

Employment Plan 2016 Australia





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Prepared by the Australian Government Department of Employment with Australian Public Service colleagues. For any enquiries, please contact: <u>G20EmploymentAust@employment.gov.au</u>



Australia's Employment Plan sets out measures which will create more jobs, lift participation in the workforce, promote safe and productive workplaces and address our G20 commitments.

1. Employment and labour market outlook

The Australian economy is entering its 26th year of continued expansion, with the Government forecasting the economy to grow by 2.5 per cent in 2016-17 before strengthening to 3 per cent in 2017-18. Employment has increased by 1.5 per cent over the year to August 2016, just below the decade average of 1.6 per cent. The unemployment rate has fallen over the year, from 6.1 per cent in August 2015 to 5.6 per cent in August 2016, and is forecast to decrease to be 5½ per cent in the June quarter of 2017.

Economic and labour market conditions	Australia (2008)	Australia (2016)	G20 median (2008)	G20 median (2016)
GDP per capita (USD terms)	\$41,712	\$41,712	\$34,068	\$34,068
Employment growth (%)	2.8	1.9	1.1	2.2
Unemployment rate	4.2	6.1	6.1	6.1
Youth unemployment rate	8.8	13.1	13.9	13.9
Participation rate (15+) (%)	65.5	64.9	60.3	61.3
Female participation rate (15+) (%)	58.5	59.0	50.4	52.4
Working age (15 to 64) participation rate (%)	76.5	77.0	71.4	73.4

Table 1: Economic and labour market conditions, 2008 (LHS) and 2015 (RHS)

Notes for Table 1 can be found in the Appendix.

Table 2: Labour market forecasts for 2016-17

Employment growth	Unemployment rate	Participation rate
1¾ per cent	5½ per cent	65 per cent

Source: Australian Government, Budget Strategy and Outlook: Budget Paper No. 1, 2016-17



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2. Employment challenges for Australia

Challenge: Boosting labour force participation

Population ageing poses a challenge to many advanced countries, including Australia. The labour force participation rate for people aged 15 years and over is projected to fall to less than 63 per cent by 2054–55, compared with around 65 per cent today. This is expected to generate fiscal pressures through a smaller labour force and income tax base, as well as increased demand for age-related payments and services. Improving workforce participation rates for groups with potential for higher participation is not only a pathway to boost Australia's productive capacity, but can improve equity and opportunity for all Australians. For example, Australia has a gender gap in labour force participation, and Indigenous Australians and people with disability also have much lower participation rates than the general population.

Challenge: Addressing long-term unemployment

Australia achieved a substantial decline in long-term unemployment by the time of the global financial crisis, reaching a low of 65,000 in July 2008. Since then, the number of long-term unemployed has more than doubled, to stand at 162,300 in August 2016, although this is down from 173,500 recorded a year ago. Addressing this problem is important; both to ensure thousands of Australians do not face long-term exclusion from work, and to improve the long term economic outlook by avoiding the erosion of skills and job readiness caused by prolonged absence from the workforce.

Challenge: Youth unemployment

Young people are particularly vulnerable to unemployment during periods of economic and labour market softness, as they tend to have less education, skills and experience than older members of the population; and often less able to gain a foothold in the labour market. The youth unemployment rate in August 2016 was 12.8 per cent, more than double the national rate. Improving youth participation in employment, education or training is a priority.

Challenge: Boosting Indigenous employment

Indigenous Australians experience low labour force participation and employment rates, and high unemployment rates, relative to the rest of the Australian population. In 2014-15, 39 per cent of the Indigenous working age population was not in the labour force, compared with 23 per cent of the non-Indigenous working age population. Furthermore, even among those who are participating, the unemployment rate for Indigenous people was significantly higher than for non-indigenous Australians, at 21 per cent. Improving education and labour market outcomes for Indigenous Australians is a priority for the Australian Government.



Challenge: Supporting job creation

Job creation was slow following the Global Financial Crisis, with Australia's unemployment rate reaching almost 6 per cent. This partly reflects the challenge of managing structural change between industries with varying labour requirements. Job creation remains stable, with a decade average rate of 1.7 per cent. However, there is further to go. Strengthening job creation will require a strong commitment to boosting economic growth and opening up new employment opportunities.

As many Australians as possible should enjoy the dignity and self-respect that comes with work and self-sufficiency, and restoring the rate of jobs growth to a level that brings down unemployment is essential to achieving that end.

3. Current policy settings and new commitments

Broad economic settings

More than two decades of sustained economic growth and low and stable inflation have reduced economic uncertainty and facilitated private investment in Australia. Australia's policy framework has played an important role in fostering this macroeconomic stability. The main pillars of this framework are a flexible exchange rate, an open capital account, an inflation-targeting independent central bank and fiscal policy focused on transparency and medium-term sustainability.

Australia's G20 Growth Strategy provides a more detailed overview of Australia's macroeconomic policy framework and recent commitments.

Regulation, finance, incentives, investment, innovation and entrepreneurship

The Australian Government believes that private enterprise and private investment are key drivers of economic growth and national prosperity. Consistent with the *G20 Entrepreneurship Action Plan*, the Australian Government is implementing a range of new measures to encourage entrepreneurship and innovation. The Government's regulatory reforms also aim to boost competitiveness, productivity and job creation by reducing the regulatory burden on businesses, community organisations and individuals.

The Australian Government makes the following policy commitments to increase competitiveness, strengthen incentives and support investment, innovation and entrepreneurship:

- A \$9.2 billion ten year enterprise tax plan will be delivered to boost new investment, create and support jobs and increase real wages, starting with tax cuts for small and medium sized enterprises.
- Over \$50 billion will be invested in land transport infrastructure between 2013-14 and 2019–20 to drive greater productivity on transport networks by targeting congestion on key passenger and freight routes and better connecting Australian products to domestic and international markets.
- \$1.1 billion will be invested over four years to implement measures announced as part of the National Innovation and Science Agenda (NISA) which will provide the right incentives and regulatory frameworks to enable industry, entrepreneurs and researchers to succeed and grow.

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• New export trade agreements and competition reforms will ensure Australia is able to adapt to a changing world and take advantage of the opportunities it provides.

Labour markets and social protection

The Australian Government is continually assessing labour market policy and social protection measures based on the current economic climate. Currently, Australia's social security system is being strengthened through revised activation mechanisms and incentives to work, to ensure everyone who can participate in work is required and encouraged to seek employment.

Labour market regulation

Australia has a safety net of ten National Employment Standards set out in the *Fair Work Act 2009* and awards providing for basic pay and conditions in all industries. The system is overseen by an independent body – the Fair Work Commission – which sets the minimum wages and working conditions in awards, and can act as an arbiter in industrial disputes. The approach of decentralised bargaining between employers and employees underpinned by a safety net and an independent umpire has the benefit of allowing individual businesses to establish agreements that suit their specific circumstances, while providing employees with security in the labour market.

The Australian Government makes the following commitments to improve the operation of Australia's workplace laws:

- Implement a range of election commitments, including through the Fair Work Amendment Act 2015.
- Re-establish the Australian Building and Construction Commission to ensure compliance with the rule of law and improve productivity
- Establish a Registered Organisations Commission to improve the governance of unions and employer organisations, in the interests of both workers and businesses.
- Provide additional funding for the Fair Work Ombudsman and amend the Fair Work Act 2009 to strengthen protections for vulnerable workers, especially among migrant workers.

Workplace safety

Australia has a range of work health and safety (WHS) bodies focused on providing advice and guidance to workers and employers to improve WHS outcomes. WHS laws operate within a national framework, and generally apply to workers in all industries and to all areas of employment. Actions to improve WHS in Australia are guided by the *Australian Work Health and Safety Strategy 2012-2022*. Australian measures which promote safer and healthier workplaces in line with the *G20 Statement on Safer and Healthier Workplaces* which was adopted by G20 Labour and Employment Ministers in 2014 are described further in section 5 of this document.

Social protection

Australia's social security system and labour market programs are closely aligned, and have a strong focus



on assisting people with the capacity to work to enter employment. Tight means-testing of benefits combined with extensive activation measures ensures that there are strong incentives to encourage those who are able to work or study, whilst providing support to those who are unable to work. The coverage and targeting of these measures is consistent with the policy recommendations adopted by G20 Labour and Employment Ministers in 2016.

Active labour market programs

The Australian Government provides employment services to disadvantaged job seekers through a network of private and community sector entities. There are three main employment programs: jobactive for mainstream job seekers, Disability Employment Services for people with disability, injury or health condition, and the Community Development Programme for job seekers in remote areas.

The Australian Government has recently made the following commitments to improve active labour market programs:

- An expansion of the New Enterprise Incentive Scheme (NEIS), which assists job seekers to establish a small business, from 6,300 to 8,600 places annually.
- \$10.9 million will help to build social cohesion by supporting newly arrived humanitarian entrants and migrants to connect with their communities and improve employment pathways.
- From 1 January 2017, existing wage subsidies will be further simplified to enhance flexibility for employers.

Policy measures targeting labour market disadvantage

Women

The Australian Government's approach to increasing female participation includes a flexible, affordable and accessible child care system; improving workplace diversity and flexibility; workplace support; and protection through our labour laws. These strategies will contribute to ensuring that Australia achieves the G20 goal of reducing the gap in participation rates between men and women by 25 per cent by 2025 which was adopted at the Brisbane Summit in 2014. The measures Australia is implementing to achieve the G20 goal are described in section 5 of this document.

The Australian Government makes the following policy commitments to improve women's economic participation:

- Increased support for parents who want to work, or who want to work more, through the Jobs for Families Child Care Package.
- An investment of \$40 billion will be delivered over the next four years to deliver a simpler, more affordable, more flexible and more accessible child care system.
- Through the NISA, \$13 million has been allocated to support increased female participation in STEM and entrepreneurial studies and careers.



• \$28.2 million will be provided for 1,400 new research internships through the Australian Mathematical Science Institute's PhD internships program, with a particular focus on female researchers.

Youth

Of all age groups, young people are the most vulnerable to wider economic and labour market conditions. Accordingly, the most important strategy in addressing youth unemployment is to raise the overall rate of job creation. Reforms to improve the outcomes of Australia's education system and encourage participation in education, discussed later in this plan, will also contribute to ensuring that young people gain skills which are relevant to employment opportunities. These strategies will contribute to meeting the goal of reducing the share of young people who are most at risk of being permanently left behind in the labour market by 15 per cent by 2025, adopted by G20 Leaders at the 2015 Antalya Summit.

Australian policies relevant to achieving this G20 goal are described in section 5 of this document.

The Australian Government makes the following policy commitments to address youth unemployment.

- An additional \$840 million will be invested over four years through the Youth Employment Package, which includes the new Youth Jobs PaTH program.
- Measures to encourage entrepreneurship among young people, including as part of the expansion of the NEIS program.
- Employers who take on a young person who has been in jobactive for 6 months will be eligible for the Youth Bonus wage subsidy.
- Measures from the Youth Employment Strategy of the 2015-16 Budget, to prevent vulnerable young people from entering long-term unemployment, will continue to roll out.

Indigenous people

Relative to the rest of the Australian population, Indigenous Australians experience low labour force participation and high unemployment rates. The Australian Government is implementing measures to help accelerate progress towards achieving parity in employment outcomes between Indigenous and non-Indigenous Australians.

Recent Australian Government measures to improve Indigenous employment outcomes include:

- Working with large employers through the Employment Parity Initiative aiming to increase the number of Indigenous Australians employed in the private sector, with a target of 3 per cent of their employees being Indigenous by 2020.
- Increasing representation of Indigenous Australians across the Australian Government public sector to 3 per cent by 2018.
- Implementing an Indigenous Procurement Policy applying to the Australian Government's domestic procurement to drive demand for Indigenous businesses and increase Indigenous employment.



- Establishing an Indigenous Entrepreneurs package comprising targeted support for Indigenous entrepreneurs and small Indigenous businesses.
- Environmental management plans that support land and sea management and creating employment for Indigenous Australians in Ranger-related activities.

People with Disability

All Australian Governments are committed to the full roll-out of the National Disability Insurance Scheme (NDIS), which is aimed at improving the wellbeing and economic and social participation of people with disability and their carers. This reform will contribute to improving employment opportunities for people with permanent and significant disability, as well as their families and carers. Initial estimates by the independent Productivity Commission indicate that access to the NDIS will improve the employment prospects for about 30 per cent of NDIS participants who are currently not working, and could assist a significant number of carers to increase their participation in the workforce. In addition, the Scheme will help eligible people with disability who are employed to work additional hours.

Regional areas

Unemployment rates across Australia vary widely, and tend to increase outside of capital cities. Engagement in work or study by disadvantaged cohorts, particularly young people, women and Indigenous Australians, also tends to decline in regional or remote areas.

The Australian Government is seeking to improve employment opportunities in disadvantaged regions of Australia through measures which include:

- The establishment of a \$200 million Regional Jobs and Investment Package to deliver regional jobs and growth. Each jobs package will provide businesses innovation grants on a competitive basis to help businesses invest in new technology, diversify operations, create opportunities and invest in new infrastructure which will help businesses deliver sustainable jobs.
- The implementation of a range of measures to support the economic development of northern Australia over the next 20 years, including the \$5 billion Northern Australia Infrastructure Facility and measures to support skills development and expand the labour force in this region; and
- Strengthening the mutual obligations framework in remote Australian areas and improving incentives to work.

Workers in industries facing major structural change

Australia's economy has undergone significant structural change over recent decades. Structural change impacts jobs, industry capability, and supply chains. It creates challenges as some industries contract, but also creates opportunities as others expand. The successful reallocation of resources in the economy allows businesses to access the workers and investment they need. Although a positive force for the economy as a whole, structural adjustment can be costly for individuals and communities that rely on the industries in decline.



Australian Government support for workers in industries facing structural decline includes:

- The \$155 million Growth Funds initiative which includes measures to assist retrenched automotive workers to reskill and transition to new jobs.
- Targeted employment support to retrenched workers through structural adjustment packages for the automotive, steel, manufacturing and other industries.
- The Government also runs an employer engagement strategy to target industries and regions with strong employment prospects and enduring career opportunities for job seekers





Skills development

The Australian Government makes the following policy commitments to improve skills development:

- Continue to improve the outcomes of all levels of education, including through reforms to ensure that education and training is more relevant to employment opportunities
- Invest \$112 million under the NISA to inspire Australians of all ages to engage with STEM in society and participate in further study.

School education

In May 2016, the Government announced its *Quality Schools, Quality Outcomes* plan which includes a focus on:

- Ensuring future funding investments are targeted to measures that evidence shows make the most difference for students;
- Ensuring that students are able to access the support they need to succeed;
- Ensuring that young people are leaving school with the skills they need to succeed in the workplace, further education and as active and involved citizens; and
- Increasing accountability by ensuring that stakeholders are able to access information about how students and schools are performing, what funding is being spent on and information about what works to improve outcomes.

Apprenticeships, vocational training and higher education

Apprenticeships and vocational education and training

As well as providing funding to state and territory governments to support apprenticeship training, the Australian Government also funds a range of incentives and personal benefits for employers and apprentices. In line with G20 agreements to improve the availability of quality apprenticeships, the Australian Government is continuing to work with stakeholders to ensure the apprenticeships system delivers the skilled labour required in businesses and across the economy.

Australia's vocational education and training (VET) system operates nationally by agreement between the federal, state and territory governments with input from industry. To support access and participation in VET, the Australian Government provides subsidised loans to students undertaking higher level VET qualifications. Students are only required to repay the loan once their annual income exceeds a specified threshold. The Australian Government's VET policy agenda also includes implementing new arrangements for developing and maintaining nationally-recognised and quality-assured competency standards and qualifications to ensure they are driven by the needs of modern Australian workplaces.

Higher education

As well as subsidising the cost of higher education to students, the Australian Government provides the Higher Education Loan Program to all domestic university students, and to students at the majority of non-university higher education providers, to assist them to manage the costs of student contributions. In addition, a Government program targeting disadvantaged students – the Higher Education Participation and Partnerships Program – funds a variety of equity interventions.



4. Monitoring and reporting

Key economic and labour market indicators

Table 3: Key economic and labour market indicate		
Key indicator	2008	2015
GDP growth (real)	2.5	2.5
GDP per capita (2010 \$US constant price in PPPs)	\$US 41,712	\$US 44,451
Employment growth	2.8	1.9
Employment-population ratio (for 15-64)	62.4	61.3
Unemployment rate	4.2	6.1
Incidence of long-term unemployment	14.9	23.5
Participation rate (for population aged 15-64)	76.5	77.0
Participation rate (for population aged 55-64)	58.9	64.9
Participation rate (for population aged 65+)	9.4	12.2
Informal employment as a share of total employment	-	-
Temporary employment as a share of total employment	-	-
Sectoral composition of employment (as a % of total employment) - Agriculture	3.2	3.0
Sectoral composition of employment (as a % of total employment) - Construction	9.2	9.0
Sectoral composition of employment (as a % of total employment) - Manufacturing	12.4	8.0
Sectoral composition of employment (as a % of total employment) - Services	75.1	78.0

Key policy indicators

Table 4: Key policy indicators

Key indicator	2008	2014
Gini coefficient (income Gini)	0.336	0.337
Poverty (% below National poverty line)	13.2	n/a
Minimum relative to average wages of full-time workers	45.0	43.0
Collective bargaining coverage (% workers)	39.8	41.1
Labour income share (%)	54.8a	53.6b
Non-agricultural labour income share (%)	55.4	56.0b
Proportion of 20 -24 Year olds with Year 12 equivalent or higher qualifications	83.3	85.3

Note: a: 2007 data; b: 2013 data

Sources: ILOSTAT; OECD.Stat; 2014 data are the most recent internationally comparative data for these indicators



5. Key policy commitments in the Employment Plan

Implementation of existing policy commitments

The following table provides a summary of the implementation of commitments set out in Australia's G20 Employment Plans. Australia's G20 Growth Strategy provides further detail on macroeconomic and related policy settings.

Policy commitment / description	Status of implementation and results achieved		
Regulation, finance, incentives, investment and entrepreneurialism			
Tax changes for businesses with turnover below \$2 million.	Tax cuts for small businesses were legislated in May 2015 and implemented from 1 July 2015. These reforms will benefit around 3 million small businesses. To further support this initiative, the 2016-17 Budget committed additional support for small business from 1 July 2016.		
Invest over \$50 billion in land transport infrastructure between 2013-14 and 2019–20. In combination with contributions from state and territory governments and the private sector, this is a substantial investment in new and upgraded infrastructure.	In the 2016-17 Budget, the Australian Government reaffirmed its commitment to invest over \$50 billion in land transport infrastructure. This commitment includes Asset Recycling Initiative agreements with New South Wales, the Australian Capital Territory and the Northern Territory.		



Policy commitment / description	Status of implementation and results achieved
Initiatives announced in the National Innovation and Science Agenda (NISA) designed to create a culture of innovation and entrepreneurship include	Progress is being made on implementation of measures announced under the NISA.
	This builds on the Australian Government's flagship programs, which include:
	The R&D Tax Incentive
	The Entrepreneurs' Programme
	The Cooperative Research Centres Programme.
	The Industry Growth Centres Initiative.
Reduce the cost to business of 'red and green tape' by \$1 billion by September 2014.	As of 31 December 2015, the Government had taken decisions to reduce regulatory burden by \$4.8 billion.
Labour market regulation	
 Changes to improve greenfields agreement bargaining and the rules around industrial action, and to implement other reforms committed to prior to the 2013 federal election. Reforms to remove the ability for unions to take industrial action as a 'first resort' option. 	Legislation to ensure timely bargaining for greenfields agreement negotiations and to remove the ability for unions to take industrial action before bargaining was passed by the Parliament and received Royal Assent on 26 November 2015.
Establish a Registered Organisations Commission to improve the governance of unions and employer organisations, in the interests of both workers and businesses.	Legislation to introduce a Registered Organisations Commission was reintroduced to the Parliament on 18 April 2016.



Policy commitment / description	Status of implementation and results achieved
Social protection	
In 2015-16, the Government committed \$33.7 million to implement the Australian Priority Investment Approach to Welfare, which funds actuarial valuations to assist the Government to identify risk factors driving long-term welfare dependency and people who would benefit from policy interventions that increase their likelihood of stable employment.	This measure is underway. The 2016-17 Budget committed a further \$96 million over four years for a new Try, Test and Learn Fund, which will apply and test the effectiveness of innovative policy interventions to assist people who have the capacity to work and are at risk of long-term welfare dependency.
Active labour market programs	
Stronger mutual obligations will require job seekers aged up to 30 to complete 650 hours over 26 weeks (25 hours per week) and job seekers aged 30 and up to 60 to complete 390 hours over 26 weeks (15 hours per week) of an eligible activity. Job seekers under 50 years of age will undertake Work for the Dole as the principal activity.	Implemented on 1 July 2015.
Enhancing wage subsidies to benefit both job seekers and businesses.	As part of these reforms, existing wage subsidies (including those for youth, parents, Indigenous, mature age, and the long term unemployed) will be streamlined, making them easier for employers to access. This will commence from 1 January 2017.
Women	·
 The Jobs for Families Child Care Package announced in 2015 included: A Child Care Safety Net to provide targeted assistance to child care services in disadvantaged communities and also disadvantaged or 	Components of the Child Care Safety Net that could proceed without legislation, namely the Inclusion Support Programme and the Connected Beginnings Programme have commenced.
 vulnerable families and children. A new means-tested Child Care Subsidy, starting from 2 July 2018. A Nanny Pilot Programme to support eligible families who struggle to access child care services. An evaluation of the program will inform 	Other components of the Package, including the Child Care Subsidy and the Additional Child Care Subsidy, will commence in July 2018, pending the passage of legislation.



Policy commitment / description	Status of implementation and results achieved
future policy on how care in the family home can be supported beyond the pilot period.	The Nanny Pilot Programme commenced in January 2016 and will continue until 30 June 2018. It was announced in the 2016-17 Budget that the maximum per child subsidy for families would increase from \$5.95 per hour to \$8.50 per hour effective 1 June 2016.
Migrant Workers	
The Australian Government will further improve the protections for vulnerable overseas workers in Australia. Specific measures include:	The Migrant Workers' Taskforce was established in October 2016.
 The establishment of a Migrant Workers' Taskforce to provide expert advice on measures that will deliver better protections for overseas workers 	
• Increasing penalties that apply to employers who underpay workers and who fail to keep proper employment records	
• Introducing new provisions that capture franchisors who fail to deal with exploitation by their franchisees	
 Delivering a \$20 million funding increase for the capabilities and workforce of the Fair Work Ombudsman 	
• Strengthening the powers of the Fair Work Ombudsman so that it can more effectively deal with employers who intentionally exploit workers.	
Youth	
Introduction of an expanded Work for the Dole programme for people of all	This initiative was implemented on 1 July 2015. From 1 October 2016, Stream A
ages.	job seekers will enter the Work for the Dole phase after 12 months in jobactive,
	meaning all job seekers now enter Work for the Dole at the same time.



Policy commitment / description	Status of implementation and results achieved
 The Youth Employment Strategy introduced in 2015 seeks to improve youth employment outcomes, with a focus on preventing young people from becoming long-term unemployed. The Strategy includes: The Transition to Work service that will assist young people aged 15-21 who have disengaged from work and study and are at risk of long-term welfare dependence; The Empowering YOUth Initiatives providing assistance to young people aged 15-24 years who are identified to be long-term unemployed or at risk of long-term unemployment; Intensive support trials for key groups of vulnerable job seekers including long-term unemployed and humanitarian entrants; The introduction of a four week waiting period for job seekers applying for Youth Allowance (other) or Special Benefit, and placed in Stream A with a jobactive provider; and Strengthened requirements for early school leavers to ensure they are working or studying. 	 The Youth Employment Strategy has been expanded to become the Youth Employment Package. Progress to date is: Transition to Work – commenced February 2016. Empowering YOUth Initiatives – commenced late March 2016. Intensive support trials – commenced. From 1 July 2016, young people subject to the waiting period will be obliged to participate in a new activation strategy requiring participants to undertake a number of additional job search activities in the four weeks before they received income support.
Indigenous Australians	
Target from the 2014-15 budget to consolidate more than 150 individual programs and services within five streamlined broad-based programs under an Indigenous Advancement Strategy.	 The Indigenous Advancement Strategy is generating significant opportunities for Indigenous employment under the Jobs, Land and Economy program: The Community Development Programme is delivering improved participation and employment opportunities across remote areas. As at 31 July 2016, 21,783 remote job seekers were placed in activities. Vocational Employment and Training Centres have made strong progress to



Status of implementation and results achieved
 achieve the target of 5,000 Indigenous job seekers into guaranteed employment. As at 31 July 2016, over 4,500 job seekers had commenced employment. Eleven companies have signed up to the Employment Parity Initiative at May 2016, representing a commitment to 7,265 new jobs. Of the eight companies that had reached reporting milestones, almost 658 Indigenous Australians were reported as having commenced employment. As at December 2015, Australian Public Service agencies had achieved 2.9 per cent Indigenous representation and non-APS Commonwealth agencies 2.2 per cent. In the first six months of the Commonwealth's Indigenous Procurement Policy to 31 December 2015, the Government awarded contracts to Indigenous businesses valued at around \$92 million. This is almost 15 times more than the Government's procurement commitment in 2012-13. Environmental management plans that support land and sea management have generated the equivalent of 777 full-time equivalent (FTE) ranger positions for Indigenous Australians. These FTE positions have resulted in employment for around 1,980 people. This measure is ongoing as part of the jobactive Performance Framework.
This measure is in place. The Government has also provided structural adjustment packages to assist employees in areas where expectations of future employment opportunities for workers in the industry are low or where large scale closures may impact on the local labour market.



Policy commitment / description	Status of implementation and results achieved
The Industry Skills Fund to assist business to take advantage of growth opportunities and adapt to rapid technological changes.	The program started on 1 January 2015. The program is being taken up by a range of eligible applicants and will deliver targeted training places and training support services over five years.
In 2015, \$200 million per annum was committed to establish the Australian Apprenticeship Support Network to deliver a new generation of support services to Australian Apprenticeships participants to lift apprenticeship completion rates.	The Australian Apprenticeship Support Network commenced on 1 July 2015 and operates from more than 400 locations in all states and territories across Australia. The Government is also supporting those learning a trade by providing concessional income contingent Trade Support Loans of up to \$20,000 over the life of an apprenticeship to assist with the cost of undertaking an apprenticeship.
New industry led arrangements for training product development and review.	The new arrangements for training product development commenced in January 2016.



New policy commitments

The following table provides a summary of the key new employment-related measures announced by the Australian Government since the G20 Leaders' Summit in November 2015.

New policy measure	Description
A. Economic strategy	The Government's economic strategy will facilitate the economy's transition to broad based growth over the next decade and beyond. This strategy includes policies to assist small businesses and a Youth Employment Package (noted below). Initiatives include:
	 Increasing the small business turnover threshold from \$2 million to \$10 million to allow more businesses to access a range of small business tax concessions. Measures to encourage entrepreneurs
	Measures to help employers take on unemployed job seekers.
B. Youth Employment Package	 The Youth Employment Package includes: From April 2017, Youth Jobs PaTH program participants will receive employability skills training to prepare them for the workforce and can volunteer for a 4 to 12 week internship with an employer to increase their work experience. Participants will receive an additional \$200 supplement per fortnight while undertaking an internship and employers will be eligible for a one-off payment of \$1,000. The Youth Bonus wage subsidy, which will grant employers who take on an eligible young seeker up to \$10,000, increased from \$6,500. Expanding the number of places in the New Enterprise Incentive Scheme and
	 Expanding the number of places in the New Enterprise Incentive Scheme and granting access to the training components to all job seekers. Developing "Exploring Being My Own Boss" workshops for job seekers to generate interest in self-employment, including Self-Employment Starter Packs.
C. Welfare measures	• The Try, Test and Learn Fund will finance new and innovative policy interventions to address barriers to work for groups identified through actuarial analysis as being at risk of long-term welfare dependence.



New policy measure	Description
D. Election commitments	Measures to support participation and job creation announced during the 2016 federal election include:
commitments	 A commitment of \$200 million for the Regional Jobs and Investment Package to create jobs, grow skills and diversify the local economy in nine regions. A plan to boost economic growth and job creation in the state of South Australia. Key elements of this plan include 1,200 scholarships for post-school education, a youth employment pilot program, a Pathways in Technology pilot, measures to support the South Australian steel and manufacturing industries, as well as long-term defence projects and infrastructure investment. The Government also announced a plan to improve job creation in the state of Tasmania. Key elements of this plan include measures to support energy security, higher education as well as investments in infrastructure and Antarctic research, regional jobs, tourism and forestry. A commitment of \$115 million for targeted support for Indigenous entrepreneurs and small Indigenous businesses. The Government has committed \$10 million over the next two years to expand the UnitingCare Pre-Employment Program pilots. This investment will assist up to 1,400 women aged between 25 and 54 to find a job. Over 2016-17 to 2019-20, \$48 million has been committed to The Smith Family to expand its Learning for Life program to support an additional 24,000 disadvantaged young Australians to achieve improved educational outcomes. The Australian Government has committed \$24 million over four years for scholarships to support students to undertake studies in South Australia that
	 include an internship component to link scholarships to real jobs. A commitment to provide additional funding for the Fair Work Ombudsman and to amend the <i>Fair Work Act 2009</i> to strengthen protections for vulnerable workers. The Covernment also established a Migrant Workers' Taskform in
	workers. The Government also established a Migrant Workers' Taskforce in October 2016 as part of this commitment.



Multi-year collective commitments

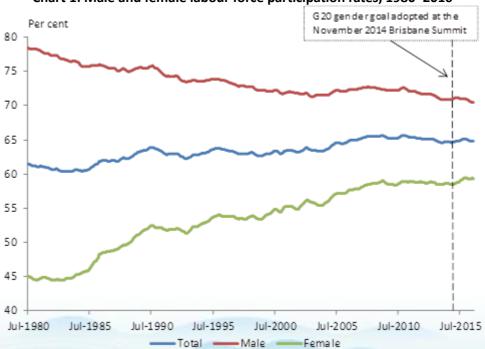
Collective commitment to increase female labour force participation and gender equality

The Australian Government is committed to increasing women's workforce participation, understanding that it will enable Australia to realise its economic potential and help to achieve gender equality. Importantly, the economic security that comes with paid work can increase family wellbeing and reduce women's vulnerability to poverty, homelessness and family violence.

Given the complex factors that drive women's participation, addressing the barriers and enhancing the enablers for women to participate in paid work requires a multi-faceted policy approach.

To form a strong foundation for women's workforce participation, Australia has in place a world class education and training system which delivers positive outcomes for women, a tax and transfer system designed to encourage workforce participation and active labour market programs which are flexible to support the needs of job seekers. For those in employment, Australia has a legislative framework which guarantees entitlements and protections for employees and prioritises gender equality with a compulsory reporting framework for large private sector employers.

To build upon the existing framework, the Australian Government has introduced a range of initiatives to provide targeted support for women to enter and stay attached to the workforce across key policy areas. These include initiatives designed to improve financial literacy and retirement savings, address long-term welfare reliance, support female advancement in growth industries and encourage entrepreneurs and small business operators to thrive. A summary of these initiatives is provided in the table overleaf.





Source: Australian Bureau of Statistics, Labour Force, Australia, August 2016 (cat. no. 6202.0), people 15 years and over, trend data



Key measures introduced in pursuit of the collective commitment to increase female labour force participation

Policy commitment / description	Status of implementation and results achieved	
i) Address unequal treatment of men and women in the labour market (2014 Declaration priorities 5, 6)		
 Ending violence against women and their children Ensuring the safety of women and their children at risk of experiencing violence is an immediate and urgent priority for the Australian Government. Building a culture that supports gender equality and reduces violence against women will improve women's workforce participation and economic security. The Government partners with states and territories through the <i>National Plan to Reduce Violence against Women and their Children 2010 – 2022.</i> As part of the 2016-17 Budget, the Australian Government has committed an additional \$100 million to deliver the Third Action Plan of this Plan. This builds on the \$100 million Women's Safety Package, launched in September 2015, and on the Commonwealth's much broader investments that drive a reduction in violence, including income support, education, housing and health measures. 	 The Second Action Plan under the National Plan to reduce violence against women and children ran from 2013 to 2016. The Third Action Plan will run from 2016 to 2019. Outcomes of the Second Action Plan 2013 – 2016 include the establishment of ANROWS, Our Watch and White Ribbon, agreement of National Perpetrator Intervention Standards, agreement on a National Domestic Violence Order Scheme, continuation of "The Line" primary prevention behaviour change campaign for young people aged 12 to 20 years, and commencement of the national campaign to change community attitudes to violence. 	
Workplace Gender Equality Reporting Private sector employers with 100 or more employees are required to report annually to the Workplace Gender Equality Agency. The gender reporting framework is designed so that individual organisations can monitor, reflect upon and improve their own gender equality performance.	 Changes to the gender reporting requirements were announced on 25 February 2015, and became effective in the 2015-16 reporting year. In 2015, 12,000 employers covering 4 million employees reported for the second year of reporting under the <i>Workplace Gender Equality Act 2012</i>. This is the first time-series data on the status of gender equality in 	
In 2015, changes to the Workplace Gender Equality (Matters in relation to		



Policy commitment / description	Status of implementation and results achieved
Gender Equality Indicators) Instrument (No. 1) were made to streamline reporting requirements and to ensure gender reporting drives results in the workplace, whilst still representing value for effort.	Australian private sector workplaces.
ii) Promote an enabling environment for gender equality in the labour market	(2014 Declaration priorities 1, 2, 4, 10, 11)
The jobactive employment service All services for job seekers provided through jobactive must be delivered equitably within a framework that recognises other factors relevant to the individual, for example, caring responsibilities, disability, age, gender and cultural and linguistic diversity. From 1 November 2015, parents with participation requirements became eligible for the Parents wage subsidies of up to \$6,500 after six months in jobactive.	At 31 December 2015, there were almost 369,000 women on the jobactive caseload (48.5 per cent) and there had been 65,000 job placements for women. Of these job placements. 22,000 jobs were sustained for four-weeks and 9,000 jobs were jobs were sustained for 12-weeks.
 National Innovation and Science Agenda The National Innovation and Science Agenda includes a number of initiatives to encourage women to participate in growth industries, including: \$48 million over five years to support Science, Technology, Engineering and Mathematics (STEM) at all levels of education. \$51 million over five years to increase the Information Communication and Technology literacy of Australian primary and high school students, and improve young female students exposure to careers in STEM fields. \$13 million to implement the 'Expanding opportunities for women in STEM and entrepreneurship' initiative. 	These initiatives will commence during 2016.
Jobs for Families Child Care Package	The Nanny Pilot Programme commenced in January 2016.



Policy commitment / description	Status of implementation and results achieved	
 The Package will provide greater choice for more than 1.2 million families by delivering a simpler, more affordable, more flexible and more accessible child care system. The Government will invest around \$40 billion on child care support over the next four years. This significant investment includes an increase of more than \$3 billion to support the implementation of the Package. 	The Inclusion Support Programme and Connected Beginnings Programme under the Child Care Safety Net commenced in July 2016. The legislated components of the Package, including the Child Care Subsidy and Additional Child Care Subsidy will commence in July 2018.	
iii) Make work pay, improve job quality and reduce informality (2014 Declaration priorities 7, 8, 9)		
Superannuation reform package Priorities to improve the flexibility and equity of the superannuation system include assisting low income earners, and those who take time out of the workforce to raise children or to care for a relative (of whom a high proportion are women) to save for retirement. Australian Public Service Gender Equality Strategy The Strategy, released on 28 April 2016, includes reforms to remove barriers to workforce participation and career progression for women within Australian Government agencies.	These measures were announced in the 2016-17 Budget. The changes are to apply from 1 July 2017. The Strategy spans 2016–2019.	
Increasing women's leadership The Government has committed to a new gender diversity target of women holding 50 per cent of Australian Government board positions, with at least 40 per cent representation of women and men on individual boards. This target is supported by the BoardLinks Program, which features a database of suitable women seeking appointment to a Government board. <i>iv) Promote entrepreneurship (2014 Declaration policy priority 3)</i>	The new target applies from 1 July 2016. As at 30 June 2016, women held 40.5 per cent of Commonwealth Government board positions, compared to 39.1 per cent the previous year.	



Policy commitment / description	Status of implementation and results achieved
Support for Entrepreneurs A range of new initiatives and improvements set out elsewhere in this document will provide practical measures to encourage women to start a business and create their own job.	These measures will commence from December 2016.
National Financial Literacy Strategy Women are a key audience under the National Financial Literacy Strategy, which aims to help individuals to make sound financial decisions, based on personal circumstances, to improve their financial wellbeing.	The National Financial Literacy Strategy spans 2014–2017. Government actions under the National Strategy include the 2015 launch of the Women's Money Toolkit - a free online resource to provide women with the knowledge and confidence to manage their finances and achieve their financial goals. Further resources will be launched in 2016.



Collective commitment to promote better employment outcomes for youth

While most Australian youth are either engaged in some form of work or study, a key concern is the number of young people who are 'disengaged', with 344,900 (or 11.0 per cent of the youth aged 15 to 24) not in work and not attending full-time education in August 2016, compared with 291,300 (or 9.9 per cent) at the onset of the Global Financial Crisis in September 2008. Over the last year, however, the proportion of disengaged youth has declined by 0.6 percentage points.

The increase in disengagement since September 2008 has been more significant for 20-24 year olds, up from 11.9 per cent to 14.7 per cent in August 2016, although it has declined from 15.7 per cent since August 2015. By contrast, the proportion of disengaged 15-19 year olds has decreased by 1.0 percentage point since September 2008, to 6.8 per cent in August 2016. This is likely to be due to the rise in the compulsory minimum school leaving age.

While a proportion of the disengaged group may, for various reasons, be voluntarily outside the labour market (for instance, taking a gap year or looking after children, which is more likely to be the case for disengaged women), many are at risk of ultimately failing to make a successful transition to employment. Chart 2 shows the trend in the proportion of youth who are not in employment education or training (NEET), using internationally standardised data published by the Organisation for Economic Co-operation and Development (OECD). As of 2015 (most recent data), 3.7 per cent of Australians aged 15 to 29 were unemployed and 8.1 per cent were inactive in the labour force.

Chart 2: Proportion of Australian youth not in education, employment or training and the overall and youth unemployment rates, 1997-2016



Source: OECD Education at a Glance 2014 Table C5.3a (1997-2012), OECD Education at a Glance 2015 Interim Report (2013), OECD Education at a Glance 2016 Table C5.2 (2015), ABS, Labour Force, Australia, August 2016, seasonally adjusted data

Australia has a wide range of measures in place to help young people to prepare for employment and support their transitions into the workplace. The following table provides a summary of the implementation of the measures identified in Australia's G20 Employment Plans.



Key measures introduced in pursuit of the collective commitment to promote better employment outcomes for youth

Policy commitment / description	Status of implementation and results achieved	
Strengthen the education system and prepare all young people for the world of work		
Australian Apprenticeship Support Network The Australian Apprenticeship Support Network will deliver a new generation of support services to Australian Apprenticeships participants to help improve apprenticeship completion rates, investing up to \$189 million annually.	The Apprenticeship Network has been in place since 1 July 2015 and supports apprentices from a network of more than 420 locations nationally.	
Trade Support Loans The Trade Support Loans program provides financial support to eligible apprentices undertaking a qualification listed on the Trade Support Loans Priority List. This includes key trade occupations such as electricians, plumbers, carpenters, hairdressers and motor mechanics.	The program commenced on 21 July 2014 and is operating successfully.	
Higher Education and Research Reforms The proposed higher education reforms would extend the demand driven university funding system to sub-bachelor and bachelor courses at all institutions registered with the national regulator.	Current funding arrangements remain in place while the Government consults further with the higher education sector and other stakeholders regarding reforms about this and other proposals.	
Provide effective support to unemployed young people to find work		
Youth Employment Strategy , including the transition to Work service and Empowering YOUth Initiatives described earlier in this document.	Elements of the Youth Employment Strategy have been progressively implemented since 1 January 2016.	
Rapid Activation for job ready job seekers aged under 25	Implemented on 1 July 2016.	
Under this measure, job ready job seekers aged under 25 must complete pre-benefit		



Policy commitment / description	Status of implementation and results achieved
activities to demonstrate that they are doing all they can to find employment before they become eligible for income support.	
Youth Employment Package	Elements of the Youth Employment Strategy are being progressively implemented from 1 October 2016.
The Youth Employment Package will assist young people to gain the employability skills and real work experience they need to get a job. The core of the package is the Youth Jobs PaTH (Prepare, Trial, Hire) for young job seekers, which includes:	
• Employability Skills Training to help young job seekers understand the behaviours expected by employers in the recruitment process and in the workplace.	
• Internships of four to 12 weeks to give young job seekers a chance to show what they can do in a real workplace.	
• A new Youth Bonus wage subsidy to support the employment of young people and further enhancements to existing wage subsidies.	
Improve job opportunities	
National Work Experience Programme	The new arrangements came into effect on 1 October 2015.
The National Work Experience Programme will assist young job seekers in particular to develop practical skills, gain workplace experience and better connect them with real jobs.	
The Programme will vary existing unpaid work experience arrangements to provide stronger incentives for employers to offer work experience and employment opportunities to job seekers.	



Commitment to promote safer and healthier workplaces

A range of actions taken under Australia's Work Health and Safety Strategy 2012-2022 are relevant to the recommendations of the G20 Labour and Employment Ministers set out in their 2014 G20 Statement on Safer and Healthier Workplaces.

Australia has steadily improved its work health and safety performance over the last decade (Chart 3). Between 2003 and 2014, there was a 41 per cent decrease in the incidence rate of traumatic injury fatalities. The rate of serious workers' compensation claims for injury and disease has also declined by 38 per cent, from 16 claims per 1000 employees in 2000-01 to 10 claims per 1000 employees in 2013-14.

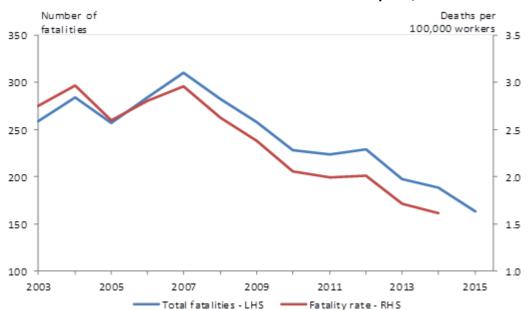


Chart 3: Worker fatalities: number of fatalities and fatality rate, 2003 to 2015

Source: Safe Work Australia, Work-related Traumatic Injury Fatalities (unpublished data), Australia, 2015, Notifiable Fatalities Monthly Report December 2015



Key measures introduced in pursuit of safer and healthier workplaces

Policy commitment / description	Status of implementation and results achieved	
Ongoing assessments and effective incentives and advisory services provided by national safety and health bodies		
Australia has a range of work health and safety (WHS) bodies focused on providing advice and guidance to worker and employers to improve WHS outcomes.	In addition to Safe Work Australia, which leads the development of national policy to improve WHS and workers' compensation arrangements, there are a range of safety regulators responsible for specific industries (including mining, maritime, construction, road, rail and air) and specific issues (such as regulation of hazardous chemicals, explosives and asbestos).	
Strengthened legislation and resource for prevention and compensation, training	ng, compliance assistance and enforcement efforts	
The Inter-Governmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety, which was adopted in 2008, committed all states, territories and the Commonwealth to adopt uniform WHS laws comprised of a model Act, supported by model Regulations and Codes of Practice complemented by a nationally consistent approach to compliance and enforcement by December 2011.	The model WHS laws commenced in the Commonwealth, New South Wales, Queensland, the Northern Territory and the Australian Capital Territory on 1 January 2012, and in in Tasmania and South Australia on 1 January 2013. Western Australia and Victoria have yet to implement the model WHS framework. However, in both jurisdictions WHS is governed by a similar system of laws.	
	In 2014 and 2015, the federal, state and territory governments agreed to a number of changes to improve the model WHS laws, in particular, to reduce their regulatory burden on business. These changes to the model WHS laws were made on 21 March 2016 are now to be implemented by each jurisdiction that has adopted the model laws.	
Australian WHS laws are supported by Codes of Practice and non-statutory guidance material to assist duty holders with compliance.	SWA is responsible for producing these documents and ensuring that they are clear and practical. SWA has recently revised the Model Codes of Practice for a range of work practices.	
Australia will commence a review of the 29 types of high risk work activities that require a license under the model WHS Regulations.	This review is scheduled to commence in 2017.	



Policy commitment / description	Status of implementation and results achieved	
The Australian Government Building and Construction WHS Accreditation Scheme	Over 400 companies, representing around 50 per cent of construction industry turnover, have been accredited by the Office of the Federal Safety	
	Commissioner, leading to safety improvements across the industry.	
Improved data collection and use of empirical data to inform program design	and effectively target enforcement and outreach efforts	
A key objective for the Australian Government is to have high quality nationally significant work health and safety and workers' compensation data. This data collection work is undertaken by SWA under its <i>Research</i> , <i>Evaluation and Data Strategy 2013-2017</i> .	The SWA undertakes data collection work and publishes a range of statistical reports. In 2016, a key data collection project will be a survey examining the cost of	
	compliance with Australia's model work health and safety laws. SWA's chemical databases will also be updated to reflect the outcomes of the National Industrial Chemical Notification and Assessment Scheme's Inventory Multi-tiered Assessment and Prioritisation program.	
Action taken to improve OSH conditions for vulnerable workers and in high-risk sectors		
Young workers have been identified as one of the groups of vulnerable workers under Australia's Work Health and Safety Strategy 2012-2022.	SWA is working with regulators and industry to find practical ways to raise awareness in young workers of the hazards they face in the workplace on a daily basis. For instance, a project to improve the capabilities of young workers and their supervisors in the construction industry is a priority for 2016.	
In Australia's Work Health and Safety Strategy 2012-2022, the agriculture and road transport industries are identified as high risk sectors for all Australian jurisdictions to focus on during the first five years of the strategy.	A National Agriculture Activity Plan 2014-2019 has been developed specifically to improve work health and safety outcomes for this industry, with further targeted activities and programs to be implemented. In addition, guidance material has been developed to support rural workplaces.	
	The National Road Safety Strategy 2011-2020 sets out the commitment of the Commonwealth, States and Territories to an agreed set of national road safety goals, objectives and actions. This is complemented by a National Road Safety	



Policy commitment / description	Status of implementation and results achieved
	Action Plan 2015-2017. Australia has also developed Heavy Vehicle National Laws that have been adopted by the Australian Capital Territory, New South Wales, Queensland, South Australia, Tasmania and Victoria. Further work is being undertaken in 2016 to investigate the impact of the current laws, and improve road agencies' ability to link crash data to driver accreditation.
Raised awareness of the importance of OSH particularly among small and med	dium enterprises
In April 2014, the Commonwealth, states and territories asked SWA to assist small business to have access to clear, concise, practical material without compromising safety standards or imposing any further regulatory burden.	SWA has redeveloped guidance and fact sheets to help small business owners understand their work health and safety obligations. A suite of case studies from small business owners and regulators to share success stories in achieving positive work health and safety outcomes has also been developed. Work health and safety regulators across Australia offer a range of free services tailored to meet the individual needs of small businesses, such as access to safety advisors and one-on-one consultations on achieving health and safety in the workplace. These agencies also regularly consult with small business representatives to ensure that service delivery is efficient and effective.
Sharing of best practices among G20 members and support for exchanges of in cooperation, and partnering with the ILO to improve global OSH	nformation, sharing of relevant technologies and coordinating technical
Australia is committed to sharing its WHS knowledge internationally and liaises on WHS and workers' compensation matters through its various WHS agencies.	 Examples of this knowledge sharing include: SWA actively participates on the United Nations Subcommittee of Experts on the Globally Harmonised System of Classification and Labelling of Chemicals. Its Chief Executive Officer is also a member of Singapore's International Advisory Panel on Workplace Safety and
	Health, and of the G20 Occupational Safety and Health Experts



Policy commitment / description	Status of implementation and results achieved
	 Network. In April 2016, SWA shared its methodology for estimating the total cost of work-related injury and illness for Australian employers, workers and the community with the European Agency for Safety and Health at Work. Australia is regarded as an international leader on asbestos management, and the Asbestos Safety and Eradication Agency hosts
Australia is party to a number of ILO conventions relating to WHS and workers' compensation.	an annual international conference on this issue.Australia continues to report to the ILO on compliance with these conventions.SWA is also one of the ILO's designated National Centres that contributes to the exchange of information among persons responsible for establishing and implementing national WHS policies and programs.





Appendix

Notes for Table 1

Percentage figures, except in the case of GDP per capita and the Gini coefficient. Growth figures are percentage change on previous year unless otherwise indicated. Data for the incidence of long-term unemployed are expressed as the percentage of all unemployed people. Point-in-time data is for the 2008, 2014 or 2015 calendar years or June quarter 2008 and June quarter 2015. Time periods were selected on the basis of data availability and consistency across G20 Employment Plans.

Sources: ILOSTAT, OECD.Stat and data provided by the ILO and OECD to the G20 Employment Working Group in July 2015.

(a) Department of Employment calculations based on OECD.Stat short-term labour market statistics.