Guidance note for FRD 29C *Workforce data disclosures in the Report of Operations*

# Reporting of employee numbers in department annual reports

## Minimum reporting requirements

1. Purpose

* 1. This guidance document sets out the minimum standards required of public service bodies for reporting public service employee numbers in annual reports.
	2. The requirements relate to employees employed under Part 3 of the *Public Administration Act 2004*. Existing reporting requirements continue to apply with respect to other employees.
	3. The objective of these requirements is to establish consistency in reporting of public service employees across annual reports. The requirements have been developed in consultation with departments and fit within the context of the Report of Operations required under the *Financial Management Act 1994*.
	4. Entities have discretion over how to present the required information, and over the inclusion of additional information.
1. General reporting requirements
	1. Entities must report on people who are employees employed under Part 3 of the *Public Administration Act 2004*.
	2. Employee numbers are to be reported, under the categories of:
* on-going, and
* fixed term and casual.
	1. The employees to be counted are those who are active (as defined below) and employed in the last full pay period in June.
	2. Employee numbers for the current and the previous year are to be reported.
1. Details to be reported
	1. Ongoing employees (full-time and part-time)

Reported in both headcount and full time equivalent terms, by:

* Number by gender
* Number by age cohort (15-24 / 25-34 / 35-44 / 45-54 / 55-64 / 65+)
* Number by classification level
	1. Fixed term and casual employees

Reported in both headcount and full time equivalent terms, by:

* Number by gender
* Number by age cohort (15-24 / 25-34 / 35-44 / 45-54 / 55-64 / 65+)
* Number by classification level
	1. Reporting of numbers by classification level

Reporting to conform to the following minimum standards:

* + - Numbers in major classification groups to be reported by level, where major groups include:

the generic VPS grades 1 to 6; and

adaptive and occupational categories where the department employs more than 50 employees (headcount).

* + - Senior staff must be reported as separate categories. There is no requirement to report executives by level. Refer also to FRD 15E *Executive officer disclosures in the Report of Operations* which imposes additional executive officer disclosures.
		- Entities may report smaller adaptive and occupational categories (those with less than 50 employees) either as ‘Other’ or as discrete categories, without a requirement to report by level. Any classification categories rolled into the ‘Other’ category must be referenced in a footnote.
		- Employees acting as a senior employee in a long term arrangement should be disclosed under their substantive or contracted classification. A footnote should be included into indicate the number of employees who were acting in long term senior positions at the last full pay period in June of the reporting year.
		- For senior staff, entities must also disclose remuneration, by classification, within $20 000 income bands. The remuneration amount reported should be the full-time annualised salary.
		- A footnote should be included to indicate the number of senior employees working part-time and their contracted time fraction.
	1. Variation in employee numbers from the previous year
* General commentary on programs or initiatives that had significant impact on ongoing, and fixed term and casual employment levels over the reporting year must be included within the Annual Report.
	1. **Reporting of employee numbers working in portfolio agencies**
* There are currently a number of Authorities and Offices that employ public servants independently of a Department Secretary. A Department Annual Report must list any Authorities or Offices in this category that fall within its portfolio.

Where the Authority/Office produces an Annual Report, employee numbers must be included in that Annual Report in accordance with these minimum requirements.

Where the Authority/Office does not produce an Annual Report, employee numbers must be reported in the Department Annual Report in a separate table.

* Where a discrete Office, Commission, or other agency is serviced by staff employed by the Department Secretary, these employees are to be included in the Department’s employee numbers. Departments may choose to report employees of an Office/Commission that falls into this category in separate tables.

Where an office that falls into this category produces a separate Annual Report that includes public service employee numbers, a note must accompany the Department’s employee numbers reporting that these employees have been reported in both the Department’s report and the report produced by the discrete Office/Commission (e.g. Sustainability Victoria, Victorian Commission for Gambling Regulation, State Revenue Office).

* 1. **Explanatory notes**

Notes are to be added to the report:

* General commentary on programs or initiatives that had significant impact on on-going, and fixed term and casual employment levels over the reporting year must be included within the Annual Report.
* Any significant rise and fall in employment levels within the reporting year, such as the employment and termination of a seasonal workforce, should be noted in a footnote to the table.
1. Definitions

**Active employee:** a person who attends work and is paid, or who is on paid leave during the last full pay period in June of the relevant year.

Included are:

* Graduates who are on rotation to another entity
* Casual employees who work during the pay period
* Cadets or trainees who are directly employed by an entity
* An employee who worked only part of the pay period, but did not separate during the pay period
* An employee on WorkCover leave (i.e. receiving make-up pay)
* An employee on leave at half pay
* An employee working with another employer but who continues to be paid by the entity, regardless of whether the other employer reimburses the entity
* An employee who may be absent on sabbatical leave

Excluded are:

* Graduates who are serving a rotation within the entity
* Statutory Office holders
* Labour hire staff
* Contractors
* Employees on leave without pay for the whole of the pay period
* Employees who separate during the pay period
* Casual employees who do not work during the pay period
* Employees seconded to another employer, and who are not paid their salary by the entity
* Former or current employees who receive payment for arrears

**All employees:** all persons employed as either ongoing, part-time and casual employees, as defined below.

**Casual:** A person employed by the entity who is subject to clause 25, Casual Employees – Loading of the current VPS Enterprise Agreement, or similar clauses in other relevant agreements. It includes a person employed on a sessional basis where such provision is made under an applicable industrial agreement.

**Classification by level:** refers to substantive classification.

**Contractor:** a person engaged on a contract to deliver a service rather than under a contract of employment.

**Employees accessing purchased leave:** where normal weekly hours are full time.

**Executive:** A person employed as an executive under Part 3 of the *Public Administration Act 2004*, or is a person whom the Victorian Government’s policy on Executive Remuneration in Public entities applies. This may include the Accountable Officer (usually the Department Head of the Chief Executive Officer (CEO) or equivalent of a public body under section 42 of the *Financial Management Act 1994*, which is excluded from the definition of executive officer under FRD 15E and 21C.

The Victorian Government’s Policy on Executive Remuneration in Public Entities can be found on the Victorian Public Sector Commission’s (VPSC) website at <http://vpsc.vic.gov.au>.

**Fixed term**: A person employed under the *Public Administration Act 2004* on a contract of service for a specified and finite period. Note that this does not include Executive Officers who are treated in these specifications as ongoing employees. Executives employed for discrete projects should be reported as fixed term.

**Full time:** A person who normally works the full time hours defined for their job classification under the applicable provisions of the current VPS Enterprise Agreement, or another applicable industrial agreement. It includes employees who purchase additional leave but work full time hours on a weekly basis.

**Full time annualised salary**: the total salary amount payable, excluding superannuation (whether defined benefit or accumulation), that the employee is contracted for, as at the last full pay period in June of the reporting period.

* For a **non-executive**, this is the salary provided for under the current VPS Enterprise Agreement, or as determined by the employer.
* For an **executive**, to ensure consistent reporting for those on accumulation and defined benefits schemes, this should be calculated as:
	+ for executives **under the maximum superannuation contribution** base this is the Total Remuneration Package (TRP) divided by the superannuation guarantee rate; and
	+ for executives **over the maximum superannuation contribution** base this is the TRP minus the superannuation guarantee contribution.

For clarity, this is limited to salary and excludes:

* non-financial components of remuneration, such as non-cash benefits and non-salary allowances (e.g. reimbursement of expenses);
* any payment of employment benefits (e.g. cash payment in lieu of long service leave); or
* costs associated with vehicle leasing arrangements, employee superannuation contributions (post or pre-tax), and other salary packaging arrangements and associated fringe benefits tax.

**Full time equivalent (FTE):** A standard unit of measurement which is calculated by dividing the number of hours an employee works by the number of hours a full time employee would work.

**Headcount:** The number of people employed where each person counts as one employee regardless of the number of hours engaged to work.

**Labour hire staff:** Persons employed by an external firm and provided to the entity by that firm for a fee; most commonly including secretarial temps, hospitality staff, pool accountants.

**Long-term acting arrangements:** means instances where:

* a person has been acting in a role for more than three months at the last pay period in June; and
* where the role is either substantively vacant or the substantive occupant is not ‘active’.

**Maximum superannuation contribution base:** is the annual amount set by the Federal Government which specifies the maximum income on which employers must pay superannuation.

**Ongoing employee**: means a person employed on an ongoing basis under the *Public Administration Act 2004*. This includes Executive Officers employed on fixed term executive contracts. It does not include contractors, labour hire staff, consultants or statutory office holders. Note that executives are generally treated as ongoing employees, unless they are employed for discrete projects.

**Part time:** A person who is employed to work less than full time hours per pay period.

**Senior employees:** includes:

* executive officers
* Senior Technical Specialists (STS)
* Principal Scientists (PS)
* Senior Medical Advisors (SMA)
* Senior Regulatory Analysts (SRA); and
* Other staff paid more than the maximum VPS-6 remuneration amount included in the current VPS Enterprise Agreement.

**Superannuation guarantee contribution:** is the maximum amount of superannuation an employer is required to contribute. This is calculated by multiplying the superannuation guarantee rate by the maximum superannuation contribution base.

**Superannuation guarantee rate:** is the percentage of salary that employers must provide in superannuation. This rate is currently 9.5% of salary, up to the maximum superannuation contribution base.

1. Application date

The workforce disclosures contained in FRD 29C are mandatory from the 2017-18 annual reporting year onwards.

1. Status

This Guidance Note supports and gives guidance to entities applying FRD 29C but is not part of the FRD.

1. Illustrative example of disclosure

Refer to appendix A in FRD 29C for example tables illustrative the reporting requirements.