



Employment Plan 2017

Australia

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

1. Employment and labour market outlook

The Australian economy is in its 26th year of continued expansion, with the Government forecasting the economy to grow by 2.75 per cent in 2017-18 before strengthening to 3 per cent in 2018-19. Employment has increased by 1.6 per cent over the year to April 2017, equal to the decade average growth rate of 1.6 per cent. The unemployment rate for persons aged 15 years and over stood at 5.7 per cent in April 2017, equal to the rate recorded 12 months ago, and is forecast to remain around 5.75 per cent in the June quarter of 2018, before declining slightly to 5.5 per cent in the June quarter 2019.

Table 1: Economic and labour market conditions, 2008 and 2016

Economic and labour market conditions	Australia (2008)	Australia (2016)	G20 median (2008)	G20 median (2016)
GDP per capita (USD terms)	\$40,871	\$43,917	\$33,593	\$34,384
Employment growth (%)	2.8	1.6	13.9	1.3
Unemployment rate	4.2	5.7	6.2	5.7
Youth unemployment rate	8.8	12.8	13.9	13.9 (2015)
Participation rate (15+) (%)	65.5	64.8	60.3	61.3 (2015)
Female participation rate (15+) (%)	58.6	59.2	50.4	52.4 (2015)
Working age (15 to 64) participation rate (%)	76.5	76.9	70.3	72.9

Source: ILOSTAT, OECD.Stat and data provided by the ILO and OECD to the G20 Employment Working Group in April 2017. Department of Employment calculations based on OECD.Stat short-term labour market statistics.

Table 2: Labour market forecasts for 2017-18

Employment growth	Unemployment rate	Participation rate
1 ½ per cent	5 ¾ per cent	64 ½ per cent

Source: Australian Government, *Budget Strategy and Outlook: Budget Paper No. 1, 2017-18*

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, women, Indigenous Australians, humanitarian entrants and people with disability 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. 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. The youth unemployment rate was 12.8 per cent in April 2017, more than double the national rate. Improving youth participation in employment, education or training is therefore a priority for the Australian Government.

Challenge: Boosting Indigenous employment

Australia's Indigenous population face more barriers to employment on average relative to the rest of the population. While gains in employment outcomes for Indigenous Australians have been hard won, concerted effort must still be made across government and big business to bring the Indigenous population into employment. Indigenous Australians experience much lower labour force participation and higher unemployment rates, particularly youth and women. Improving education and labour market outcomes for Indigenous Australians is a significant 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 reflected the challenge of managing structural change between industries with varying labour requirements. Strengthening job creation will require a strong commitment to boosting economic growth and opening up employment opportunities through innovation and new forms of work. Investment in education, skills and training are essential to ensure existing and new entrants to the workforce are able to quickly adjust to changing labour market demands - including rapid advances in digital technologies and disruption to existing industries.

3. Current policy settings and new commitments

Broad economic settings

Australia's policy framework has played an important role in fostering 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. Excessive regulation has the effect of discouraging business investment and entrepreneurialism, as well as distorting investment decisions and damaging productivity and jobs growth.

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

- A ten-year enterprise tax plan will be delivered to boost new investment, create and support jobs and increase real wages.
- \$70 billion has been committed from 2013-14 to 2020-21 to transport infrastructure better connecting Australian products to domestic and international markets, improving productivity as well as improving safety.
- The National Business Simplification Initiative, launched in November 2016 is saving businesses time, freeing them up to focus on growing their business, creating jobs, and innovating.

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 that everyone who can participate in work is required and encouraged to seek employment.

Labour market regulation

There is a safety net of ten National Employment Standards set out in the *Fair Work Act 2009* and awards providing for minimum 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, is 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.

Workplace safety

WHS laws operate within a nationally harmonised framework, and generally apply to workers in all industries and to all areas of employment. Businesses in Australia have a broad duty of care under model WHS laws to protect the health and safety of all workers. These laws are underpinned by the *Australian Work Health and Safety Strategy 2012-2022* which is consistent with priorities set out in the *G20 Statement on Safer and Healthier Workplaces* adopted by G20 Labour and Employment Ministers in 2014. More detailed information addressing the G20 commitment is provided in the section of this document addressing progress towards multi-year G20 collective commitments.

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. The purpose of the system is to protect basic living standards of all Australians (individuals, families and communities), and increase their social and economic participation. 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 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 living in remote areas.

Policy measures targeting labour market disadvantage

Australia works to address labour market disadvantage by addressing issues as they arise through policies, programs and anti-discrimination regulations.

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. Policy measures are underway to ensure Australia is on track to meet the G20 goal to reduce the gender gap in labour force participation rates by 25 per cent by 2025, agreed by Leaders under the Australian G20 Presidency in 2014. More detailed information addressing the G20 goal is provided in the section of this document addressing progress towards multi-year G20 collective commitments.

Key commitments to improve women's economic participation include:

- Increased support for parents who want to work, or who want to work more.
- A total investment of around \$37 billion on child care support over the next four years. This includes support for the implementation of the Jobs for Families Child Care Package.

- Delivering the ParentsNext program Australia-wide to assist parents of young children, who may be at risk of welfare dependency, to plan and prepare for employment by the time their children are at school.
- Implementing a Launch into Work program which will deliver pre-employment projects targeted at women that provide training, mentoring and work experience to assist job seekers to become work ready.

Youth

Young people are the most vulnerable, of all age groups, to wider economic and labour market conditions. A key strategy in addressing youth unemployment is to raise the overall rate of job creation. Reforms to encourage participation and improve the outcomes of Australia's education system, 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, as adopted by G20 Leaders at the 2015 Antalya Summit. More detailed information addressing the G20 goal is provided in the section of this document addressing progress towards multi-year G20 collective commitments.

Key commitments to address youth unemployment include:

- An investment of \$855 million 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.
- The Transition to Work service, assisting young people aged 15-21 who have disengaged from work and study and are at risk of long-term welfare dependence.
- Empowering YOUTH Initiatives, which provides \$50 million in grant funding to eligible not-for-profit, non-government organisations to trial innovative approaches to support young people.

Indigenous Australians

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.

Key commitments to improve Indigenous employment outcomes include:

- The \$55.7 million Closing the Gap – Employment Services package which includes measures to increase the number of Indigenous Australians engaged in the labour market and build the capacity of employment services to better connect Indigenous job seekers to jobs.
- Implementing the Employment Parity Initiative which involves working with large employers 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.
- Implementing an Indigenous Employment and Supplier-use Framework that is expected to apply to all new Australian Government-funded, state-delivered infrastructure projects from mid-2019.

Mature age

The Australian Government recognises the value of mature aged workers, who have often built up knowledge and skills during their time in the workforce which are easily transferable, and have valuable mentoring and training skills to offer.

Key commitments to improve employment outcomes for mature aged Australians include:

- The Mature Age Employment Package, an investment of \$100 million over four years, as part of broader Working Age Payment Reforms.
- A new Career Transition Assistance Program and a series of Pathway to Work Pilots. This package also includes expansion of the National Work Experience Programme to ensure mature age job seekers are given an opportunity to demonstrate their skills to a potential employer.

People with Disability

The Australian Government is committed to ensuring that people with disability, their families and carers have economic security, enabling them to plan for the future and exercise choice and control over their lives. The *National Disability Strategy 2010-2020* provides the overarching policy framework for disability reform in Australia. The Strategy is a mechanism to ensure the principles underpinning the United Nations *Convention on the Rights of Persons with Disabilities* are incorporated into all policies and programs. These overarching measures seek to drive a more inclusive approach to the design of policies, programs and infrastructure so that people with disability can participate in all areas of Australian life and ensure that people with disability, their families and carers have economic security.

Key commitments to improve labour market participation for people with disability and carers include:

- The Australia-wide 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. When at full scheme in 2019-20, the NDIS is estimated to cost approximately \$21 billion.
- Continued investment of over \$3 billion over four years into the Disability Employment Services (DES) program, including introducing reforms that will give greater choice and control to people with disability in selecting the services they need to find and maintain employment.

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 be lower in regional or remote areas.

Key commitments to improve employment opportunities in disadvantaged regions of Australia include:

- A \$220 million investment in the Regional Jobs and Investment Packages (RJIP), to help regions in Australia diversify their economies, stimulate long-term economic growth and deliver sustainable employment;
- 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 actions 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.

Key commitments to provide support for workers in industries facing structural decline include:

- The \$155 million Growth Fund which includes measures to assist retrenched automotive workers to reskill and transition to new jobs;
- The \$100 million Advanced Manufacturing Fund to drive innovation in Australia's manufacturing sector; and
- Targeted employment support for retrenched workers through structural adjustment packages for the automotive, steel and other industries.
- Employer engagement strategy to target industries and regions with strong employment prospects and enduring career opportunities for job seekers.

Skills development

Over recent decades, Australia has experienced a growth in demand for skilled labour which has outstripped growth in demand for unskilled labour. Early childhood education and basic schooling remains essential to foster economic growth. A workforce with a high level of foundation skills (such as literacy and numeracy) is better able to adapt to the dynamic shifts in the demand for skills that are typical of a modern economy. Investing in higher level skills is also essential to foster productivity growth and promote job creation.

Key measures to develop skills and enhance productivity include:

- Reforms to education and training improve the outcomes of all levels of education, including through reforms to ensure that education and training is more relevant to employment opportunities;
- Establishment of a permanent \$1.5 billion Skilling Australians Fund to support up to 300,000 apprentices, trainees, pre-apprentices and higher level skilled Australians, many of whom will be young people entering the workforce for the first time..
- Continued investment under NISA to inspire Australians of all ages to engage with STEM in society and participate in further study.

School education

The Government has committed to providing an additional \$18.6 billion in funding for schools for the period to 2027, to implement a new needs-based funding model for schools which delivers a consistent national approach for all schools in all states and territories.

Apprenticeships, vocational training and higher education

Apprenticeships

In addition to 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.

Vocational education and training

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 vocational education and training qualifications. Students are only required to repay the loan once their annual income exceeds a specified threshold.

The Australian Government's VET policy agenda includes implementing 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

The Australian Government contributes to labour market participation by enhancing the accessibility of university and higher education including through a direct contribution to the cost of educating all Australian Government supported students. The Government has announced a package of reforms to funding and regulatory frameworks that will support quality, opportunity, fairness and innovative offerings in higher education.

4. Monitoring and reporting

Key economic and labour market indicators

Table 3: Key economic and labour market indicators

Key indicator	2008	2016
GDP growth (real) (%)	2.5	2.4
GDP per capita (2010 \$US constant price in PPPs)	\$US 40,871	\$US 43,917
Employment growth (%)	2.8	1.6
Employment-population ratio (for 15-64) (%)	72.8	72.4
Unemployment rate (%)	4.2	5.7
Incidence of long-term unemployment (%)	14.9	23.7
Participation rate (for population aged 15-64) (%)	76.5	76.9
Participation rate (for population aged 55-64) (%)	58.8	65.2
Participation rate (for population aged 65+) (%)	9.2	12.4
Informal employment as a share of total employment	-	-
Temporary employment as a share of total employment (%)	5.9	5.5 (2015)
Sectoral composition of employment (as a % of total employment)		
• Agriculture (%)	3.3	2.6 (2015)
• Construction (%)	9.2	8.8 (2015)
• Manufacturing (%)	12.4	10.7 (2015)
• Services (%)	75.1	77.9 (2015)

Source: ILOSTAT, OECD.Stat and data provided by the ILO and OECD to the G20 Employment Working Group in April 2017.

Key policy indicators

Table 4: Key policy indicators

Key indicator	2008	Latest available data
Gini coefficient (income Gini)	0.336	0.337 (2014)
Poverty (% below poverty line)	14.6	12.8 (2014)
Minimum relative to average wages of full-time workers (%)	44.9	44.4 (2015)
Collective bargaining coverage (% workers)	53.3	61.0 (2013)
Labour income share (%)	61.4	62.6 (2014)
Non-agricultural labour income share (%)	61.1	62.6 (2014)
Proportion of 20 -24 Year olds with Year 12 equivalent or higher qualifications (%)	83.5	89.4 (2016)

Sources: ILOSTAT, OECD.Stat and data provided by the ILO and OECD to the G20 Employment Working Group in April 2017, Sources: Gini, poverty, and minimum wages from OECD.Stat.

(Poverty rate after taxes and transfers, poverty line 50% of median income.)

Collective bargaining coverage from ICTWSS database, version 5.1.

Pay set by collective agreement or award from ABS Employee Earnings and Hours (cat. no. 6306.0).

Wage share from the European Commission (AMECO table 7.6, at factor cost).

Proportion of 20 -24 Year olds with Year 12 equivalent or higher qualifications: ABS, *Education and Work, Australia*, (Cat. no. 6227.0), various issues. Please note that persons whose highest level of educational attainment was either 'not determined' or 'Certificate not further defined' were excluded when calculating these proportions.

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
<i>Regulation, finance, incentives, investment and entrepreneurialism</i>	
<ul style="list-style-type: none"> • Tax changes for small and medium-sized enterprises (including a reduction in the company tax rate and a tax discount for unincorporated businesses). • Regulatory reforms to reduce red-tape 	<p>Tax reforms for small businesses were legislated in May 2015 and have benefited around 3 million small businesses. Expansion of tax reforms to include medium-sized enterprises and further reductions in the company tax rate are also underway.</p> <p>The initial reduction in regulatory burden of \$1 billion was achieved on target by September 2014.</p> <p>As at December 2016, the Government has reduced the regulatory burden on business and the community by more than \$5.8 billion.</p>
Investment in infrastructure to improve productivity and connections with product markets.	In the 2017-18 Budget, the Australian Government increased its investment in land transport infrastructure from \$50 billion to \$70 billion between 2013-14 and 2020-21.

Policy commitment / description	Status of implementation and results achieved
<p>The National Innovation and Science Agenda (NISA) establishes a focus on innovation as the key long-term driver of economic prosperity and growth for Australia. Measures underway provide incentives and regulatory frameworks to enable industry, entrepreneurs and researchers to access the resources they need to succeed and grow.</p>	<p>Progress is underway for a number of measures committed to under the NISA. Specific progress is outlined as they relate to specific cohorts and employment challenges.</p> <p>Adding to the NISA, the Government has commissioned a 2030 Strategic Plan and a Research Infrastructure Investment Plan to guide future investment in innovation, science and research. The 2030 Strategic Plan will be developed by Innovation and Science Australia and the Research Infrastructure Investment Plan will be developed in collaboration with Innovation and Science Australia, the Commonwealth Science Council and the broader community.</p>
<p><i>Labour market regulation</i></p>	
<p>Establish a Registered Organisations Commission to improve the governance of unions and employer organisations, in the interests of both workers and businesses.</p>	<p>The Commission commenced operations on 1 May 2017.</p>
<p><i>Social protection</i></p>	
<p>Implement an Australian Priority Investment Approach to Welfare to fund actuarial valuations to assist the Government to identify risk factors driving long-term welfare dependency and potential policy interventions.</p>	<p>This measure is underway. In the 2016-17 Budget, the Government committed \$96 million over four years toward 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.</p>
<p><i>Active labour market programs</i></p>	
<p>Enhancing wage subsidies to benefit both job seekers and businesses</p>	<p>Streamlining of existing wage subsidies (including those for youth, parents, Indigenous, mature age, and the long term unemployed) commenced on 1 January 2017.</p>

Policy commitment / description	Status of implementation and results achieved
New Enterprise Incentive Scheme (NEIS)	As part of the 2016-17 Budget, the number of places available annually in NEIS was increased from 6,300 to 8,600 and the program was broadened to allow access to people not on income support.
<i>Women</i>	
Australian Government measures to improve female labour force participation are addressed within the reporting section for the G20 collective commitment to increase female labour force participation and gender equality.	Progress on measures committed to support and increase female labour force participation are discussed within the multi-year commitments section below.
<i>Migrant Workers</i>	
Establish a Migrant Workers' Taskforce	The Migrant Workers' Taskforce was established in October 2016 and will run for 18 months.
<i>Youth</i>	
<p>The Youth Employment Strategy</p> <p>Announced in 2015, the Strategy aims to improve youth employment outcomes, with a focus on preventing young people from becoming long-term unemployed.</p>	<p>Progress on implementing the Strategy to date include:</p> <ul style="list-style-type: none"> • Transition to Work, aimed at assisting young people aged 15-21 who have disengaged from work and study and are at risk of long-term welfare dependence which commenced February 2016; • Empowering YOUTH Initiatives which fund not-for-profit and non-government organisations to trial innovative approaches to support young people commenced late March 2016; and • Strengthened participation and mutual obligation requirements for early school leavers, to help improve outcomes for these young people by ensuring they are working or studying, commenced January 2016.

Policy commitment / description	Status of implementation and results achieved
<p>The Youth Employment Package</p> <p>Announced in 2016 (building on the Youth Employment Strategy), will assist young people to gain the employability skills and real work experience that is needed to get a job.</p>	<p>Youth Jobs PaTH (Prepare, Trial, Hire) for young job seekers has commenced, including the new Youth Bonus wage subsidy measure (1 January 2017), as well as the Employability Skills Training and internships component (both 1 April 2017).</p>
<p><i>Indigenous Australians</i></p>	
<p>Indigenous Advancement Strategy</p> <p>Announced in the 2014-15 Budget, the strategy aims to consolidate more than 150 individual programs and services within five streamlined broad-based programs.</p>	<p>The Indigenous Advancement Strategy is generating significant opportunities for Indigenous employment under the Jobs, Land and Economy program:</p> <ul style="list-style-type: none"> • The Community Development Programme (CDP) is delivering improved participation and employment opportunities across remote areas. Vocational Employment and Training Centres have made strong progress in placing Indigenous job seekers into guaranteed jobs and supporting their long term employment. • In 2015-16 Indigenous employment in the federal public sector increased from 2.2 per cent to 2.4 per cent of the workforce. • In its first 18 months, the Indigenous Procurement Policy exceeded expectations, prompting the Government (in February 2017) to bring forward the 3 per cent Indigenous Procurement Policy target from 2020 to the 2016-17 financial year.
<p>Implement requirements to increase Indigenous Employment and Supplier - use that will apply to all new large-scale Australian Government-funded, state-delivered infrastructure projects.</p>	<p>This measure will commence in mid-2019.</p>
<p>Indigenous Employment Outcomes Targets for jobactive employment service providers.</p>	<p>This measure is ongoing as part of the jobactive Performance Framework.</p>

Policy commitment / description	Status of implementation and results achieved
<i>Regional initiatives</i>	
The Regional Jobs and Investment Packages (RJIP) aimed at diversifying regional economies, stimulating economic growth and delivering sustainable employment in ten pilot regions.	RJIP is in the process of being implemented. <ul style="list-style-type: none"> • Guidelines have been released; and • Local Planning Committees are being established and commencing work towards developing Local Investment Plans.
<i>Workers in industries facing major structural change</i>	
The Skills Growth Fund Supporting the transition of retrenched automotive workers impacted by large scale redundancies through structural adjustment packages.	The Growth Fund 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.
<i>Skills development</i>	
Implementation of Australian Apprenticeship Support Network to deliver a new generation of support services to Australian Apprenticeships participants aimed at lifting apprenticeship completion rates.	The Australian Apprenticeship Support Network commenced on 1 July 2015 and operates from around 400 locations in all states and territories across Australia.
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 September 2016 under the Chinese presidency. The Australian Government Budget for 2017-18 outlines commitments to a range of measures on regional job creation, skills development and welfare reform consistent with G20 commitments.

New policy measure	Description
A. Economic strategy	<p>The Government's economic strategy will facilitate the economy's smooth transition to broader based growth and ensure all Australians have the opportunity to enjoy the benefits of a prosperous economy. The Government is focused on growing the economy to secure more and better paying jobs through:</p> <ul style="list-style-type: none"> • Continued reform to reduce tax and regulatory burden for small and medium-sized enterprises. • Investment in infrastructure to improve productivity, connections with product markets and create jobs.
B. Creating jobs and improving skills	<p>A new Skilling Australians Fund to support apprentices, trainees, and higher-level skilled people, with priority given to occupations in high demand with a reliance on skilled migration pathways, industries and sectors of future growth, trade apprenticeships, and regional and rural areas.</p> <p>Further investment in education through the Quality Schools package aimed at delivering funding that is fair, transparent, equitable and needs-based, tied to reforms that will make a difference to every child</p> <p>A Higher Education Reform Package which will deliver a more sustainable sector with more choices for students and increase transparency and accountability in higher education; and</p> <p>A new Industry Specialist Mentoring for Australian Apprentices program aims to increase retention rates among apprentices, particularly in the first two years of training.</p>
C. Addressing regional disadvantage	<p>The Regional Jobs and Investment Package (RJIP) aims to support regional Australian communities to meet opportunities that will help to secure their economic future. Ten pilot regions have been chosen to be a part of the RJIP. All of these regions were selected for their untapped potential which, if unlocked could lead to new sources of growth, economic diversity and the opportunity to pursue and expand export markets.</p>
D. Welfare measures and employment services	<p>Workforce participation and self-reliance are central to improving long-term wellbeing. As part of the 2017-18 Budget, the Government announced welfare reforms to ensure those able to work do so. From 20 September 2018, the following measures will apply to welfare recipients:</p> <ul style="list-style-type: none"> • Strengthening of participation requirements and the introduction of a new compliance framework, with stronger penalties for persistent non-compliance; • Support for job seekers who have drug and alcohol abuse issues that may be

New policy measure	Description
	<p>preventing them from finding and maintaining a job. The measure is aimed at encouraging these job seekers to pursue appropriate treatment to help them overcome their barriers to work; and</p> <ul style="list-style-type: none"> • Participation requirements for job seekers aged 55 to the Age Pension age will also be implemented to encourage more mature-age people to actively look for work and join in activities that will boost their chances of getting a job. <p>To assist parents, youth and people with disability, the following measures will be implemented:</p> <ul style="list-style-type: none"> • The Jobs for Families Child Care Package announced in 2014, will encourage workforce participation for parents and place downward pressure on child care fees, while supporting early learning opportunities for children; • \$263 million will be invested on the expansion of the ParentsNext services nationally, to provide parents of young children with tailored support to improve their work readiness; and • The Youth Jobs PaTH program (a core element of the Youth Employment Package announced in 2016) will be rolled-out nationally, encouraging more young people to participate in the labour market by preparing them for a job and encouraging businesses to trial and hire young people. • The National Disability Insurance Scheme will be fully rolled-out, improving the wellbeing and economic and social participation of people with disability and their carers.
E. Structural Adjustment	<ul style="list-style-type: none"> • Targeted structural adjustment packages are provided to assist retrenched workers to retrain and transition to new jobs. • A further \$100 million in a new Advanced Manufacturing Growth Fund, has been committed over two years, to provide up to a third of the project cost of capital upgrades to help establish and expand high-value manufacturing in South Australia and Victoria.

6. Multi-year collective commitments

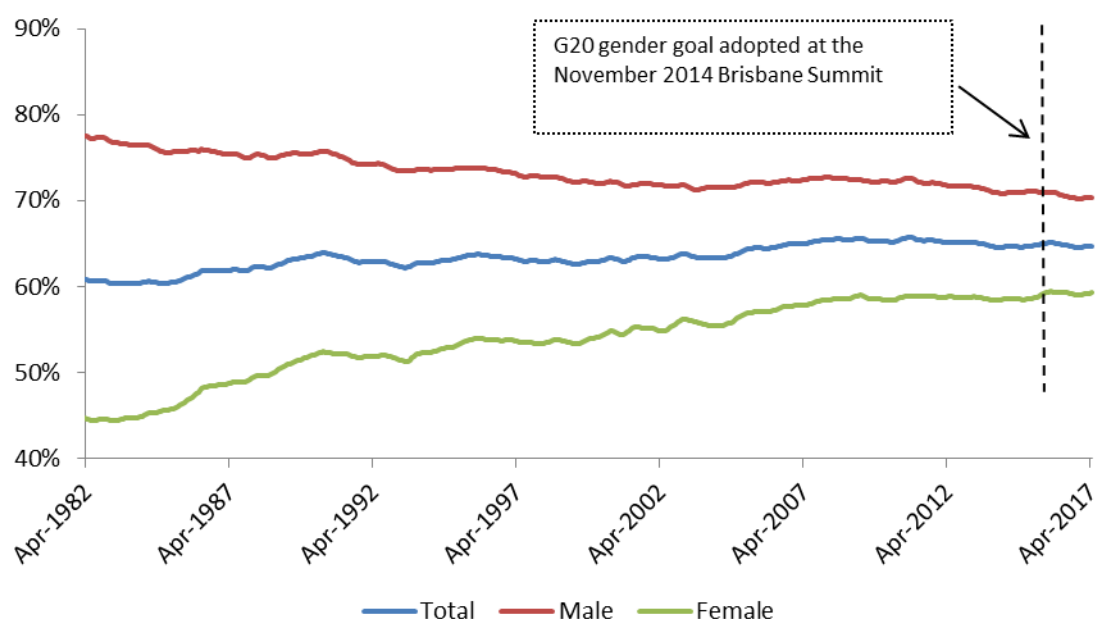
Collective commitment to increase female labour force participation and gender equality

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 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 following

To meet the G20 goal on women’s workforce participation adopted at the 2014 Brisbane Summit, Australia will need to close the gap between women’s and men’s workforce participation by at least 3 percentage points from 2012 levels, to achieve a gap of 9.1 percentage points for persons aged 15-64. In April 2017, the gender participation gap was 10.7 percentage points. Chart 1 below provides a long-term perspective on male and female labour force participation rates in Australia since 1982. OECD data indicates that many G20 countries, including Australia, are progressing well towards the goal. However, the OECD has indicated that all countries will need to either maintain or improve progress over the period to 2025.

Chart 1: Male and female labour force participation rates, 1982–2017



Source: Australian Bureau of Statistics, *Labour Force, Australia* April 2017 (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)	
<p>Ending violence against women and their children</p> <p>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.</p> <ul style="list-style-type: none"> • The Australian Government partners with states and territories through the <i>National Plan to Reduce Violence against Women and their Children 2010 – 2022</i> (the National Plan). • As part of the 2016-17 Budget, the Australian Government committed an additional \$100 million to deliver the Third Action Plan of the National Plan. This builds on the \$100 million Women’s Safety Package, launched in September 2015, and on the Australian Government’s much broader investments that drive a reduction in violence, including income support, education, housing and health measures. 	<p>The Second Action Plan of the National Plan ran from 2013 to 2016. Outcomes include agreement to:</p> <ul style="list-style-type: none"> • National Perpetrator Intervention Standards; • 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. <p>The Third Action Plan 2016-2019 was launched on 28 October 2016. It sets out 36 practical actions across six national priority areas.</p>
<p>Workplace Gender Equality Reporting</p> <p>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.</p>	<p>Changes to the gender reporting requirements were announced on 25 February 2015, and became effective in the 2015-16 reporting year.</p> <p>In 2016, 12,000 employers covering 4 million employees, representing about 40 per cent of employees in Australia, reported for the third 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 Australian private sector workplaces.</p>

Policy commitment / description	Status of implementation and results achieved
<i>ii) Promote an enabling environment for gender equality in the labour market (2014 Declaration priorities 1, 2, 4, 10, 11)</i>	
<p>National Innovation and Science Agenda (NISA) The NISA includes a number of initiatives to encourage women to participate in growth industries, including:</p> <ul style="list-style-type: none"> • \$64.6 million over four years from 2016-17 to 2019-20, under the <i>Inspiring all Australians in Digital Literacy and STEM</i> measure, to improve the teaching and learning of STEM in early childhood centres, preschools and schools; • \$13 million to implement the ‘<i>Expanding opportunities for women in STEM and entrepreneurship</i>’ initiative; and • \$31.2 million in internships and post-school career advice to increase support for women and girls to choose to study and work in STEM. 	<p>Funding for these initiatives commenced on 1 July 2016.</p>
<p>Jobs for Families Child Care Package The Australian Government will provide more than \$2.5 billion to support the implementation of the Jobs for Families Child Care Package. The Package will provide greater choice for around one million families through simpler, more affordable, more flexible and accessible child care. With this additional investment, the Australian Government will spend around \$37 billion on child care support over the next four years.</p>	<p>The Jobs for Families Child Care Package was legislated in March 2017. The Child Care Subsidy will commence in July 2018. The Child Care Safety Net has been progressively rolled out since July 2016.</p>
<p>ParentsNext ParentsNext is a pre-employment program aimed at assisting parents of young children (under six years), to plan and prepare for employment before their children are at school. It provides personalised assistance to parents to improve their work readiness in a way that first and foremost recognises their role as a parent.</p>	<p>Currently operating in 10 Local Government areas across Australia, the Government has committed an additional \$263 million to expand the program across Australia from July 2018. Providing a more intensive ParentsNext service in 20 locations with high Indigenous populations will help accelerate progress towards achieving the employment Closing the Gap target.</p>
<i>iii) Make work pay, improve job quality and reduce informality (2014 Declaration priorities 7, 8, 9)</i>	
<p>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.</p>	<p>These measures were announced in the 2016-17 Budget. The changes are to apply from 1 July 2017.</p>

Policy commitment / description	Status of implementation and results achieved
<p>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.</p>	<p>The Strategy spans 2016–2019.</p>
<p>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.</p>	<p>The new target applies from 1 July 2016. As at 30 June 2016, women held 40.5 per cent of Australian Government board positions, compared to 39.1 per cent the previous year.</p>
<p><i>iv) Promote entrepreneurship (2014 Declaration policy priority 3)</i></p>	
<p>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.</p>	<p>Various measures are underway – reporting on specific programs such as the NISA and NEIS are included in earlier areas of reporting.</p>
<p>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.</p>	<p>The National Financial Literacy Strategy spans 2014–2017. Government actions under the National Strategy include the 2015 launch of the Women's Money Toolkit.</p>

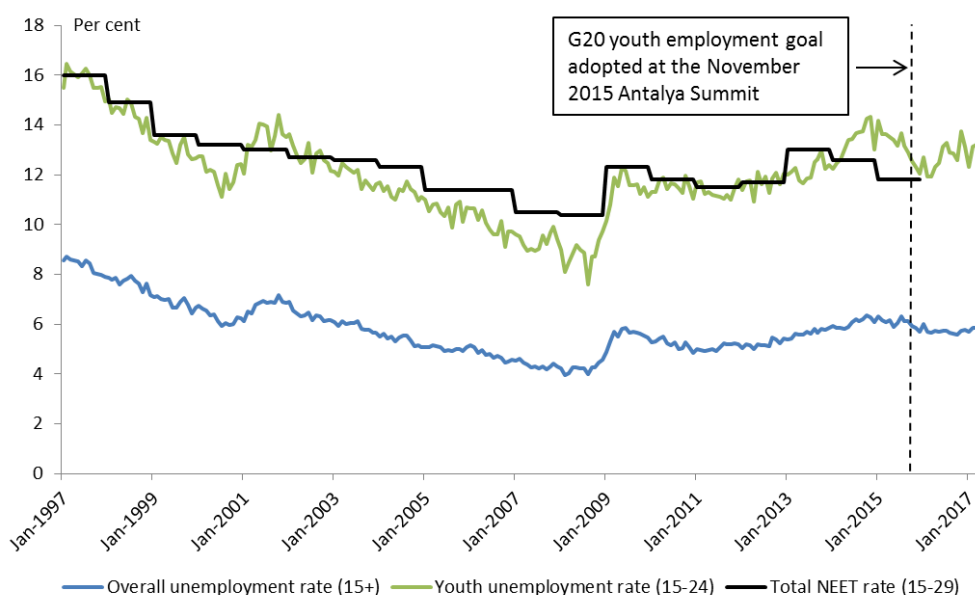
Collective commitment to promote better employment outcomes for youth

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.

Increased 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 this figure 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 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 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, 1997-2017



Sources: OECD *Education at a Glance 2014* (1997-2012), OECD *Education at a Glance 2015 Interim Report* (2013), OECD Data “Youth not in employment, education or training” (2015-2016), ABS, *Labour Force, Australia*, April 2017, 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
<i>Strengthen the education system and prepare all young people for the world of work</i>	
<p>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 \$169 million annually.</p>	<p>The Apprenticeship Network has been in place since 1 July 2015 and supports apprentices from a network of around 400 locations nationally.</p>
<p>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.</p>	<p>The program commenced on 21 July 2014 and is operating successfully.</p>
<p>The Higher Education Reform Package Strengthening the higher education system to be sustainable and responsive to the aspirations of the students and the needs of the future workforce. The Government is creating new community-owned regional study hubs and expanding support for work experience units to increase accessibility for regional students.</p>	<p>In the 2017-18 Budget the Government announced a Higher Education Reform Package to improve sustainability and responsiveness for students. Implementation is currently In progress.</p>
<i>Provide effective support to unemployed young people to find work</i>	
<p>Youth Employment Strategy, including the Transition to Work service and Empowering YOUth Initiatives described earlier in this document.</p>	<p>Elements of the Youth Employment Strategy have been progressively implemented since 1 January 2016.</p>
<p>Youth Employment Package The Youth Employment Package helps young people by giving them the skills that employers want, opportunities for work experience and support for the move from welfare to work. The package includes a flexible, three stage Youth Jobs PaTH (Prepare-Trial-Hire) program and measures to encourage entrepreneurship and self-employment.</p>	<p>The measures comprising the Youth Employment Package were implemented between December 2016 and April 2017.</p>

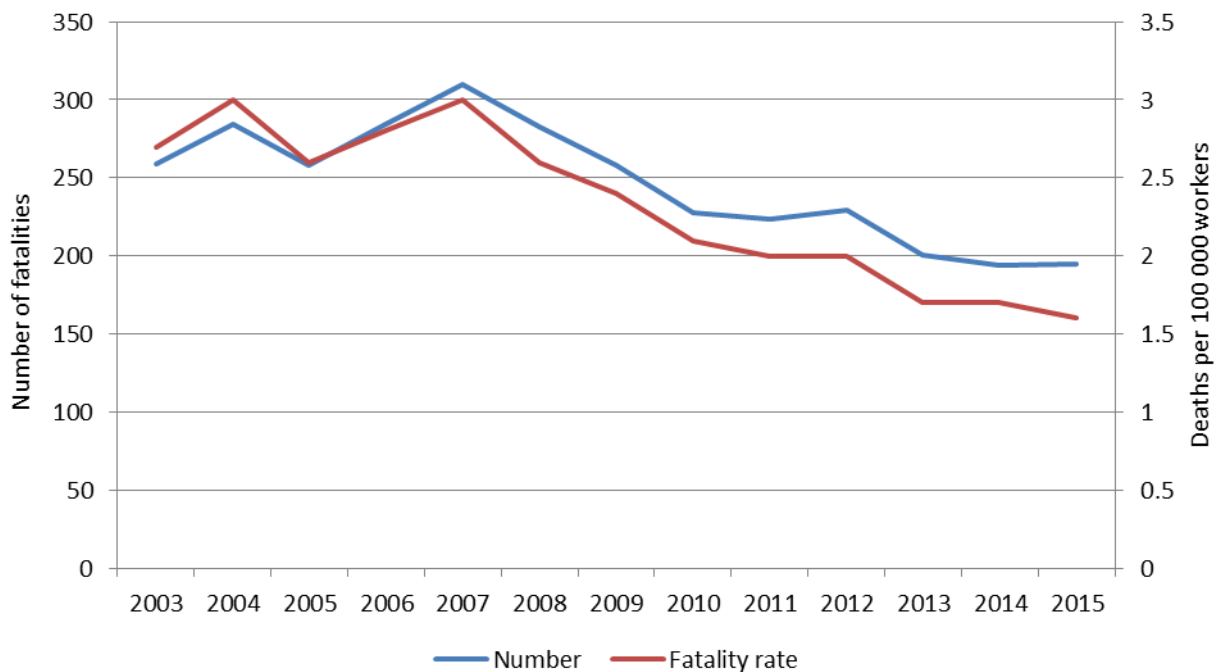
Policy commitment / description	Status of implementation and results achieved
Improve job opportunities	
<p>National Work Experience Programme</p> <p>The National Work Experience Programme assists young job seekers in particular to develop practical skills, gain workplace experience and better connect them with real jobs.</p> <p>The Programme will be expanded from 6,000 to 10,000 places per year from July 2018, at the same time that financial incentives will be introduced to encourage more businesses to offer work experience placements.</p>	<p>The Programme commenced on 1 October 2015, while enhancements will take effect on 1 July 2018.</p>

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 2007 and 2015, there was a 44 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 2014-15.

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



Safe Work Australia, *Work-related Traumatic Injury Fatalities Australia, 2015* (published October 2016)

Key measures introduced in pursuit of safer and healthier workplaces

Policy commitment / description	Status of implementation and results achieved
<i>Ongoing assessments and effective incentives and advisory services provided by national safety and health bodies</i>	
Australia has a range of work health and safety (WHS) bodies focused on providing advice and guidance to worker and employers to improve work health and safety outcomes.	In addition to Safe Work Australia (SWA), 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).
<i>Strengthened legislation and resource for prevention and compensation, training, compliance assistance and enforcement efforts</i>	
The <i>Inter-Governmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety</i> , 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.	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 work health and safety is governed by a similar system of laws. In 2014 and 2015, 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 being 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 has commenced a review of the National Instruments that are used to assess competency to undertake the 29 classes of high risk work activities that require a license under the model WHS legislation.	This review is commenced 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 40 to 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, Evaluation and Data Strategy 2013-2017</i> .	The SWA undertakes data collection work and publishes a range of statistical reports.
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 <i>Australia's Work Health and Safety Strategy 2012-2022</i> .	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. SWA is also developing information targeted at migrant workers and their employers, ensuring better collaboration between regulatory agencies and improving data collection on migrant workers.
In <i>Australia's Work Health and Safety Strategy 2012-2022</i> , 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.	<p><i>A National Agriculture Activity Plan 2014-2019</i> 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.</p> <p>The <i>National Road Safety Strategy 2011-2020</i> sets out the commitment of the Australian Government, states and territories to an agreed set of national road safety goals, objectives and actions. This is complemented by a <i>National Road Safety Action Plan 2015-2017</i>. 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.</p>
Raised awareness of the importance of OSH particularly among small and medium enterprises	

Policy commitment / description	Status of implementation and results achieved
<p>In April 2014, the Australian Government, 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.</p>	<p>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.</p> <p>The Australian government’s website for business information business.gov.au, provides basic WHS information for business owners and links to SWA’s website for fact sheets, more detailed explanation of the legislation, WHS regulator contacts and research contacts and research and statistics including industry based data.</p>
<p><i>Sharing of best practices among G20 members and support for exchanges of information, sharing of relevant technologies and coordinating technical cooperation, and partnering with the ILO to improve global OSH</i></p>	
<p>Australia is committed to sharing its WHS knowledge internationally and liaises on WHS and workers’ compensation matters through its various work health and safety agencies.</p>	<p>Examples of this knowledge sharing include:</p> <ul style="list-style-type: none"> • 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 Network. • Australia is regarded as an international leader on asbestos management, and the Asbestos Safety and Eradication Agency hosts an annual international conference on this issue. It has also hosted international delegates for bilateral meetings.



Policy commitment / description	Status of implementation and results achieved
Australia is party to a number of ILO conventions relating to WHS and workers' compensation.	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.