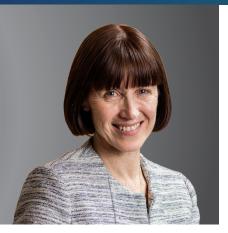


Australian GovernmentDepartment of Employment

# More Jobs. Great Workplaces.

Corporate Plan 2016 ▶ 17



# SECRETARY'S FOREWORD

After nearly three years of operation, the Department of Employment has achieved steady progress towards our vision of More Jobs. Great Workplaces. We have been working across the four pillars of our strategic plan—delivery, collaboration, people and being forward-looking.

Employment is central to national economic strength and wellbeing. By providing policy advice to create jobs, help job seekers into work and encourage great workplaces, we foster stronger economic growth, building Australia's participation and productivity.

Having a job provides financial security throughout life, enabling choice of investment in housing, education and health. It provides financial security and enhances self-esteem, social skills and self-confidence.

A great workplace is productive—people contribute to the best of their ability and skills and are able to do their jobs safely. Employees and managers are engaged and motivated to look for better ways to do their work.

The unemployment rate—particularly amongst young people—and future changes in the nature of the workplace and workforce participation are ongoing challenges for the Department. Development of evidence-based policies and the formulation of long-term strategies to shape the future of Australia's labour force will assist the Department to meet these challenges.

Our employment priorities in 2016–17 include lifting young people's employability skills and providing them with real work experience by implementing a suite of measures under the Government's Youth Employment Package announced in the 2016–17 Budget. Central to this package is the Youth Jobs PaTH which includes employability skills training, internship placements, the Youth Bonus wage subsidy and the employer mobilisation strategy to encourage participation in the initiative by employers.

We will deliver efficient and effective employment services and help more job seekers find and keep a job through the management and continuous improvement of jobactive.

We also continue to build on strong past performance to ensure our national workplace relations, work health and safety, and workers' compensation legislation and frameworks provide the platform for Australia's ongoing industrial and economic success.

Innovation and collaborative practices are now explicitly embedded in the Department's planning and operational activities, so we are responsive and



agile as work and workplaces change as our economy diversifies. We are employing a range of strategies to improve employment results for employers, employees and job seekers alike.

In 2015 the Australian Public Service Commission (APSC) reviewed our organisational capability. Among highly positive conclusions, the review team provided suggestions to lift capability even further across topics of strategy, influence, collaboration, use of data and our workforce. These have been taken forward in the development of a vision and roadmap of our future state, to establish a common goal for a range of capability improvement initiatives.

Looking forward, I am proud of our commitment to continuing to build our already strong organisational capability and our culture of working collaboratively and innovatively to meet the employment challenges ahead.

### STATEMENT OF PREPARATION

I, as the accountable authority of the Department of Employment, present the 2016–17 Department of Employment Corporate Plan, which covers the period 2016–2020 as required under section 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013.* 

ener Jean

Renée Leon Secretary 29 March 2017

# VISION

### More Jobs. Great Workplaces.

# PURPOSE

Our role is to foster a productive and competitive labour market through employment policies and programs that increase workforce participation, and facilitate jobs growth through policies that promote fair, productive and safe workplaces. We are the primary source of policy advice to the Government on workplace relations and employment. By providing sound policy advice to create jobs, help job seekers into work and encourage great workplaces, we foster stronger economic growth and build Australia's participation and productivity.

# ENVIRONMENT

Jobs growth and productivity remain the key factors to economic prosperity in Australia. Having a job not only provides financial security but also enhances self-confidence, self-esteem and social and economic participation.

The nature of jobs performed, the places in which they are located and the ways that employers and employees connect are becoming increasingly fluid. Changes in the labour market reflect the dynamic and sometimes unpredictable economic forces at play in Australia and globally. Disruptive technologies and automation are transforming traditional models of employment and challenging the very existence of some jobs.

The Department cannot change or control these external factors. We can, however, choose how we respond to and influence the frameworks, provide opportunities and address some of the challenges for job seekers and employers that come from these factors.

The Department continues to engage internationally to monitor and advise on international employment and labour policy developments and to inform domestic strategies. We learn from and influence multilateral agendas and pursue bilateral networks on global employment issues, including at the International Labour Organization and the Organisation for Economic Co-operation and Development, with a focus on building workforce participation, productivity and engaging in contemporary issues such as the future of work. Our international engagement puts us on the front foot to identify future labour market needs and opportunities for innovation in Australian employment and labour policy.

The national workplace relations system underpins jobs growth and promotes fair and safe workplaces for all Australians. We contribute to higher productivity by implementing national approaches to workplace health and safety and workers' compensation laws. We support the confidence of employees by leveraging government funding to make building sites safer and improve return to work outcomes for people injured in the workplace, and protecting workers' entitlements when their employment terminates because of liquidation or bankruptcy of their employer. We support jobs growth by encouraging employers and employees to agree on productive and competitive working arrangements.

The trends and issues, their implications and the challenges we expect to face during the period of this corporate plan are summarised in Table 1.



#### Table 1 Trends and issues, implications and challenges

What are the key trends and issues in our environment?	What are the implications for us?	What challenges do we face?
Over the period of this plan employment is forecast to increase by between 1.25 per cent and 1.5 per cent each year.	Australia is recording moderate employment growth. Aided by the ongoing structural shift towards the services sector, the growth rate for part-time employment is stronger than that for full-time employment.	The underlying economy is dynamic, with more than a million Australians changing jobs annually and businesses constantly entering and exiting the markets.
At the start of the Corporate Plan period in July 2016, the youth unemployment rate of 13.2 per cent was more than double the total unemployment rate of 5.7 per cent. At that time, 280,000 young people were unemployed, with more than 100,000 of them never having worked before.	Policies and programs must be implemented to ensure young people do not enter a cycle of long term unemployment. Young people need opportunity to gain the skills, education and training they'll need to adapt to the changing nature of work in the future.	Young people will need to be supported to thrive in a changing labour market. The Productivity Commission has found evidence that employers find the cost of employment (including the cost of investing in lifting productivity), can be a disincentive to hiring young people.
Disruptive technologies and automation are transforming traditional models of employment and challenging the very existence of some jobs.	The growth in technological capabilities is transforming supply chains, reshaping the workforce and redefining jobs.	Many experts caution against underestimating the pace of change, which appears to be following an exponential curve.
The Australian economy is becoming more service-based and higher skilled as a result of technological change, globalisation, heightened competitive pressures and an ageing population.	Major contributions to employment growth are projected in four key industries: health care and social assistance; education and training; construction; and professional, scientific and technical services.	As investment in the resources sector continues to decline and the pace of technological change increases, the labour market in Australia is transitioning to the new models of employment.
The labour force participation rate increased by 5 percentage points from 1985 to 2015 (from 60 to 65 per cent). This has come primarily through a long-term rise in female participation.	Women make up an increasing proportion of the labour market, positively impacting the participation rate. More people will have to balance work and family responsibilities. Policy efforts will need to focus on reducing barriers to work, including the level of unpaid caring work undertaken by women in Australia, and increasing the use of flexible working arrangements. Greater female participation will support economic growth, as well as benefit women's economic security and retirement incomes.	More people will have to balance work and family responsibilities, and we expect the demand for flexible working arrangements to increase. Addressing persistent gender inequality in the labour market, which negatively impacts women's participation, and finding positive ways to improve workforce participation rates for low-skilled male workers will be an increasingly important national priority.
Education and training improve employment outcomes. Research indicates that employment in occupations with a bachelor degree or higher qualification will account for a significant proportion of projected workforce growth.	Unemployment levels are lower and participation rates and earnings are higher for those with higher educational attainment. Increased automation and the availability of international labour markets are likely to result in a reduction in the number of low-skilled jobs.	It is important that our employment services continue to ensure job seekers have opportunities to engage in quality training to boost their skill levels so they can join the increasingly skilled labour force.
Working in an environment that is safe and healthy will remain a focus as workplaces are transformed and the profile of occupational risks shifts	Improved understanding of mental health, sedentary living and the impacts of working later in life will be essential for Australia's future workforce.	Increasing rates of mental illness and lifestyle- related chronic illnesses are complicating factors, as are the impacts of people working until later in life.

Our policy development work, program delivery and on-the-ground services require engagement with a variety of stakeholders, clients and users. There is never a one-size-fits-all approach, and we are flexible in how we engage with different stakeholders depending on circumstances and need. Our major stakeholders are the Government, our Minister, federal, state and territory agencies, employers, employees, our network of employment services providers, job seekers and the Australian public.

In 2016–17 we will refine our approach to stakeholder engagement. We will engage appropriately and innovatively, be proactive and influential in strategic conversations with our partners, and develop a stakeholder engagement narrative that emphasises user-centred future focused principles.

As our approach matures, we will explore how our structures, processes and employees can be utilised in new ways. To achieve the best outcomes for end-users—and as part of our broader effort to improve organisational capability—we will trial and implement new user-centred approaches and activities, including user research and prototyping.

Managing risk ensures that we work effectively and accountably, supporting innovation and the planning and monitoring of objectives. We need to be confident in our ability to identify and manage risks as we put new ideas into practice and add value for our people, stakeholders and clients. Each year we consider our objectives, our stakeholders and the environment we operate in and develop a strategic risk plan. These risks and their treatments are addressed by each business area as part of the annual business planning cycle.

We have identified five consequence families that represent the Department's key areas of concern should risks occur.

1	2	3	4	5
Harm to people	Non-compliance	Financial mismanagement or loss	Underperformance	Reputational damage

Considering these consequences helps focus our thinking on what really matters, and where we can act to prevent the most critical impacts to our business.



### FUTURE OF WORK

A variety of far-reaching changes are already making their influence felt in Australia—and will continue to do so for at least the next 20 years. The Department is developing future-focused strategies that encourage economic growth and enable individuals and organisations to thrive in this rapidly changing environment.

Social, demographic and economic drivers will have a strong impact on the future of work. As Australia continues to transition from the mining investment boom to a more open and diversified economy, globalisation will increase the connectivity between economies, create new opportunities and increase competition. Australia's ageing population continues to drive strong growth in the health care and social assistance industry, heightening the need for greater workforce participation and productivity.

Technology is a disruptive factor. Technological advances are affecting the number and type of jobs that are available and are expected to lead to greater automation of jobs, which is likely to disproportionately affect low-skilled workers. Technological advances will also increase connectivity so that workers around the world can do jobs from remote locations.

Business and employment models are changing. People are increasingly seeking self-employment opportunities and participating in the online economy, challenging traditional models and industries, and creating a greater diversity of jobs, organisational structures, workforces, products and services.

These challenges demand a dynamic and flexible approach across government. Education and health systems, employment and business support services, workplace relations systems, taxation, migration policy, and business regulation must adapt in response to these rapid and extensive changes to the economy and the labour market.

The Department is trialling new ways of working, building capacity and collaboration across the portfolio and the Australian public service. Applying a future-focused lens to policy and program delivery has yielded ideas for investigating emerging opportunities and using new technology and innovation to deliver better results. We established a senior executive-level inter-departmental committee, the Future of Work Champions, to foster whole-of-government collaboration, and an officer-level forum called Future NetWork.

Our future focus is on policy development, research and engagement. We will work to bring policy proposals to completion, measure cost-effectiveness and employ user-centred approaches. Our research into participation, use of the technology-based gig economy—a mobile workforce, where freelance and temporary positions are common—in Australia and options for longer term forecasting of labour market supply and demand will foster future thinking. We will cultivate engagement internally through monthly virtual working group meetings and the ideas management system, and externally through collaborations across the public service and more broadly.

The ultimate aim is to help individuals, families and businesses to be well prepared for the opportunities of tomorrow. We are building a knowledge base across government, addressing data gaps, identifying synergies and supporting policy development. This work will support our future-focused strategy to develop thought leadership, policy stewardship and collaboration across government.

# PERFORMANCE

The Department works to achieve its purpose through two outcomes:

Outcome 1: Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work.

Outcome 2: Facilitate jobs growth through policies that promote fair, productive and safe workplaces.

### OUTCOME 1

We measure our progress towards achieving Outcome 1 against five objectives:

- 1. Job seekers find and keep a job.
- 2. Job seekers move from welfare to work.
- 3. Young people move into work or education.
- 4. Job seekers meet their mutual obligations.
- 5. jobactive organisations deliver quality services.

Our strategies to meet these objectives in 2016–17 are:

- continuing to refine the jobactive system so that it delivers effective and efficient employment services that help more job seekers find and keep a job and meet the needs of job seekers and employers
- making improvements to wage subsidies to encourage more businesses to employ eligible job seekers so that they can expand their businesses and help boost the economy
- supporting young people and parents to prepare for employment through the continued delivery of the Transition to Work services, the Empowering YOUth Initiatives and ParentsNext
- implementing the measures in the Government's Youth Employment Package to increase employment opportunities for young job seekers—the Youth Jobs PaTH focuses on employability skills training; internships; the Youth Bonus wage subsidy; and an employer mobilisation strategy
- providing work-like experiences for job seekers so that they can improve their job prospects and develop their employability skills through the National Work Experience Programme or Work for the Dole activities in their community
- developing policies to improve workforce participation opportunities, particularly for young and mature-age people, Indigenous Australians, migrants, refugees, women and parents
- encouraging entrepreneurship and self-employment among young people by expanding the New Enterprise Incentive Scheme and providing nationally accredited training, mentoring and business advice to assist participants to start and manage their own small businesses
- maintaining the job seeker compliance framework so that it provides the necessary incentive for job seekers to comply with their mutual obligation requirements
- monitoring labour market conditions in Australia and providing policy advice to the Government to enable employment services to respond to emerging labour market and economic developments
- working closely with other government agencies to bolster Australia's productive capacity and ensure consistent delivery of employment services across government
- pursue and maintain collaborative relationships with external parties and international forums, including the Organisation for Economic Co-operation and Development, the Asia–Pacific Economic Cooperation forum and the G20 to exchange best practices, ideas and research and inform the domestic evidence base.



#### Table 2 Performance measures for Outcome 1, 2016–17

Job seekers find and keep a job					
		2016-17	2017-18	2018–19	00 0100
Indicator	Target	201	201	201	50
Count of job placements	380,000 overall 38,000 Indigenous				
Proportion of job placements sustained to four weeks	55% overall 55% Indigenous				
Proportion of job placements sustained to 12 weeks	45% overall 45% Indigenous				
Proportion of job placements sustained to 26 weeks	25% overall 25% Indigenous				
Proportion of job seekers employed three months after participating in jobactive	45% overall				
► Stream A	55%				Í
► Stream B	35%				Ď
► Stream C	25%				Ď
Job seekers move from welfare to work					
		-17	-18	-19	
Indicator	Target	2016-17	2017-18	2018-19	
Proportion of job seekers moving off income support, or with significantly reduced reliance on income support, six months after participating in jobactive	40%				
Young people move into work or education					
		-17	-18	-19	
Indicator	Target	2016-17	2017-18	2018-19	
Proportion of placements sustained to a 12-week employment outcome or hybrid outcome <sup>1</sup> , or a 26-week education outcome	45%				•
Proportion of placements that are converted to sustainability outcomes <sup>2</sup>	25%				
Proportion of Transition to Work participants moving off income support, reducing their reliance on income support, or moving on to Youth Allowance (student) six months after participating in the service <sup>3</sup>	28%				
Job seekers meet their mutual obligations					
		-17	-18	-19	
Indicator	Target	2016-17	2017-18	2018-19	
Proportion of Work for the Dole participants who report increased motivation to find a job	75%				Т
Proportion of jobactive appointments attended by activity-tested job seekers (excluding appointments that the job seeker had a valid reason for not attending)	90%				
Proportion of job seekers with mutual obligation requirements who are actively looking for work	95%				$\mathbf{b}$
jobactive organisations deliver quality services					
		-17	-18	-19	
Indicator	Target	2016-17	2017-18	2018–19	
Proportion of employers satisfied with the assistance provided by a jobactive organisation	80%				D
Proportion of jobactive organisations that meet the service delivery requirements	80%				
Overall program measure					
		2016-17	2017-18	2018-19	
Indicator	Target	201	201	201	
Cost per employment outcome	\$2500				

target is consistent across reporting periods.

1

A hybrid outcome is 25 hours per week combining employment and education. A sustainability outcome is 26 weeks of employment, or 26 weeks combining employment and education. Only participants receiving income support will be included in this measure. 2

3

### OUTCOME 2

We measure our progress towards achieving Outcome 2 against three objectives:

- 1. The Fair Entitlements Guarantee Programme functions effectively.
- 2. Commonwealth-funded projects are undertaken by builders accredited by the Office of the Federal Safety Commissioner.
- 3. The workplace relations system contributes to the productivity agenda by encouraging the adoption of flexible and modern workplace relations principles.

Our strategies to meet these objectives in 2016–17 are:

- delivering the Fair Entitlements Guarantee Programme, to assist workers who have unpaid employment entitlements when they are made redundant by the liquidation or bankruptcy of their employer
- working to ensure an effective, productive and fair national workplace relations system, including providing legal and policy advice and preparing legislation
- contributing to safer workplaces and higher productivity by working with states and territories to implement national approaches to workplace health and safety and workers' compensation laws
- undertaking effective research and evaluation and formulating long-term strategies to prepare for and shape—the future of work in Australia
- preparing submissions to hearings and inquiries on behalf of the Government, and supporting the integrity of the workplace relations framework through strategic interventions in key cases before courts and tribunals
- advising the Government on reforms to improve the Comcare workers' compensation scheme
- further improving support and guidance, and reducing red tape, for building and construction firms to achieve the high work health and safety standards required for accreditation by the Office of the Federal Safety Commissioner
- promoting the effective operation of the workplace relations system by working closely with workplace relations agencies, including the Fair Work Commission, the Fair Work Ombudsman, the Registered Organisations Commission, and the Australian Building and Construction Commission
- working with Safe Work Australia, Comcare and the Asbestos Safety and Eradication Agency to promote the safety and wellbeing of employees; with the Workplace Gender Equality Agency to promote gender equality in workplaces; and with the Coal Mining Long Service Leave Corporation to administer financing arrangements of the industry
- maintaining the workplace agreement database, publishing quarterly reports and administering payments under the Protected Action Ballots Scheme
- undertaking research to ensure migration policy supports economic objectives
- engaging with international forums such as the International Labour Organization to promote Australia's national interests and inform domestic policies.



#### Table 3 Performance measures for Outcome 2, 2016–17

		2016–17	2017-18	2018–19	2019-20
Indicator	Target	201	201	2018	201
Percentage of claims processed within 16 weeks of receipt of an effective claim	80%				
Average processing time for all claims	14 weeks				
Proportion of claim payments that are correct	95%				
Proportion of claimants satisfied with the Department's administration of the Fair Entitlements Guarantee	80%				
Proportion of insolvency practitioners satisfied with the Department's administration of the Fair Entitlements Guarantee	80%				
Commonwealth-funded projects are undertaken by builders accred	ited by the Office of the Federal Safety Con				00
Indicator	Target	2016-17	2017-18	2018-19	00-0100
Percentage of accreditation applications assessed and applicants contacted within 10 working days	90%				
Level of satisfaction of accredited companies with the service provided by the Office of the Federal Safety Commissioner	Majority of companies rate the level of service as satisfactory or better				
Number of companies that consider accreditation to have improved their workplace safety performance	Majority of companies report that accreditation has improved their safety performance				
The workplace relations system contributes to the productivity age workplace relations	nda by encouraging the adoption of flexibl	e and	l mod	ern	
		2016–17	2017-18	2018–19	00-
Indicator	Target	2016	2017	2018	0019-20
Evidence that the national workplace relations system supports improved productivity outcomes	Increase in productivity and growth in the ABS wage price index				
Evidence that industrial action is minimised	Maintenance of the number of working days lost per thousand employees				
					<u> </u>

= target is consistent across reporting periods.

# CAPABILITY

Our organisational capability is the combination of our people, culture, governance principles, processes, systems and knowledge. By having strong capability we ensure we can deliver on priorities for the Australian Government and the community.

Our capability to deliver outcomes for the Australian Government and the community is evident in all aspects of our business. We have a strong reputation among our stakeholders for delivering sound, evidence-based policy advice and program implementation. We are constantly evaluating our work, internally and externally, to ensure continuous improvement, and have dedicated resources to developing our skills in research and evaluation and our organisational capability. We have a strong focus on ensuring priorities and strategies are focused on public value and informed by a sound evidence base—including rigorous and structured evaluation, review, research and data analytics. This approach underpins our robust delivery models and supports a design chain that is integrated and evidence-based at every stage.

### INNOVATION

The Department is embracing innovation. Our Innovation Framework 2015–16 was developed through a series of employee co-design activities—pop-up brainstorm spaces, idea sharing opportunities and workshops. The framework's innovation priorities will be refreshed and relaunched in 2016–17.

The framework focuses on five key areas: idea-generation campaigns; collaborative leadership and innovative governance; connecting people and resources; productive work environments and tools; and incentives, recognition and celebration.

The framework sets the expectation that our people and leaders take action to generate ideas and move good ideas forward to implementation. It is designed to put fresh ideas into practice and add value for our people, stakeholders and clients.

Building innovation capability, including networks with other government agencies, industry bodies and the community, is a particular focus. Along with more traditional partnerships, we are trialling an online policy and strategy marketplace for developing innovative and creative solutions to policy problems. Policy design and program delivery are informed by multi-disciplinary approaches, including user-centred design, enhancing our ability to achieve our priorities and meet immediate, medium and longer term needs.



We are also developing our capability in behavioural economics, which is providing another dimension to policy and service delivery design. In collaboration with employment services providers, we look for insights into the common patterns in how people think, respond and behave. These insights can help us develop timely and cost-effective solutions. One of our projects is focused on improving the take-up of wage subsidies by employers, and we are experimenting with different solutions to learn quickly about what is effective and what is not. We are trialling 'nudge theory' and user-centred approaches to design better policies and services for citizens, starting with upfront user research and involving users in co-designing new programs and policies.

We are implementing an ideas management system. This virtual, interactive IT collaboration tool for sharing and managing ideas across the Department will engage our people in innovation challenges that put our innovation priorities into action.

Over 2016–2020 we will strengthen relationships with our networks to help us think longer term as we lead and contribute to policy co-design. We will continue to contribute to whole-of-government policy work and cross-cutting portfolio issues through initiatives such as the Growing Jobs and Small Business package. This work will involve considering social and economic policy issues as well as the impact on health, education, immigration and industry, and provide opportunities for our people to influence policy development and share technical expertise with other departments.

### ONGOING BUSINESS IMPROVEMENT

Our business improvement approach supports the continuous exploration and development of new ways to effectively deliver on our objectives. Supporting business areas to identify tailored solutions for challenges they face, as well as whole-of-department activities—such as reducing waste, red tape and needless processes—enables us to deliver against our objectives innovatively and effectively.

Our future work will include fostering an ideas culture, embedding a tool to help us share and collaborate on ideas, improving our overarching performance framework and identifying further improvements to business practices. We are focused on strengthening internal capability and fostering a workforce that is open to experimentation and able to learn from failures.

The 2015 Capability Review showed that the Department has strong organisational capability and a proven record of delivering good outcomes for the community; it also identified some key opportunities for improvement. In response we have initiated several capability enhancement projects, which aim to maintain the strengths we have while levering opportunities to improve the value we provide. With the overarching theme of 'Putting Thought Leadership into Action', we are creating a picture of our future capability to bring cohesion and shared vision to our efforts, supporting initiatives to work towards a common goal and proactively engage our employees.

### EVALUATION AND RESEARCH

Evaluations help us monitor and improve our programs, focus our efforts and ensure the best outcomes for our clients. Our research efforts are prioritised to ensure we get the most from our investment. By identifying the projects of greatest benefit and relevance to our strategic goals and future direction, we ensure that our research work is aligned with government priorities and the current and future needs of the Department.

Our evaluation work in 2016–17 will focus on the jobactive system—the way it is implemented and the influence it has on supporting people into employment. We will also conduct evaluations to determine the impact and effectiveness of some of our key programs, including Work for the Dole, the Job Commitment Bonus, the Tasmanian Jobs Programme and Relocation Assistance to Take-up a Job.

In 2016–17 our research efforts will build our knowledge of:

- Iabour market capacity issues, including underemployment, frictional and structural unemployment, job vacancy rates and wage pressures
- workplace issues such as bullying and harassment, leadership and workplace safety
- outcomes for individuals such as older workers and those with mental health issues
- best practice in security of payment laws for the construction industry
- the needs of our key stakeholders
- legislative reviews
- the future of work in Australia.

We work to develop high-quality, evidence-based policy to ensure we are well-positioned to provide sound advice to the Government. We undertake research, analysis and monitoring of labour market conditions and trends in Australia, and the impact of these movements on various cohorts (such as youth) and the economic and labour market outlook. Analysis of occupational and industry employment trends and vacancy data provides projections of future employment. The annual Survey of Employers' Recruitment Experiences helps us monitor the recent recruitment experiences and future intentions of employers. Research on the labour market identifies skilled occupations requirements and analyses skill shortages.

Our Evaluation, Research and Evidence Framework 2015–2020 focuses on four themes: evaluation, research, data management and enhanced capability. The framework ensures that our investment in evaluation and research is coherent, supports evidence-based policy and maximises the use of the information we gather. We align our work with the needs of the Department and our partners, measure and monitor our success and collaborate with others.

The framework ensures we have appropriate strategies in place for governance, communication and continuous improvement. This assists us to deliver coordinated, efficient, relevant and high-quality research and evaluation programs that are fit for purpose. In coming years, the role and influence of the framework will increase. We will refine and consolidate its operation and governance, develop new partnerships and work to position the Department as a thought leader.



### CORPORATE FUNCTIONS

Our corporate functions work collaboratively to build capability, support delivery and enhance accountability to ensure the positive reputation of the Department. Our corporate functions' priorities are:

- Understand the Department's business and be responsive and solutions focussed.
- Be forward looking, anticipate business needs and identify opportunities for improvement.
- Support the Department to achieve good governance and be accountable.
- Build and maintain the Department's capability and systems.

### PEOPLE

We know that the Department is a great place to work; our APS Employee Census results show that we have a vibrant, engaged workforce. Our workplace culture reinforces our commitment to making a difference in the community. However, analysis of our future workforce challenges shows that we have work to do to ensure that our people can harness technological change and adequately address complex policy challenges. We must also increase our commitment to providing value-for-money services to our citizens, and to better utilising the diversity of our workforce.

In 2016–17 we will implement our enterprise workforce plan, which outlines the actions we will take to achieve a workforce that is best placed to meet our future business priorities. Our future workforce will:

- seek innovative ways to deliver public value
- consist of capable life-long learners who embrace new technology, new ways of doing things, and learning from one another
- welcome the opportunity to collaborate with end-users, stakeholders and each other
- be made up of people who represent the diversity of the Australian community
- contribute diverse thinking and solutions to support the Department's work.

We expect people at all levels to strive to be good leaders. Our Leadership Statement—Leadership in Action describes the leadership qualities and behaviours we want to reflect. Good leaders shape an organisation. They help build a positive culture, inspire innovation and ideas and set clear strategic direction. By committing to the qualities and behaviours in our Leadership Statement, we will provide people with the clarity, inspiration and focus they need to realise the Department's vision.

We are committed to fostering an environment where everyone can flourish — a workplace that values the diversity of our workforce. Key priorities throughout 2016–17 will include implementing initiatives under *Balancing the Future: The Australian Public Service Gender Equality Strategy 2016-19*, and further engaging with the Department's Gender Equality Network to recognise and support all employees, regardless of gender.

### INFORMATION TECHNOLOGY

We depend on efficient, responsive and modern information technology tools to support program delivery and employee productivity. We use our IT Strategic Plan 2014–2017 to leverage IT to achieve business objectives and guide investment decisions. The strategy is supported by our IT Work Plan, which describes our IT investment priorities, projects and services and outlines how individual projects contribute to the implementation of IT strategies.

Our high-volume services are delivered digitally, and we work to review and enhance these services so that they meet the Digital Service Standard. Our Digital Transformation Plan describes how we will continue to develop our services and use whole-of-government platforms as they become available.

Our IT systems are underpinned by strong enterprise architecture. In 2016–17 we will continue to develop and consider enhancements, best value investments and future priorities. We will continue to strengthen our project management capabilities, using robust business cases. We will employ new technologies and source solutions that reduce our costs and position us to provide future capability.

### SHARING CORPORATE SERVICES

The Department is engaged in sharing corporate services with and from other APS departments and agencies.

The Department of Employment provides IT and some other corporate services to portfolio agencies and other government departments and agencies including the Department of Education and Training and the Australian Public Service Commission.

The Department of Finance's Service Delivery Office supplies the Department of Employment with core transactional services including accounts payable and receivable, credit card management, payroll and payroll administration, and transactional travel management.



# RISK

### Our management of risk is an important part of meeting government and community expectations that we work effectively and accountably.

The Department's risk management framework is consistent with the Commonwealth Risk Management Policy and the Australian and New Zealand Risk Management Standard ISO 31000:2009. We participate in the annual Comcover Risk Management Benchmarking survey. In 2016 we improved our target maturity level for all elements of the Commonwealth Risk Management Policy, reaching an overall rating of optimal.

In 2016–17 we will build on the strength of our current risk framework and implement a new risk management system. The system will be centred on our new risk appetite statement and foster a shared understanding of how risk supports well-informed decision making. The statement articulates our appetite and tolerance for risk and outlines what constitutes acceptable risk taking in our day-to-day decision making. This is particularly important as we take advantage of opportunities that arise and implement our innovation framework, which encourages innovative practices in how we work. Risk tolerances help shape the risk appetite by defining limits in certain categories. For example, we have an overall appetite for low to medium risk, but we will accept only a low level of risk to the safety of our people.

We accept low and medium levels of risk and prefer not to accept high and extreme residual risk levels. If pursuit of the objective is considered more important than the risks faced—and no reasonably-costed treatment is available to reduce the risk level—the Senior Executive may accept some high and extreme risks.

The Department's Executive, in conjunction with the Risk and Implementation Committee, reviews our risk framework and policy annually. This ensures the appetite statement and tolerances remain appropriate for our risk profile. Regular reporting is conducted through governance committees to ensure that the profile does not deviate from accepted tolerances.

### FRAUD

We are committed to actively preventing fraud and protecting the integrity of our business and our reputation. Our internal and externally-focused activities will continue to effectively prevent, detect and treat risks, non-compliance and fraud against the Commonwealth. We will continue to meet or exceed our obligations under the Commonwealth fraud control framework and ensure compliance with other frameworks for protecting public money, public property, and the integrity and security of the Department and the Government.

We will continue to promote deterrents through policy review, guideline enhancement and criminal prosecution. We will use our expertise to ensure that customers' needs are met efficiently and that non-compliance and fraud are detected, minimised and mitigated.

#### Find us

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