

2.9 OUTCOME 9: MORE PRODUCTIVE AND SAFER WORKPLACES – IMPROVED PRODUCTIVITY THROUGH THE DEVELOPMENT OF SAFER, FAIRER AND MORE FLEXIBLE WORKPLACES LEADING TO GREATER EMPLOYMENT FOR AUSTRALIANS AND STRONG AND SUSTAINABLE ECONOMIC GROWTH

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the output groups which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by output groups, specifying the performance indicators and targets used to assess and monitor the performance of the department in achieving government outcomes.

Outcome 9 Strategy

Improving Australia's productive capacity is at the core of the Government's economic policies.

Australia's productive capacity will be enhanced by the government's national approach to reform of workplace relations, occupational health and safety and workers' compensation.

These vital reforms will complement the Government's significant investment in human capital, through education, skills and training reforms. Collectively these measures are directed at securing social and economic prosperity for all Australians.

Critical to improving Australia's productivity is a simpler, fairer and more flexible workplace relations system based on collective bargaining at the enterprise level, underpinned by a safety net of legislated minimum employment standards and modern awards. There is considerable body of research which shows that collective enterprise agreements contribute to productivity improvement.

The government has begun the process of developing a new workplace relations system with the introduction into Parliament on 13 February 2008 of the Workplace Relations Amendment (Transition to Forward with Fairness) Bill 2008. The new workplace relations system will encourage employers and employees to adopt flexible and modern workplace arrangements which enable workplaces to be productive and competitive, leading to greater employment opportunities and strong and sustainable economic growth.

The key elements of the Government's simpler, fairer and more flexible workplace relations system will be:

- collective enterprise bargaining, with no provision for statutory individual agreements;

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- a safety net of legislated minimum employment standards and modern awards;
- the right to freedom of association and genuine workplace representation, grievance and dispute settlement procedures and freedom from discrimination;
- a new independent umpire – Fair Work Australia;
- balanced laws which provide protection from unfair dismissal in a way which addresses the particular circumstances and concerns of small business; and
- a uniform national workplace relations system for the private sector.

In addition, the Government is working closely with State and Territory governments to implement nationally consistent workplace relations laws for the private sector. A national workplace relations system would reduce complexity and duplication, thereby providing a significant boost to productivity.

The new workplace relations system will be fully operational from January 2010.

Similarly, implementing national approaches to occupational health and safety and workers' compensation will also be a catalyst for improvements in productivity. Harmonising occupational health and safety and workers' compensation laws will cut red tape, boost business efficiency and provide greater certainty and protections for all workplace parties.

The Government is working closely with State and Territory governments to harmonise occupational health and safety legislation by 2012.

Effectiveness in achieving the Government's objectives is measured by effectiveness indicators in Table 2.9A. For example, the success of the federal workplace relations system in providing sustainable wages growth and higher productivity outcomes is assessed through indicators based on the average annualised wage increases for federally certified agreements compared with wages growth in terms of the Australian Bureau of Statistics Wage Price Index and labour productivity trends in the market sector.

Outcome 9 Resource statement

Table 2.9 provides additional detail of Budget appropriations and the total resourcing for Outcome 9.

Table 2.9: Total resources for Outcome 9

Outcome 9: More productive and safer workplaces – improved productivity through the development of safer, fairer and more flexible workplaces leading to greater employment for Australians and strong and sustainable economic growth	2007-08 Estimated actual (\$'000)	2008-09 Total estimate of available resources (\$'000)
Administered Items:		
Ordinary Annual Services		
<i>Ordinary Annual Services - Annual Appropriation Bill 1</i>		
Workplace Reform - Secret Ballots	1,000	1,000
International Labour Organisation Subscription	7,072	7,068
General Employee Entitlements and Redundancy Scheme (s20 FMA Act)	67,979	82,803
Workplace Relations Reform - Unlawful Termination Assistance Scheme	250	3,018
Workplace Relations Reform - Alternative Dispute Resolution	70	2,495
Advertising	53,000	895
Small Business Work and Family	-	2,313
Home Workers Code of Practice	1,000	1,000
Special Appropriations		
<i>Air Passenger Ticket (Collection) Act 2001</i>	1,800	-
<i>Coal Mining industry (LSL) Funding Act 1992</i>	68,080	74,900
Total Administered	200,251	175,492
Departmental Outputs:		
Output 9.1.1 - Policy Services	10,770	9,331
Output 9.1.2 - Program Management	54,115	61,149
Output 9.1.3 - Service Delivery	13,699	5,797
Revenue from other sources	46,399	26,958
Total Departmental	124,983	103,235
Total resources for Outcome 9	325,234	278,727
	2007-08	2008-09
Average staffing level (number)	628	603

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as government priorities change.

Contributions to Outcome 9

Overview of Outputs

The department contributes to Outcome 9 by:

- promoting the benefits of and supporting employers and employees in adopting fair and flexible workplace arrangements
- providing policy advice and legislation development services to Government.

Departmental Outputs

The bulk of the effort supporting Outcome 9 is funded through departmental appropriations to deliver the following departmental outputs.

Workplace relations implementation

The department works to encourage employers and employees adopt fair and flexible workplace arrangements. In 2008-09, the department will:

- promote the contribution which positive workplace relations makes to productivity
- assist Australian Government employers to implement the Government's workplace relations policies, in particular the Australian Government Employment Bargaining Framework
- conduct a national review into occupational health and safety legislation and make recommendations on the optimal structure and content of a model legislation that is capable of being adopted in all jurisdictions
- replace the Australian Safety and Compensation Council with an independent statutory body to drive national policy development in respect of OHS and workers' compensation
- continue to work with the building and construction industry to make improvements in occupational health and safety leading to better performance
- administer safety net schemes for the protection of employee entitlements in cases of business insolvency.

Workplace relations policy and analysis

The department provides timely policy advice on workplace relations, occupational health and safety and workers compensation issues.

In 2008-09 the major priorities for the department will be the provision of policy advice:

- regarding implementation of the Government's workplace relations policy, Forward with Fairness, which involves the development of a simpler, fairer and more flexible workplace relations system
- the development of national approaches to occupational health and safety and workers' compensation.

Each of these areas involve major reforms. Extensive consultation with key stakeholders will be an essential ingredient in the department's work in these important areas.

Administered Activities

The purpose of administered items which contribute to the outputs for Outcome 9 is described below:

- *General Employee Entitlements and Redundancy Scheme* - The General Employee Entitlements and Redundancy Scheme (GEERS) is a basic payment scheme established to assist employees who have lost their employment due to the liquidation or bankruptcy of their employer and who are owed certain employee entitlements.
- *Special Employee Entitlements Scheme for Ansett Group Employees* - The Special Employee Entitlements Scheme for Ansett Group employees (SEESA) provides assistance for Ansett Group employees whose employment was terminated on or after 12 September 2001.
- *International Labour Organisation membership subscription* - covers the Australian Government's membership of the International Labour Organisation.
- *Coal Mining Industry (Long Service Leave Funding) Act 1992 financing arrangements* – Under this Act the cost of portable long service leave entitlements is managed through a central fund administered by the Coal Mining Industry (Long Service Leave Funding) Corporation. Monthly levy collection transfers are made from the consolidated revenue fund to the central fund.
- *Workplace Reform – Secret Ballots (Protected Action Ballots Scheme - PABS)* – PABS pays the Commonwealth's liability for 80 per cent of the "genuine and reasonable" costs of conducting protected action ballots.
- *Alternative Dispute Resolution Assistance Scheme (ADRAS)* – ADRAS provides parties to eligible disputes with access of up to \$1,500 of Government assistance for private alternative dispute resolution services.
- *Unlawful Termination Assistance Schemes (UTAS)* – UTAS provides eligible employees, who believe they have been unlawfully terminated, with up to \$4,000 (GST inclusive) worth of independent legal advice on the merits of their claim.
- *Small Business Work and Family (SBWF) Grants Program* – the SBWF Grants Program provides \$12 million over three years to assist small businesses to implement work and family initiatives.
- *HomeWorkers Code of Practice Program (HWCP)* – The HWCP provides \$4 million over 4 years to support the development and promotion of the HomeWorkers' Code of Practice and the "No Sweat Shop" label.

Performance information for Outcome 9

Programs and initiatives delivered by DEEWR which contribute to Outcome 9 form part of a wider set of factors that affect that Outcome. The indicators in Table 2.9A provide an indication of the overall trends under Outcome 9.

Table 2.9A: Effectiveness Indicators for Outcome 9

<ul style="list-style-type: none"> • Trend in the ABS Wage Price Index • Trend in Real Wages • Trend in GDP per hour worked in the market sector • Trend in working days lost • Trend in the number of employees that had their pay determined by a federally registered collective agreement
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Table 2.9B: Performance information for Administered Outputs

Data is not provided for this table because the administered items address legal or administrative issues rather than advancing major Government initiatives.

Table 2.9C: Performance information for Departmental Outputs

Performance Indicator	2008-09 Estimate
Program Management	
<i>Quality</i>	
Payments are made in accordance with approved timelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR
Payments made are based on calculations which are accurate and in accordance with approved guidelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR
Trades skills assessment applications	<ul style="list-style-type: none"> • 95 per cent of applications in the international stream from the Migration Occupations in Demand List finalised within 10 working days • 95 per cent of all other applications in the international and domestic streams finalised within 20 working days
Timeliness of processing claims for the General Employee Entitlements and Redundancy Scheme	<ul style="list-style-type: none"> • 90 per cent processed within 16 weeks of receipt • 98 per cent processed within 4 weeks of receipt of verified entitlement data
Accuracy of processing claims under the General Employee Entitlements and Redundancy Scheme	<ul style="list-style-type: none"> • Over 98 per cent of payments not varied after appeal
Timeliness of processing applications for Alternative Dispute Resolution and Unlawful Termination assistance schemes	<ul style="list-style-type: none"> • 95 per cent processed within 5 working days

Table 2.9C: Performance information for Departmental Outputs (cont)

Performance Indicator	2008-09 Estimate
Program Management	
Timeliness of departmental responses to client requests for assessment of industrial instruments	<ul style="list-style-type: none"> 95 per cent actioned within 10 working days
High quality Ministerial replies as measured by the level of satisfaction of Ministers and the Parliamentary Secretary with the quality and timeliness of the replies.	<ul style="list-style-type: none"> Qualitative evaluation of satisfaction using feedback from the Ministers and Parliamentary Secretary to the Secretary. Analysis of trends over time to monitor percentage delivered within agreed timeframes.
Policy Services	
<i>Quality</i>	
High quality policy advice as measured by the level of satisfaction of Ministers and the Parliamentary Secretary with the quality and timeliness of policy advice.	Qualitative evaluation of satisfaction and timeliness using feedback from the Ministers and Parliamentary Secretary to the Secretary
Level of satisfaction of the Minister with legislation development services.	Very good or above
Service Delivery	
<i>Quality</i>	
Level of satisfaction of the President of the Tribunal Defence Force Remuneration Tribunal with the quality and timeliness of the services provided by the Tribunal Secretariat	Very good or above
Level of satisfaction of the President of the Remuneration Tribunal with the quality and timeliness of the services provided by the Tribunal Secretariat	Very good or above
Level of satisfaction of the Chairman of the Australian Safety and Compensation Council with the quality and timeliness of support to the Council	Very good or above
Level of satisfaction of stakeholders with the management of the General Employee Entitlements and Redundancy Scheme	Very good or above
Client satisfaction with Alternative Dispute Resolution, Unlawful Termination assistance schemes and Small Business Work and Family Grants	80 per cent of clients surveyed satisfied
Level of satisfaction of clients with the provision of advice, information, education and promotion of safer workplaces on Australian Government construction sites by the Office of the Federal Safety Commissioner	Effective or above