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Secretary's review



Peter J. Boxall
Secretary

The past year, 2004–05, has been exceptionally busy and successful for the department. In particular, we worked on the development of the Government's workplace relations (WR) policy, completed a successful review of the Community Development Employment Projects (CDEP) for Indigenous Australians, and provided major input for the Welfare to Work announcements in the Budget. The department managed the virtually seamless transfer of some 650 staff and several programmes from three other agencies. I warmly welcome the staff who joined the department.

The department created a third Outcome, Increased Workforce Participation, to advise on the Government's Welfare to Work agenda, following the appointment in October 2004 of the Hon Peter Dutton MP as the first Minister for Workforce Participation. An increase in workforce participation, along with increased productivity, are the key drivers to raise the average standard of living in Australia.

A very important part of the department's work on workforce participation has been in the area of Indigenous employment and economic development. The department consulted with over 40 Indigenous communities as part of the review of CDEP, which focussed on placing CDEP more on an outcomes basis, as opposed to a grants basis. Further, the new contract for CDEP commencing on 1 July 2005 places greater emphasis on assisting participants to move to sustainable jobs in the economy. In this context, the department has been an active participant in the Government's new Indigenous Coordination Centres (ICCs) for the delivery of services to Indigenous communities. We developed the concept of 'solution broker' for DEWR staff placed in ICCs, and we have successfully leveraged our mainstream job programmes to place a record number of Indigenous people in jobs.

For much of the year we worked on the proposed WR reforms, leading up to the Government's announcement on 26 May 2005. A very large WR agenda is in place for 2005–06, including further policy refinement, the drafting of legislation and the implementation of changes once enacted by Parliament.

The department remained focussed on continuous improvement in the management of both departmental expenses and administered programmes during the year. In particular, the operation of the General Employee Entitlements and Redundancy Scheme (GEERS) has improved markedly, with the timeliness Key Performance Indicator (KPI) achieved for the first time. The Trades Recognition Australia (TRA) office was successfully re-engineered and new, higher performance KPIs have been adopted for 2005–06. Further, a gradual review of the programmes transferred across from the Department of Family and Community Services has been carried out. Many of these programmes, such as Disability Open Employment Services, Personal Support Programme, Voluntary Work Initiative and Green Corps, will be subject to a stronger focus on performance and a more systematic approach to contract management, similar to that used for the highly successful Job Network programme. Indeed, the Job Network had a record performance last year with placements up by 28 per cent over the previous year. The purchasing round for the extended Job Network contract, Work for the Dole and other employment and related programmes has already commenced for contracts to take effect in 2006–07.

The department has continued to perform very well financially, and we achieved a surplus of \$30.1 million, close to 3 per cent of revenue, notwithstanding the substantial challenges posed through the integration of several large functions associated with the machinery of government changes. For the second year in a row, the department's audited financial statements were among the first signed off.

The department has continued to attract very strong fields of applicants, especially for SES positions. We have placed considerable emphasis on the attraction, development and retention of high performing staff, and we have achieved a high retention rate for graduates. A comprehensive performance management scheme has been integral to the success of this strategy. Further, the department has a policy of appointing staff from outside the APS on the basis of an Australian Workplace Agreement (AWA), and has offered AWAs to all existing staff. As of August 2005, about 60 per cent of staff are employed on the basis of an AWA, and are eligible for performance bonuses.

The workload for staff was very heavy last year, and is likely to remain so during 2005–06. We could not have coped without robust governance arrangements in place, and the hard work and high level of dedication of staff. In recognition of the large agenda, including the purchase of employment services, the implementation of the WR and welfare to work reforms, management have re-prioritised resources in a number of specific work areas. I am confident that we can meet the challenges ahead in what is likely to be another exciting year.

Peter J. Boxall
Secretary

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PORTFOLIO STRUCTURE AND OUTCOMES
Employment and Workplace Relations
 as at 30 June 2005

1
 Overview
 Portfolio Overview

Portfolio Minister	
The Hon. Kevin Andrews MP,	
Minister for Employment and Workplace Relations	
Minister Assisting the Prime Minister for the Public Service	
The Hon. Peter Dutton MP,	
Minister for Workforce Participation	
Department of Employment and Workplace Relations	Secretary Peter Boxall
	Outcome 1 Efficient and effective labour market assistance
	Outcome 2 Higher productivity, higher pay workplaces
	Outcome 3 Increased workforce participation
Office of the Employment Advocate	Employment Advocate Peter McIlwain
	The Office of the Employment Advocate is a separate entity within the department, contributing to Outcome 2.
Australian Industrial Relations Commission/ Australian Industrial Registry	Industrial Registrar Nicholas Wilson
	Outcome Cooperative workplace relations which promote the economic prosperity and welfare of the people of Australia
Comcare	Chief Executive Officer Barbara Bennett
	Outcome Minimise human and financial costs of workplace injury in the Commonwealth jurisdiction
Equal Opportunity for Women in the Workplace Agency	Director Anna McPhee
	Outcome Equality of opportunity in employment for women
Indigenous Business Australia	General Manager Ron Morony
	Outcome Stimulating the economic advancement of Aboriginal and Torres Strait Islander peoples
National Occupational Health and Safety Commission	Chief Executive Officer Sandra Parker <i>A/g</i>
	Outcome Australian workplaces free from injury and disease

Portfolio overview

Portfolio agencies

The Employment and Workplace Relations portfolio comprises the Department of Employment and Workplace Relations and the following statutory agencies:

- the Australian Industrial Relations Commission and the Australian Industrial Registry
- Comcare and the Safety, Rehabilitation and Compensation Commission
- the Equal Opportunity for Women in the Workplace Agency
- the National Occupational Health and Safety Commission
- Indigenous Business Australia.

Chart 1.1 shows the agencies, their planned outcomes, and their executive officers.

Although not statutory agencies, the Office of the Employment Advocate, the Defence Force Remuneration Tribunal and the Remuneration Tribunal operate as individual entities within the department.

The websites for the department and its agencies are as follows:

- the Department of Employment and Workplace Relations—<www.dewr.gov.au>
- the Australian Industrial Relations Commission and the Australian Industrial Registry—<www.airc.gov.au>
- Comcare—<www.comcare.gov.au>
- the Seafarers' Safety, Rehabilitation and Compensation Authority—<www.seacare.gov.au>
- the Safety, Rehabilitation and Compensation Commission—<www.comcare.gov.au/commission.html>
- the Equal Opportunity for Women in the Workplace Agency—<www.eowa.gov.au>
- the National Occupational Health and Safety Commission—<www.nohsc.gov.au>
- Indigenous Business Australia—<www.iba.gov.au>.

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ORGANISATIONAL STRUCTURE

Department of Employment and Workplace Relations
as at 30 June 2005

Secretary Peter Boxall	Internal Audit Dianne Fletcher
	Employment Business Services Michael Manthorpe
Employment Deputy Secretary Malisa Golightly	Employment Systems Stephen Moore
	Intensive Support Jo Caldwell
	Job Search Support Anthony Parsons
	Specialist Services and Income Support Serena Wilson
Workplace Relations Deputy Secretary Finn Pratt	Workplace Relations Policy John Kovacic
	Workplace Relations Legal James Smythe
	Workplace Relations Services Jenet Connell
	Workplace Relations Implementation Craig Symon
	Advocacy Team Ted Cole
	Building Industry Taskforce Nigel Hadgkiss
	Office of the Australian Safety and Compensation Council Sandra Parker
	Office of the Federal Safety Commissioner Tom Fisher
Workforce Participation Deputy Secretary Bob Correll	Indigenous Employment and Business Bob Harvey
	Labour Market Strategies Jennifer Taylor
	Research, Evaluation and Legislation Lynne Curran
	Working Age Policy Graham Carters
	Working Age Taskforce Bruce Whittingham
	Chief Information Officer John Burston
Corporate General Manager Jeremy O'Sullivan	Business Services Darren Hooper
	Human Resources Anya Moore
	Legal Simon Gotzinger
	Investigations Shayne Howard A/g
	Senior Executive Lawyers Michelle Baxter, Henry Carr
	Parliamentary, Performance and Communications Brian Quade
State offices	New South Wales Marsha Milliken
	Victoria Kerren Thorsen
	Queensland Alison Stanley
	South Australia Nicky Govan
	Western Australia Colin Nagle
	Tasmania Peter Allan
	Northern Territory Ray Wilson
Chief Financial Officer Vanessa Graham	Budgeting, Reporting and Treasury Kari Ahmer
	Financial Policy, Processing and System Support Lyn Valentine

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OUTCOME AND OUTPUT STRUCTURE

Department of Employment and Workplace Relations

as at 30 June 2005

OUTPUT GROUPS

OUTPUTS

Outcome 1: Efficient and effective labour market assistance	
1.1 Working age payments	1.1.1 Working age payments and compliance
	ADMINISTERED ITEMS: Disability Support Pension, Mature Age Allowance, Newstart Allowance, Parenting Payment Single, Parenting Payment Partnered, Sickness Allowance, Youth Allowance, Mobility Allowance, Partner Allowance Pension, Partner Allowance Benefit, Widow Allowance, Pensioner Education Supplement
1.2 Labour market programme management and delivery	1.2.1 Information, referral and support services
	1.2.2 Employment services
	1.2.3 Indigenous employment programmes
	1.2.4 Mutual Obligation initiatives
	1.2.5 Employment preparation services
	ADMINISTERED ITEMS: Job Network, Work for the Dole, Transition to Work, Indigenous Employment, Job Placement, Employment and Training programme, Green Corps, Employment Assistance and other services, Personal Support Programme, Payment to Voluntary Work Agencies, Rehabilitation Services, Community Development Employment Projects*, Business Development and Assistance programme*
Outcome 2: Higher productivity, higher pay workplaces	
2.1 Workplace relations policy and analysis	2.1.1 Workplace relations policy advice
	2.1.2 Workplace relations legislation development
	ADMINISTERED ITEMS: Workplace Reform—Secret Ballots, International Labour Organization subscription
2.2 Workplace relations implementation	2.2.1 Advocacy
	2.2.2 Industry and Australian government employment advice
	2.2.3 Assistance to the Employment Advocate
	2.2.4 Workplace relations services
	2.2.5 Employee entitlements safety net schemes
	2.2.6 Defence Force Remuneration Tribunal
	2.2.7 Secretariat to the Remuneration Tribunal
	2.2.8 Building Industry Taskforce
	2.2.9 Office of the Australian Safety and Compensation Council
	2.2.10 Office of the Federal Safety Commissioner
	ADMINISTERED ITEMS: General Employee Entitlements and Redundancy Scheme, Special Employee Entitlements Scheme for Ansett Group Employees, Coal Mining Industry (LSL Funding) Act 1992 financing arrangements
Outcome 3: Increased workforce participation	
3.1 Working age policy	3.1.1 Working age policy and legislation
	3.1.2 Research and evaluation
3.2 Labour market strategies	3.2.1 Labour market analysis
	3.2.2 Industry and labour supply strategies
	3.2.3 Community Development Employment Projects management
	ADMINISTERED ITEMS: Community Development Employment Projects*, Business Development and Assistance programme*

* Financial reporting under Output Group 1.2 until 30 June 2005. Performance for 2004-05 is reported under Output Group 3.2.

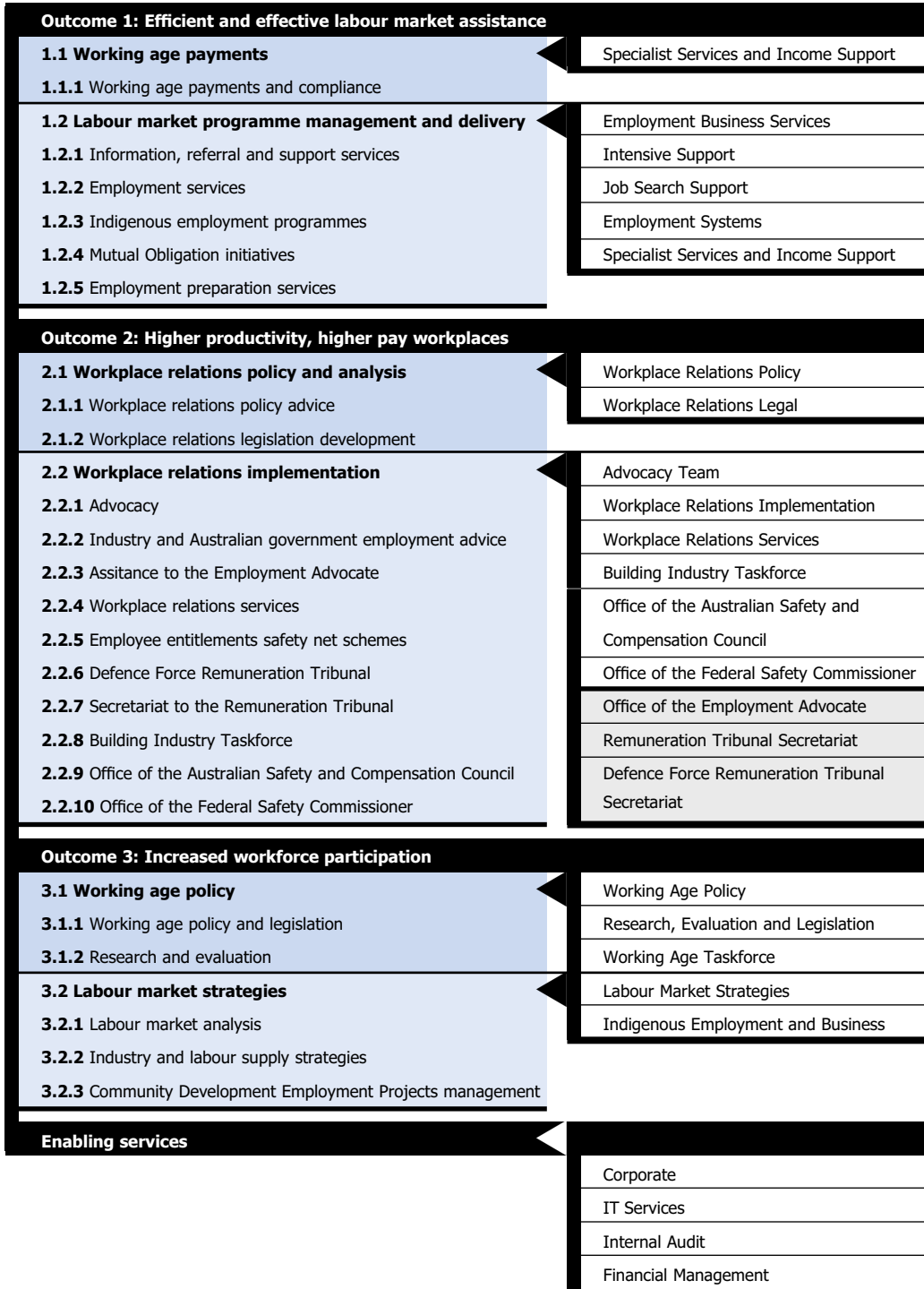
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OUTCOME AND OUTPUT STRUCTURE: LINKS TO ORGANISATIONAL UNITS
Department of Employment and Workplace Relations
as at 30 June 2005

1 Overview Portfolio overview

OUTPUT GROUPS AND OUTPUTS

ORGANISATIONAL UNITS



Departmental overview

Role and function

At 30 June 2005 the Department of Employment and Workplace Relations was responsible to two Ministers—the Minister for Employment and Workplace Relations, the Hon. Kevin Andrews MP, and the Minister for Workforce Participation, the Hon. Peter Dutton MP. This ministerial division of responsibility dates from 26 October 2004, when new portfolio responsibilities were announced. Before that the Hon. Fran Bailey MP was Minister for Employment Services, a position she took over from the Hon. Mal Brough MP on 19 July 2004.

Minister Andrews has overall responsibility for all matters covered by the portfolio, including Cabinet matters, and has specific responsibility for policy relating to employment and workplace relations. Minister Dutton is responsible for employment services, among them the Job Network; Work for the Dole; the Job Placement, Employment and Training scheme; Disability Open Employment Services; the Personal Support Programme; Green Corps; the New Enterprise Incentive Scheme; Transition to Work; and Harvest Labour.

The role of the department is to develop policies and implement and manage programmes directed at maximising working age Australians' ability to participate in the workforce and improving the productive performance of enterprises in Australia. To do this, the department provides for government high-quality advice and services designed to achieve three outcomes:

- efficient and effective labour market assistance
- higher productivity, higher pay workplaces
- increased workforce participation.

The expansion from two outcomes to three during 2004–05 reflects the department's increased focus on workforce participation in response to the additional responsibilities assigned to it by the Government following the October 2004 election.

The department's outcomes are integrally linked to the achievement of broader government economic performance, employment and social goals. They also contribute substantially to other government policy measures directed at sustaining an economy that is fundamentally sound and is better able to adjust to external shocks. A particular focus is increased workforce participation and 'welfare-to-work' incentives. The direct link between the quality of workplace relations and employment is also acknowledged, as are the outcomes' effects on communities, organisations, businesses and individuals in metropolitan, regional and remote areas.

Equity considerations are incorporated in policy development and in the implementation of programmes and services. The department is also mindful of the mutual benefits of providing, for businesses, employers, employees and job seekers, access to electronic services delivered by means of the internet, telephone and touch-screen kiosks, and it recognises the need for further reform in order to create competitive workplaces.

In delivering its services to clients, the department works cooperatively with many stakeholders, among them the following:

- contracted service providers
- industry bodies
- interest groups
- other government agencies.

Responsibilities

The department has the following responsibilities:

- provide policy advice to ministers and government
- build links with stakeholders and represent the Commonwealth in governmental, national and international forums dealing with matters relating to the portfolio interests
- administer working age income support payments
- administer employment programmes and schemes—including Work for the Dole, Indigenous Employment, Disability Open Employment Services, Transition to Work, and the Employee Entitlements Safety Net schemes—for specific target groups and areas, so as to increase participation
- manage contracts to implement government policy—including those with Job Network providers and state industrial relations agencies
- deliver or arrange delivery of services to businesses, employers, employees and job seekers—including those particularly disadvantaged in the labour market
- develop and implement legislation relating to workplace relations
- advise on and manage interventions in the public interest in courts and tribunals
- provide or organise advisory and information services relating to industrial awards and agreements
- ensure compliance with federal agreements and awards through the nationally networked Office of Workplace Services
- communicate and disseminate information about government policy and programmes in the areas of employment and workplace relations
- provide a secretariat service to the Remuneration Tribunal and the Defence Force Remuneration Tribunal
- arrange for research and evaluation to support policy development and implementation.

Organisational structure



DEWR Management Board at 30 June 2005, from left Peter Boxall, Secretary; Malisa Golightly, Deputy Secretary, Employment; Finn Pratt, Deputy Secretary, Workplace Relations; Bob Correll, Deputy Secretary, Workforce Participation; Jeremy O'Sullivan, General Manager, Corporate; Vanessa Graham, Chief Financial Officer.

The department is managed by a Board of Management, which at 30 June 2005 had six members:

- Peter Boxall—Secretary
- Malisa Golightly—Deputy Secretary, Employment
- Finn Pratt—Deputy Secretary, Workplace Relations
- Bob Correll—Deputy Secretary, Workforce Participation
- Vanessa Graham—Chief Financial Officer
- Jeremy O'Sullivan—General Manager, Corporate.

The restructure to accommodate machinery of government changes during 2004–05 created a third outcome group, 'Workforce participation', and increased to six the number of permanent positions on the Board of Management. The Employment, Workplace Relations and Workforce Participation groups are responsible for delivering the department's outputs under each of the three outcomes. The Corporate, Financial Management and IT Services groups support the department in its operations.

Chart 1.2 shows the department's organisational structure.

State and territory offices

The department has operating groups in all state and territory capital cities and in a number of regional centres—Orange and Newcastle in New South Wales, Bendigo in Victoria, Alice Springs in the Northern Territory, and Cairns and Townsville in Queensland. Representation and services in central Queensland were strengthened during the reporting year with the opening of a regional office in Rockhampton.

State and territory offices are an important contact point between the department and regional Australia. They can identify policy links between programmes and any gaps and overlaps. They work in partnership with local service providers and stakeholders to ensure that services provided through departmental programmes are responsive to local needs and conditions.

All state, territory and regional offices continue to manage employment services. The machinery of government changes brought additional responsibilities for contract management to these offices. This substantial increase in workload is a consequence of the department's new responsibilities for Indigenous employment programmes, Disability Open Employment Services, the Job Placement, Employment and Training scheme, the Personal Support Programme, and Green Corps.

The department also contributes to whole-of-government solutions for Indigenous communities through its involvement with the Indigenous Coordination Centres, which were established during 2004–05. Departmental employees work in 24 such centres across mainland Australia.

Three state offices—those in New South Wales, Victoria and the Northern Territory—offer to employers and employees shopfront services, providing information about wages and conditions of employment for work covered by federal awards and agreements. Elsewhere, these services are contracted out to the relevant state or territory authority.

**CASE
STUDY**

Significant state and territory office achievements

The following were significant achievements of the state and territory offices in 2004–05:

- successful implementation of new directions for the Community Development Employment Projects to improve economic outcomes for Indigenous Australians and negotiation of programme funding agreements for the programme following its transfer from the Aboriginal and Torres Strait Islander Services.
- establishment and maintenance of improved employment connections through industry strategies. Initiatives were aimed at developing practical solutions to skill shortages in regions, in such industries as hospitality, manufacturing, food processing, aged care and childcare.
- strategic stakeholder management, including
 - conducting symposiums to show Job Network members complementary state and Commonwealth programmes and running seminars on working more effectively with job seekers who have mental or physical disabilities
 - developing and running intensive workshops to provide for small to medium businesses practical assistance in staff management and drafting agreements associated with workplace relations.

Adjustments to outcomes and outputs

During 2004–05 significant changes to the department’s outcomes and output group structure resulted from the Administrative Arrangements Orders of 24 June 2004, 26 October 2004 and 16 December 2004 and other administrative changes within the portfolio.

Outcomes

The changes to outcomes were as follows:

- Outcome 1 was renamed ‘Efficient and effective labour market assistance’. Its previous title was ‘An effectively functioning labour market’.
- Outcome 3—‘Increased workforce participation’—was created.

Outcome 2—‘Higher productivity, higher pay workplaces’—remained unchanged.

Outputs

Some outputs were changed and others were created:

- Output Group 1.1—‘Labour market policy’, made up of Output 1.1.1, ‘Policy advice’, and Output 1.1.2, ‘Research, evaluation and reporting’—was subsumed into Output Group 3.1, ‘Working age policy’.
- A new Output Group 1.1—‘Working age payments’, with Output 1.1.1, ‘Working age payments and compliance’—was created to accommodate the transfer of these functions to the department from the Department of Family and Community Services.
- A new Output 1.2.5—‘Employment preparation services’—was added to Output Group 1.2 to accommodate the transfer of these functions to the department from the Department of Family and Community Services; this includes the Personal Support Programme and the Job Placement, Employment and Training scheme.
- Other administered programmes that were transferred from the Department of Family and Community Services are reported on under existing outputs, as follows:
 - ‘Employment assistance and other services’ and ‘Rehabilitation services’ under Output 1.2.2, ‘Employment Services’
 - ‘Green Corps’ and ‘Payment to Voluntary Work Agencies’ under Output 1.2.4, ‘Mutual Obligation initiatives’.
- A new Output 2.2.9—‘Office of the Australian Safety and Compensation Council’—was created following the transfer of responsibility for functions from the National Occupational Health and Safety Commission to the department.
- A new Output 2.2.10—‘Office of the Federal Safety Commissioner’—was created. The Government established this body administratively to foster improved occupational health and safety performance in the building and construction industry.

- A new Output Group 3.1—‘Working age policy’, made up of Output 3.1.1, ‘Working age policy and legislation’, and Output 3.1.2, ‘Research and evaluation’—was created.
- A new Output Group 3.2—‘Labour market strategies’, made up of Output 3.2.1, ‘Labour market analysis’, Output 3.2.2, ‘Industry and labour supply strategies’, and Output 3.2.3, ‘CDEP Management’—was created.

Departmental values

The Department of Employment and Workplace Relations is committed to building a high-performing organisation and attaches importance to the following:

- our Ministers, as our primary customers
- on behalf of our Ministers, serving our primary clients
 - job seekers
 - Indigenous communities
 - employers and employees
- high standards of performance and accountability
- effective people management
- learning
- striving to make a difference.

Seven key behaviours define the department:

- Responsiveness
- Ethics and integrity
- Service to ministers and clients
- Professionalism
- Enthusiasm
- Creativity
- Teamwork.

