken during the year

In 2014–15 the Commission continued to promote a proactive approach to work health and safety. During the year the most significant workplace health and safety initiatives were:

- Strengthening quarterly reporting by managers through the provision of details of workplace health and safety matters raised, implemented and/or resolved.
- Providing workstation assessments and, where needed, rehabilitation case management services to meet the health, safety and rehabilitation needs of the workforce.
- Making the flu vaccination program available to all staff.
- Providing healthy lifestyle initiatives, including Pilates and yoga programs at lunchtime.
- Participating in R U OK? Day, which aims to promote the building of a more connected community and reduce the country’s high suicide rate.
- Conducting regular campaigns encouraging staff to use services provided by the Commission’s Employee Assistance Program provider.

Health and safety outcomes

The Commission is committed to maintaining and improving the health and wellbeing of its workforce. In 2014–15 there were no new compensation claims and eight accidents/incidents involving employees were reported.

The Commission closely monitors its compensation exposure and internal rehabilitation programs against broader APS considerations of compensation costs, the increasing incidence of longer-term injuries and more problematic claims, including those of a psychological nature. Its forecast workers’ compensation premium rate has been reduced for 2015–16, at 0.65 per cent. The forecast premium rate is well below the 2015–16 forecast premium for all agencies, which is 2.04 per cent.
Reportable accidents and occurrences
Under s.38 of the WHS Act, the Commission is required to notify Comcare of any notifiable accidents or dangerous occurrences arising out of work undertaken by any of its employees. There were no occurrences in 2014–15.

Investigations
Under Part 4 of the WHS Act, the Commission is required to report any investigations conducted during the year into any of its undertakings. No investigations were conducted in 2014–15.

Other matters
Under Division 7, Part 5 of the WHS Act, HSRs are entitled to issue provisional improvement notices to address immediate risks to improve health and safety performance. No notices were issued in 2014–15.

Business continuity
During 2014–15 the Commission reviewed and maintained its business continuity plan. Continuing on from last year’s focus on the development of information and communication technology (ICT) disaster recovery capabilities, a number of key projects were completed.

Significant upgrades to the ICT infrastructure as part of the Sydney office refurbishment saw the completion of a secondary (backup) data centre which included additional data storage, server hardware and internet and network links, giving a solid foundation to support the Commission’s continuity of service.

The ICT disaster recovery plan is being developed to work in tandem with the business continuity plan. These plans will ensure limited downtime to the Commission and the services it provides into the future.

Ethical standards
The Commission’s ethical standards are governed by a legislative framework common to most Australian Government agencies and include the:

- Public Service Act 1999
- Public Service Regulations 1999
- Australian Public Service Commissioner’s Directions 2013

Information on ecologically sustainable development and environmental performance can be found at Appendix H.
Fair Work Commission values

The Fair Work Commission values guide the activities of staff and are designed to operate alongside the APS values.

The Commission’s values are:
- commitment to service
- integrity
- independence
- leadership
- respect.

These values are intended to guide staff in their daily work and in their interactions with colleagues and the community. They are embedded in the recruitment and performance management processes that the Commission follows.

Freedom of information

Information Publication Scheme

The Commission is subject to the Freedom of Information Act 1982 (FOI Act). Agencies subject to the FOI Act are required to publish information to the public as part of the Information Publications Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a s.8 statement in an annual report.

Each agency must display a plan on its website showing what information it publishes in accordance with the requirements. The Commission’s plan can be found at www.fwc.gov.au/about-us/legal/information-publication-scheme.

FOI requests

This financial year the Commission received 35 FOI requests, up from 29 the previous year. This number includes requests which may have subsequently been transferred to another agency or withdrawn. FOI requests were managed by FOI officers within the Reporting, Planning and Legal Team.
Management and accountability

**Timeliness**

The FOI Act requires the Commission to notify an FOI applicant that their request has been received no later than 14 days after the day on which the request is received. The Commission provided notification in accordance with this timeframe for 100 per cent of FOI requests received.

The FOI Act requires the Commission to notify the FOI applicant of a decision on their request no later than 30 days after the day on which the request was received. Where third-party consultation is required to process an FOI request, the FOI Act extends this timeframe by a further period of 30 days.

Where FOI requests are complex or voluminous, further extensions of processing time are allowed under the FOI Act by agreement with the FOI applicant or by application to the Information Commissioner. The Commission sought, and was granted, extensions of time by a delegate of the Information Commissioner in relation to one request this year.

The Commission issued decisions on FOI requests within the applicable timeframe for 100 per cent of those FOI requests which were received and which were not withdrawn or transferred to another agency.

**Accountability**

A range of audit activities were undertaken by internal and external auditors to provide assurance to the General Manager, the Audit Committee and managers within the Commission about risk-related activities.

**External scrutiny**

The Auditor-General issued an unqualified independent audit report on the Commission’s 2014–15 financial statements. There were no other reports issued by the Auditor-General relating to the Commission in 2014–15.

There were no reports on the operation of the Commission by a parliamentary committee or the Commonwealth Ombudsman, and there were no agency capability reviews.

Internal audit arrangements

Ernst & Young was appointed on 27 August 2014 to undertake the Commission’s annual program of independent internal audits. The following internal audits were considered by the Audit Committee and finalised in 2014–15:

- review of information security
- review of Executive quarterly monitoring report
- risk management plan.

The following internal audits were commenced in 2014–15:

- Protective Security Policy Framework review
- PGPA Act compliance review.

Judicial decisions and administrative review

There were no judicial decisions, decisions of administrative tribunals or decisions by the Australian Information Commissioner that have had or may have a significant impact on the Commission’s operations during 2014–15.

Corporate reporting

In 2014–15, the Commission undertook corporate reporting through:

- the prescribed annual report and State of the Service reporting requirements
- other external reports such as the Portfolio Budget Statements and central agency surveys
- responses to parliamentary questions.


Website

The Commission’s website is the primary source of publications and reports regarding its activities. During the year the Commission reviewed its website structure, presentation and content to identify opportunities to enhance the accessibility of information on it.
Risk management and fraud control

During the reporting period the Commission updated its Risk Management Policy and framework to align with the Commonwealth Risk Management Policy released in July 2014. This policy requires Commonwealth agencies to establish an appropriate system of risk oversight and management. The Commonwealth Risk Management Policy supports the PGPA Act.

The Commission’s Executive and Senior Management Group assessed and developed the risk policy, workshopped the risk profile, and is putting in place steps to embed a risk-based culture within the organisation.

In addition, the Commission has a fraud risk assessment and fraud control plan and appropriate fraud prevention, detection, investigation reporting and data collection procedures and processes to meet its specific needs and to comply with the Commonwealth Fraud Control Guidelines.

The General Manager’s certification in respect of fraud control can be found at Appendix I.

The Commission’s workforce

Management of human resources

The Commission directs its staffing resources to where they will deliver the greatest benefit.

2014–15 saw new opportunities for innovative service delivery by Commission staff.

As part of the ongoing Future Directions change program administrative staff participated in a pilot program under which they assessed a portion of enterprise agreement applications in a small number of industries to provide assistance to Members regarding whether to approve an agreement.

Following an external review, from 1 July 2015 a greater range of enterprise agreement approval applications will be progressively referred to the pilot.

Similarly, adopting the established model used for unfair dismissal applications, Commission staff participated in a pilot program for conducting preliminary conciliations for general protections applications involving dismissal.

These initiatives were in addition to the new anti-bullying jurisdiction which commenced on 1 January 2014 and which had its first full year of operation in 2014–15.

To create efficiencies, including the greater use of online forms, compliance with superannuation processing changes, enhanced reporting capability and freeing up time for payroll staff to concentrate on more value-added human resources functions, on 30 June 2015 the Commission transitioned its payroll function to an external service provider.

The interim arrangements for recruitment in the APS, introduced in October 2013, continued to impact upon the Commission’s ability to engage ongoing staff. The number of non-ongoing staff grew to 68 as at 30 June 2015 (up from 40 as at 30 June 2014). The majority of staff members engaged in 2014–15 had tertiary qualifications in law, helping to build a more agile workforce with skills that were in demand across all four branches.
In the next reporting period the Commission will undertake a systematic review of its structure, roles and responsibilities in line with APS frameworks to ensure a contemporary and agile workforce which is best placed to support the delivery of its functions into the future.

This will be followed in future years by the development and ongoing implementation of a workforce plan with particular emphasis upon development of skills and capabilities through training, learning and development and talent management.

Commission staffing

At 30 June 2015, the Commission employed a total of 328 staff (ongoing and non-ongoing). This is an increase of 22 staff from the total number of ongoing and non-ongoing staff at 30 June 2014, reflecting in part the number of initiatives under which Commission staff undertook work previously performed by Commission Members. Also an increased number of staff, included in the Table 38 totals, were on paid or unpaid long-term leave arrangements.

Table 38: Geographic deployment of staff

<table>
<thead>
<tr>
<th>Location</th>
<th>30 June 2014</th>
<th>30 June 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Victoria</td>
<td>208</td>
<td>226</td>
</tr>
<tr>
<td>New South Wales</td>
<td>55</td>
<td>54</td>
</tr>
<tr>
<td>Queensland</td>
<td>16</td>
<td>18</td>
</tr>
<tr>
<td>Western Australia</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>South Australia</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Tasmania</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Australian Capital Territory</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>306(^1)</strong></td>
<td><strong>328(^2)</strong></td>
</tr>
</tbody>
</table>

1 Includes the General Manager (a statutory appointee under the Fair Work Act), 14 employees on long-term leave with or without pay and one employee on a temporary movement to another APS agency.

2 Includes the General Manager (a statutory appointee under the Fair Work Act), and at 30 June 2015 22 employees on long-term leave with or without pay.

During 2014–15, 75 new employees (ongoing or non-ongoing) commenced employment and 53 employees (ongoing or non-ongoing) departed the Commission.

Of the new employees, two were ongoing movements from other APS agencies, five were temporary movements of ongoing employees from other APS agencies and 68 were non-ongoing engagements. New employees in 2014–15 were spread across the branches, with the largest number of new staff being recruited by Victorian Registry, the Member Support Team, the Unfair Dismissals Case Management Team and New South Wales Associates Team.
Table 39: Recruitment activity during 2014–15

<table>
<thead>
<tr>
<th>Type</th>
<th>No.</th>
<th>State</th>
<th>No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing (including ongoing movements from other APS agencies)</td>
<td>2</td>
<td>VIC</td>
<td>2</td>
</tr>
<tr>
<td>Temporary moves from other APS agencies</td>
<td>5</td>
<td>VIC</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NSW</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SA</td>
<td>2</td>
</tr>
<tr>
<td>Non-ongoing</td>
<td>68</td>
<td>VIC</td>
<td>41</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NSW</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td></td>
<td>QLD</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ACT</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WA</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SA</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NT</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>75</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Separations

During 2014–15, a total of 53 employees left the Commission – 15 ongoing employees and 38 non-ongoing employees. The reasons for separation are indicated in Table 40.

Table 40: Staff reason for separation

<table>
<thead>
<tr>
<th>Reason for separation</th>
<th>Ongoing</th>
<th>Non-ongoing</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resignation</td>
<td>12</td>
<td>15</td>
<td>27</td>
<td>50.9</td>
</tr>
<tr>
<td>Retirement on the grounds of ill-health</td>
<td>1</td>
<td>–</td>
<td>1</td>
<td>1.9</td>
</tr>
<tr>
<td>Return to other APS agency after completion of a temporary move</td>
<td>1</td>
<td>–</td>
<td>1</td>
<td>1.9</td>
</tr>
<tr>
<td>Ongoing movement to other APS agency</td>
<td>1</td>
<td>–</td>
<td>1</td>
<td>1.9</td>
</tr>
<tr>
<td>Cessation of non-ongoing engagement</td>
<td>n/a</td>
<td>23</td>
<td>23</td>
<td>43.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>15</strong></td>
<td><strong>38</strong></td>
<td><strong>53</strong></td>
<td></td>
</tr>
</tbody>
</table>
Flexible work

The Commission provides flexible working arrangements to help employees balance work and other responsibilities including:

- Part-time work – at 30 June 2015, 34 ongoing employees and two non-ongoing employees worked part-time. This was an increase of one on the number of part-time employees as at 30 June 2014.

- Home-based work – during 2014–15, six employees had home-based work agreements to combine ongoing work commitments with parental responsibilities and/or personal circumstances. This was the same figure as for the 2013–14 year.

### Table 41: Employment status and gender by APS Level

<table>
<thead>
<tr>
<th>Classification</th>
<th>Salary range (as applicable from FWA Agreement)</th>
<th>Ongoing full-time</th>
<th>Ongoing part-time</th>
<th>Non-ongoing ¹</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>General Manager</td>
<td>Remuneration Tribunal</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>SES Band 1</td>
<td>Individual</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Executive Level 2</td>
<td>116,094–135,869</td>
<td>17</td>
<td>16</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Executive Level 1</td>
<td>100,688–108,694</td>
<td>2</td>
<td>10</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>APS Level 6</td>
<td>79,094–90,983</td>
<td>40</td>
<td>62</td>
<td>1</td>
<td>13</td>
</tr>
<tr>
<td>APS Level 5</td>
<td>73,029–77,397</td>
<td>6</td>
<td>14</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>APS Level 4</td>
<td>65,508–71,089</td>
<td>20</td>
<td>26</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>APS Level 3</td>
<td>58,836–63,446</td>
<td>0</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>APS Level 2</td>
<td>52,284–57,259</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>89</td>
<td>137</td>
<td>5</td>
<td>29</td>
</tr>
</tbody>
</table>

¹ Two non-ongoing employees work part-time.
Staff demographics

Indigenous employment

The Commission currently has one staff member who identifies as Indigenous. During the reporting period this staff member was on secondment from another agency, however they have since become an ongoing staff member.

Table 42: Senior executive and executive level employees by classification and gender

<table>
<thead>
<tr>
<th>Classification</th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Level 1</td>
<td>14</td>
<td>4</td>
<td>18</td>
</tr>
<tr>
<td>Executive Level 2</td>
<td>24</td>
<td>22</td>
<td>46</td>
</tr>
<tr>
<td>SES Band 1</td>
<td>2</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>28</strong></td>
<td><strong>68</strong></td>
</tr>
</tbody>
</table>

1 Fair Work Commission has 31 conciliators employed at EL2 and EL1 levels (6 part-time) with specialist skills but the role is not in a management capacity.

Table 43a: Location and gender by classification – female

<table>
<thead>
<tr>
<th>Female</th>
<th>VIC</th>
<th>NSW</th>
<th>QLD</th>
<th>WA</th>
<th>SA</th>
<th>TAS</th>
<th>ACT</th>
<th>NT</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>SES Band 1</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Executive Level 2</td>
<td>14</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>24</td>
</tr>
<tr>
<td>Executive Level 1</td>
<td>11</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>14</td>
</tr>
<tr>
<td>APS Level 6</td>
<td>50</td>
<td>12</td>
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<td>4</td>
<td>1</td>
<td>1</td>
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<td>1</td>
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<td>9</td>
<td>4</td>
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<td>SA</td>
<td>TAS</td>
<td>ACT</td>
<td>NT</td>
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</tr>
<tr>
<td>---------------------</td>
<td>-----</td>
<td>-----</td>
<td>-----</td>
<td>----</td>
<td>----</td>
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<td>----</td>
<td>-------</td>
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<td>General Manager</td>
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<td>0</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>14</td>
</tr>
<tr>
<td>APS Level 4</td>
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<td>APS Level 3</td>
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<td>0</td>
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<td>0</td>
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<tr>
<td>APS Level 2</td>
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<td>4</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>117</td>
</tr>
</tbody>
</table>

**Employee pay and entitlements**

**Collective and individual agreements**

All non-Senior Executive Service (SES) employees are covered by the FWAEA. SES employees are covered by an individual *Public Service Act 1999* section 24(1) determination.

**Fair Work Australia Enterprise Agreement 2011–14**

The FWAEA passed its nominal expiry date as of 30 June 2014. Fifteen bargaining meetings took place in 2014–15 between staff and management bargaining representatives for a new enterprise agreement.

Drawing on the Commission’s ‘New Approaches’ program, staff and management representatives agreed to use an interest-based bargaining approach under which the bargaining group jointly explored underlying interests and issues in detail and attempted to find common solutions. Both staff and management bargaining representatives prepared draft clauses for discussion. After the end of the reporting period, management representatives presented a draft agreement to staff representatives for their consideration.
Management and accountability

Senior Executive Service remuneration

The Commission has four SES employees. Conditions related to the employment of SES employees, including remuneration, are contained in individual determinations made under section 24(1) of the Public Service Act 1999. These determinations are comprehensive documents covering each employee’s terms and conditions.

Non-salary benefits

Non-salary benefits are available to employees through the FWAEA, individual arrangements and other initiatives and include:

- Time off in lieu of overtime.
- Access to annual train, tram, bus and ferry tickets – the Commission pays the up-front cost and the employee then repays the amount fortnightly over a 12-month period.
- Healthy lifestyle initiatives such as subsidised yoga and Pilates classes, flu vaccinations and an Employee Assistance Program.

Performance pay

The Commission does not have a performance bonus scheme.

Service Charter, complaints and code of conduct

The Commission’s Service Charter provides information on the nature and level of service that the public can expect from the Commission’s administrative staff.

The Commission works to ensure that its service meets the directives of the charter by providing high-quality and seamless services in accordance with the legislative framework within which it operates. Processes are in place to assist to address complaints quickly and informally.

The charter provides information on how to make a complaint or to provide feedback about the Commission’s administrative activities. The full Service Charter can be found at Appendix L.

In 2013–14 the Commission updated its complaint and feedback system. In 2014–15, the complaint and feedback system was assessed against five criteria derived from recommendations made in the Commonwealth Ombudsman’s Complaint management by government agencies investigation report. The assessment showed that the Commission’s complaint and feedback system incorporated all five best-practice recommendations.

In 2014–15 the Commission introduced a pathway for small business employers to provide feedback about its services. This can be accessed from the small business information page on its website.

The Commission has a separate process for dealing with complaints about Members in accordance with the provisions outlined in the Fair Work Act. The Fair Work Act provides that the President may determine a Member code of conduct and, as such, this was implemented in March 2013. The Member Code of Conduct sets out the process for making a complaint about a Member of the Commission. This guide is published on the Commission’s website at http://www.fwc.gov.au/documents/resources/MemberCodeConduct.pdf.
Complaints

During 2014–15 the Commission received 162 written complaints. This is an increase from the previous year, when 104 complaints were received.

The Commission has made a conscious effort to improve access to information on how to make a complaint and this may account for the increase in the number of complaints received. The number of complaints made represent 0.47 per cent of the number of applications made in 2014–15.

The majority of complaints received were in relation to the Commission’s processes. A substantial number of these complaints involved complaints about issues that were outside of its jurisdiction, or a fundamental misunderstanding of the process or authority of the Commission.

There was an increase in the number of complaints received in relation to the Commission’s administration and a number of these complaints were about the website and electronic lodgment system. The Commission conducted a website usability review in 2014–15 and will also replace its electronic lodgment system in 2015–16.

Written complaints were responded to and finalised in an average of nine working days in the 2014–15 period, with some taking longer to resolve than others depending on the complexity of the complaint. This was within the Commission’s service promise to respond to written complaints within 20 working days.

The Commission has made a conscious effort to improve access to information on how to make a complaint, for example, through a dedicated information page on its website.
### Table 44: Breakdown of complaints

<table>
<thead>
<tr>
<th>Subject</th>
<th>2013–14</th>
<th>2014–15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member conduct</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Unfair dismissal conciliation&lt;sup&gt;1&lt;/sup&gt;</td>
<td>20</td>
<td>18</td>
</tr>
<tr>
<td>Outcome of a matter&lt;sup&gt;2&lt;/sup&gt;</td>
<td>12</td>
<td>23</td>
</tr>
<tr>
<td>Timeliness</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Administration&lt;sup&gt;3&lt;/sup&gt;</td>
<td>13</td>
<td>26</td>
</tr>
<tr>
<td>Pay and entitlements</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Complaint relating to modern award or enterprise agreements&lt;sup&gt;4&lt;/sup&gt;</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>Adjournment request refusal</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Process&lt;sup&gt;5&lt;/sup&gt;</td>
<td>24</td>
<td>59</td>
</tr>
<tr>
<td>Other&lt;sup&gt;6&lt;/sup&gt;</td>
<td>17</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>104</td>
<td>162</td>
</tr>
</tbody>
</table>

1 Unfair dismissal conciliation includes conciliation processes and conciliator conduct.
2 Complaints relating to the outcome of a matter include decisions of the Commission. These matters generally cannot be dealt with through the complaints process and usually require a formal appeal of the decision to be lodged.
3 Administration includes administration errors, staff conduct, errors with the website and lodgment system.
4 Complaints relating to the content of modern awards or enterprise agreements usually cannot be resolved through the complaints process and usually require a formal application to be lodged to amend or vary these instruments.
5 Process relates to either dissatisfaction with one of the Commission’s processes or a fundamental misunderstanding of the process or the authority of the Commission.
6 Other includes complaints about not being able to find decisions on the Commission’s website.
Financial management

The Commission is a non-corporate entity under the PGPA Act. The Commission’s audited financial statements for 2014–15 are at Appendix J.

The Commission’s operating revenue from government for the 2014–15 financial year was $79.887 million. The Commission’s appropriated revenue in the prior year was $79.996 million. An amount of $2.613 million from the 2013–14 appropriation was quarantined and as such was unable to be utilised for Commission purposes. Consequently the available revenue from government for the prior year was $77.383 million.

Operating expenses increased in 2014–15 to $86.15 million ($80.88 million in 2013–14). The major expenses in 2013–14 were $52.192 million in respect of employee expenses, $27.8 million relating to supplier payments, and $4.4 million in asset depreciation, amortisation and related expenses. The Commission, in accordance with its internal accounting policies, engaged an independent valuation to ensure carrying amount of assets did not differ materially from the assets’ fair values as at the reporting date.

As a result the Commission recognised a $1.690 million write down of assets. Employee expenses increased in the 2014–15 year largely as a result of redundancy costs of $1.06 million incurred.

Note 21 of the financial statements compares performance of the Commission during 2014–15 compared to the budget outlined in the Commission’s Portfolio Budget Statements, in addition to providing an explanation of major variances.

Under the Australian Government’s net cash appropriation arrangement, the Commission is not funded for depreciation or amortisation expenses through appropriation revenue. The operating result, excluding unfunded charges, was an operating surplus of $764,000.

An agency resource statement table providing information about funding sources drawn upon by the agency is at page 155 of this report.

A summary table of resources for outcome, including total administered expenses, revenue from government (appropriations) for outputs and the total price of outputs can be found at page 156.

Information on advertising and market research can be found at Appendix H. Information on legal services expenditure and information on grant programs can be found at Appendix H.

Assets

The Commission’s main asset types are leasehold improvements and computer equipment. Asset management is not considered to be a significant aspect of core business and so an assessment of the effectiveness of asset management is not reported.

Major accommodation projects

Purchasing

The Commission’s purchasing policies are outlined in the Accountable Authority Instructions, resource management policies and procurement policy, which reflect the principles of the Commonwealth Procurement Rules.

The following criteria are applied to all of the Commission’s procurement activities:

- value for money
- efficiency and effectiveness
- contestability and competitive neutrality
- accountability and transparent reporting
- ethics.

All open approaches to market are advertised on both the Commission website and the AusTender website (www.tenders.gov.au).

Outcomes of all planned procurements at or above $80,000 are referred to the Procurement Committee for approval. Details are recorded in the Financial Management Information System and the Contracts Register.

Having identified process errors in 2014–15 under which reporting requirements on AusTender were not met in all instances, the Commission is reviewing its procedures and systems to ensure this issue is rectified in the forward year.

Information about the Procurement Committee can be found on page 132.

Purchaser-provider arrangements

The Commission’s procurement policies are consistent with the PGPA Act and the Commonwealth Procurement Rules. To maintain this it applies the following criteria to all procurement activities:

- value for money
- encouraging competition
- efficient, effective and ethical use of resources
- accountability and transparency.

The Commission obtains value for money by accessing existing Australian Government panels or coordinated contract arrangements and, where applicable, it partners with other larger Australian Government departments and agencies when procuring goods and services.
Procurement initiatives to support small business


The Commission’s procurement practices support SMEs by using:

- A range of procurement methods including whole-of-government arrangements, panel arrangements, approach to market, multi-use lists and requests for quote. SMEs may be directly approached as part of this process.

- The Commonwealth Contracting Suite for low-risk procurements valued under $200,000 where the panel arrangement or other method does not specify the documentation to be used in forming the contract.

- Clear, simple language presented in an accessible format to communicate throughout the procurement process in keeping with the Small Business Engagement Principles.

- Australian Industry Participation Plans in whole-of-government procurement where applicable.

Procurement plan

The Commission published an annual procurement plan outlining expected procurement activities during 2014–15. The plan is available on the AusTender website.

Contracts

List of contracts

The Commission’s website lists all contracts valued at $100,000 and over that have not been fully performed or which have been entered into during the previous 12 months. Information on expenditure on contracts and consultancies is also available on the AusTender website.

Significant contracts approved by the Commission’s Procurement Committee during 2014–15 included:

- recording and transcription services
- website review
- unified communication system
- Hewlett-Packard support renewal
- professional information management services
- development of cost model.
Consultants

The services of consultants are engaged where the necessary specialised or professional skills are unavailable within the Commission or where there is a need for independent research or assessment.

The Commission’s practices on the selection and engagement of consultants are in accordance with the PGPA Act and related regulations including the Commonwealth Procurement Rules. The methods of selection used for consultancies are open tender, select tender, direct sourcing and panel arrangements (initially selected through either an open tender or select tender process).

During 2014–15, six new consultancy contracts were entered into involving total actual expenditure of $364,360 (including GST). In addition, two ongoing consultancy contracts were active during the 2014–15 year, involving total actual expenditure of $94,751 (including GST). One consultancy contract was entered into during 2014–15 but no expenditure was incurred during the financial year.

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website at www.tenders.gov.au.

Competitive tendering and contracting

At 30 June 2015, there were no active contracts relating to the outsourcing of government activities under the Australian Government’s competitive tendering and contracting policy.

Australian National Audit Office clauses

The Commission had no contracts let during the year that did not provide for the Auditor-General to have access to the contractor’s premises.

Exempt contracts

The Commission had no contracts valued in excess of $10,000 that were exempt from reporting on the AusTender website at www.tenders.gov.au.
Agency resource statement

Table 45 shows the total resources from all origins. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 45: Fair Work Commission resource statement

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>(a)</td>
<td></td>
<td>(b)</td>
<td>(c)</td>
</tr>
<tr>
<td>Ordinary annual services(^1)</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Departmental appropriation</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Prior year departmental appropriation(^2)</td>
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<td>36,693</td>
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<tr>
<td>Departmental appropriation(^3)</td>
<td>82,337</td>
<td>42,629</td>
<td>39,708</td>
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<tr>
<td>s.31A relevant agency receipts(^4)</td>
<td>2,559</td>
<td>2,559</td>
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<tr>
<td>Total ordinary annual services</td>
<td>121,589</td>
<td>81,881</td>
<td>39,708</td>
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<tr>
<td>Departmental non-operating(^4)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity injections</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total Departmental non-operating</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total available annual appropriations</td>
<td>121,589</td>
<td>81,881</td>
<td>39,708</td>
</tr>
<tr>
<td>Total net resourcing for the Fair Work Commission</td>
<td>121,589</td>
<td>81,881</td>
<td>39,708</td>
</tr>
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</table>

\(^1\) Appropriation Bill (No. 1) 2014–15. Including the balance of prior year departmental appropriations.

\(^2\) Estimated adjusted balance carried forward from previous year.

\(^3\) Includes an amount of $2,450m for the Departmental Capital Budget. For accounting purposes this amount has been designated ‘contributions by owners’.

\(^4\) An amount of $2,613m of Fair Work Commission appropriations receivable was quarantined during the 2013–14 financial year and is not available to the Commission, due to delay in start date of the Anti-bullying Implementation, and targeted savings as a result of Government decisions. The balance was formally repealed in the 2015–16 financial year.
Expenses and resources for outcome

Table 46: Expenses and resources for outcome

<table>
<thead>
<tr>
<th>Outcome 1: Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern awards, facilitate collective bargaining, approve agreements and deal with disputes.</th>
<th>Budget* 2014–15 $’000</th>
<th>Actual expenses 2014–15 $’000</th>
<th>Variation 2014–15 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outcome 1 Totals by Appropriation type</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Programme 1.1: Dispute resolution, minimum wages, orders and approval of agreements</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Departmental expenses</td>
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<td></td>
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<tr>
<td>Departmental appropriation¹</td>
<td>81,173</td>
<td>81,685</td>
<td>(512)</td>
</tr>
<tr>
<td>Expenses not requiring appropriation in the budget year²</td>
<td>3,576</td>
<td>4,465</td>
<td>(889)</td>
</tr>
<tr>
<td><strong>Total for Programme 1.1</strong></td>
<td><strong>84,749</strong></td>
<td><strong>86,150</strong></td>
<td><strong>(1,401)</strong></td>
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</table>

<table>
<thead>
<tr>
<th>2013–14</th>
<th>2014–15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Staffing Level (number)</td>
<td>336</td>
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</table>

* Full-year budget, including any subsequent adjustment made to the 2014–15 Budget.

1 Departmental Appropriation combines ‘Ordinary annual services (Appropriation Bill No. 1)’ and ‘Revenue from independent sources’.

2 Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.