Department of Innovation, Industry and Regional Development

Workforce Victoria
Business Plan
2009 - 2010
1. DIIRD’s Role & Strategic Objectives

The Victorian Government’s vision for the State’s future is encapsulated in its Growing Victoria Together (GVT) Statement which sets out the Government’s vision that by 2010 Victoria will be a State with a thriving economy, quality health and education, a healthy environment, caring communities, and a vibrant democracy.

DIIRD’s role is to help to deliver key goals in the Government’s 10 Year Plan – GVT (2001-2010) of ‘more jobs and thriving innovative industries across Victoria’; ‘growing and linking all of Victoria’ and ‘high quality education and training for lifelong learning’.

GVT sets out specific objectives and priority actions to which DIIRD makes a significant contribution:

- More and better jobs across Victoria
- Victoria’s productivity and competitiveness will increase
- Additional 150,000 new jobs by 2010
- A greater share of national business investment will be in Victoria
- Victoria’s exports will increase to $35 billion by 2015
- By 2010, 90 per cent of young people in Victoria will successfully complete Year 12 or its educational equivalent
- The level of participation in vocational education and training of adults aged 25-64 years will increase.

The Government’s Action for Victoria’s Future (2009) framework outlines the Government’s priorities and focuses on four action areas:

- Economy – resilient and strong
- People – educated, healthy and involved
- Communities – planned and connected
- Environment – sustainable and productive.

The Department plays a lead role in shaping and implementing policy that maximises investment, employment and export opportunities for Victorian industry. It is important that the Department continues to address – with its stakeholders – challenges and opportunities that will shape the medium to longer term competitiveness and sustainability of our industries. These include an ageing workforce, international market and competitive pressures, and social and technological change.
DIIRD’s Vision, Mission and Values

DIIRD’s Vision and Mission aim to help deliver the Government’s economic vision of a dynamic, innovative and sustainable economy in which business is encouraged to grow. Our ability to do so is underpinned by our values and the behaviours that flow from them.

**Vision**
DIIRD’s vision is that of Victoria “as Australia’s leading economy – innovative, dynamic and sustainable”.

**Our Mission**
To work with business and the community to boost productivity, exports, investment and jobs.

**Our Values**

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<th>Value</th>
<th>Description</th>
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<td>Accountability</td>
<td>We will work to clear objectives in a transparent manner, accept responsibility for decisions and actions, seek to achieve the best use of resources and submit to appropriate scrutiny.</td>
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<tr>
<td>Respect</td>
<td>We will treat others fairly and objectively, prevent discrimination, harassment and bullying and consider the views of others.</td>
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<td>Responsiveness</td>
<td>Provide frank, impartial and timely advice, provide high quality services and identify and promote best practice.</td>
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<td>Integrity</td>
<td>Be open, honest and transparent, use power responsibly, address or report improper conduct, avoid any real or apparent conflicts of interest, and strive to earn and sustain public trust.</td>
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<tr>
<td>Impartiality</td>
<td>Make decisions and provide advice based on merit, avoid bias, favoritism or self interest, act fairly by objectively considering all relevant facts and implement all Government policy equitably.</td>
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<td>Leadership</td>
<td>Lead by example, actively implement, promote and support these values and be accountable and take responsibility for outcome.</td>
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**DIIRD’s Core Objectives**

DIIRD has five core objectives:
DIIRD Industry Policy Framework

The DIIRD Industry Policy Framework is set out in the Department's Corporate Plan (2009-2012). It recognises that the Victorian Government can play a key role in supporting the ongoing competitiveness of our industries by advocating and driving appropriate policy settings in the areas of infrastructure, labour and skills, regulation, collective action and Commonwealth/State reform.

Policy Initiatives

DIIRD has identified policy initiatives that will be the central focus of its policy work: workforce and labour market; regional development; climate change; regulation for competition and infrastructure.

**Workforce** – a priority for the Department in 2009/2010 will be the development of a workforce policy framework that provides a strategic focus and context for coherent and coordinated DIIRD/Government responses to workforce related issues.

**Regional Development** – through 2009/2010 the Department, in conjunction with other Departments and agencies, will prepare plans for the future development of regional Victoria and the development of a cohesive framework for use across government in determining priorities for regional and rural Victoria.

**Green Economy** – DIIRD will continue to play a key role in the development and implementation of Victoria's climate change policies and strategies. The Department will lead the development of the Green Jobs Action Plan and the Green Economy Strategy aimed at supporting the transition of Victoria's regions, industries and workforce to a green economy.

**Regulation for Competition** – DIIRD's challenge is to advocate that any change to existing market arrangements and any new proposals to change the regulation of markets continue to support innovation and competition. Immediate challenges include emissions trading and new investment in energy, productivity in the freight sector, and encouraging the growth of high-tech enterprises.
2. Workforce Victoria mission

Our mission is to ensure that Victoria's workforce is adaptive, engaged and innovative, providing businesses with a strong base for growth. We do this by assisting people into work, addressing long-term skill shortages, promoting fairness and equity in the workplace, encouraging cooperative employee/employer partnerships and overseeing positive public sector workplace relations.

Workforce Victoria provides primary assistance to the Minister for Industrial Relations and the Minister for Skills and Workforce Participation.

Workforce Victoria comprises the following units:

**Workforce Participation** develops policy that helps meet the workforce supply needs of Victorian industry by increasing workforce participation, especially of jobseekers with significant barriers to employment, and by skilled and business migration activities. The Branch also delivers most elements of the Victorian Government’s Skilled Migration Strategy, *Global Skills for Victoria*, through initiatives such as State sponsorship, targeted marketing activities and the *LiveinVictoria* website.

**Private Sector Industrial Relations** supports the development of fair, cooperative and productive workplaces in Victoria. It provides a coordinated channel of advice on private sector industrial relations matters and innovative work practices. The unit promotes work and family balance initiatives and pay equity though its close contact with unions, employer groups and industry associations. The unit also provides increased safety and protection for working children through its implementation of child employment legislation and the employment permit system, and oversees Victoria’s Long Service Leave laws, providing information and ensuring compliance.

**Public Sector and Legal** supports the development of fair, cooperative and productive workplaces throughout the Victorian public sector and oversees the Government's workplace relations legislative agenda. It works closely with the Departments of Premier and Cabinet and Treasury and Finance, other departments and agencies and public sector unions to achieve budgetary sustainable employment arrangements which will attract and retain a quality workforce. The Unit maintains and develops the Government's policy position in relation to national workplace relations laws and advocates this position with the Commonwealth. It also develops policy (in collaboration with the private sector unit) and Victorian legislative proposals on workplace relations issues.
3. Strategic Objectives and Priority Activities

Strategic Objectives

Workforce Victoria’s strategic objectives are to:

- Develop policy, administer workplace legislation and manage programs aimed at establishing a fair, cooperative and dynamic industrial relations environment in Victoria; and
- Develop policy and deliver programs that respond to labour and skills needs of industry which link disadvantaged job seekers with jobs and utilise skilled migration to meet Victoria’s skills requirements.

Priority Activities

Priority activities to support the strategic objectives include to:

Workplace Relations

- Assume lead agency responsibility for providing Government-wide expert advice on industrial relations
- Administer and review Victorian employment legislation and where appropriate pursue national harmonisation and/or national legislation to provide seamless and simpler regulation of workplace relations and remove unnecessary red tape.
- Review and, if necessary, refine referral legislation in collaboration with the Commonwealth.
- Conclude multilateral governance arrangements with the Commonwealth and other States and Territories that enable Victoria to influence future workplace legislative reform.
- Actively participate in the development of Commonwealth workplace legislation, and progress national harmonisation of Victorian legislation, including through WR Ministerial Council.
- Assume lead agency responsibility for Commonwealth reviews, initiatives and inquiries in workplace relations matters.
- Deliver key advice to stakeholders on the impact of the Commonwealth’s Fair Work legislation.
- Develop and oversee implementation of the strategy for the next round of public sector enterprise bargaining and lead negotiations for the new VPS Agreement in 2011.
• Provide advice to Departments and agencies on implementation of the VPS Agreement.
• Proactively engage, support and collaborate with industry and unions to develop forums for cooperative workplace relations in key industries.
• Develop policy proposals, business partnerships, research and case study material promoting fair and family friendly workplace practices.

Workforce Participation

• Provide high level labour market intelligence for DIIRD, Victorian Government and industry.
• Implement the 2009-2011 New Workforce Partnerships Program.
• Review, develop and implement employment programs that are innovative for both industry and the individual, and are appropriately targeted.
• Undertake skills and labour needs surveys to provide research material to take leadership in this area.
• Investigate new markets from where to attract new skills and business migrants.
• Actively promote Victoria as the destination for skilled and business migrants.
• Undertake research into workforce participation and skilled migration activities to ensure most appropriate outcomes and targeting.
• Actively engage with Commonwealth to ensure programs reach relevant job seekers and industries.
• Provide sound research based advice to Commonwealth to ensure specialist employment niches are met.
## 4. Divisional strategic directions and initiatives 2009/10

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| **1. Contribute to increased productivity in Victorian workplaces** | • Legislative review and/or reform of Victorian industrial relations laws which may inc:  
  o Fair Work referral legislation  
  o Long service leave  
  o Child Employment laws  
  o Owner Drivers Act  
  o Outworkers legislation  
  o Related legislation inc Equal Opportunity | • Referral legislation passed by 1 Jan 2010 to deliver efficiencies arising from Victorian employers and employees operating in national unitary system.  
• Child employment legislative amendments introduced into Parliament by April 2010 to reduce regulatory burden on business and improve protection for working children.  
• Advice developed for Minister for Industrial Relations on options for reform of State legislation by June 2010. |
| | • Actively participate in development of Commonwealth Fair Work laws through membership of the Workplace Relations Ministers Council and the Referring States | • Amendments to Commonwealth fair work laws are consistent with Victoria’s workplace rights standard and improve productivity |
| | • Revise, and assist departments and agencies to implement, Government’s public sector wages and enterprise bargaining policies | • Public sector IR policies revised and adopted by Government by January 2010. Changes communicated to Departments and agencies by February 2010.  
• Concluded agreements comply with wages policy and deliver productivity improvements |
| | • Advise Departments and agencies on operation of Commonwealth Fair Work laws and other IR legislation | • Unproductive and disruptive public sector industrial disputes avoided or minimised. |
| | • Represent Victoria in all major industrial relation forums, cases and inquiries | • Meet BP3 target of 100% representation in major cases and inquiries in accordance with government policy  
• Develop submission for Fair Work Australia Annual Wage Review for endorsement by Government by March 2010. |
<p>| | • Review and update procurement policies (including EPP-MSN, Call Centre, CSR) to ensure relevance | • Advice developed for Minister for Industrial Relations by June 2010 with a view to ensuring policies relevant, effective and do not impede productivity |</p>
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| **2. Increase Workforce Participation** | • Develop and deliver targeted employment programs to meet industry needs and assist disadvantaged job seekers find sustainable employment | • Meet BP3 targets including:  
  o New Workforce Partnerships program  
  o Youth employment scheme for apprenticeships and traineeships (target 450-550)  
  o Returning to earning program  
  o 80% client satisfaction with targeted initiatives.  
• Targeted initiatives produce measurable savings to Victoria through decreased resort to other services |
| | • Develop and promote positive industrial relations initiatives through working families and industry councils | • Increased awareness and take up of initiatives by industry and public sector  
• New work and family initiatives developed and proposed to government to increase workforce participation including for older workers |
| | • Expand workforce intelligence capacity and activity, including data collection, forecasting, industry consultation and information dissemination | • Workforce intelligence demonstrably contributes to enhanced policy development  
• DIIRD established as lead department in provision of high level workforce and labour market advice  
• VET market have access to accurate information to drive demand |
| | • Engage with industry to develop longer term planning around workforce needs | • Relevant industry consultative networks established to facilitate development of strategies and collective response to workforce issues.  
• Five industry workforce development strategies developed in regional Victoria by June 2010.  
• Development of action plans in consultation with industry networks to implement strategies underway by June 2010. |
| | • Respond to new and emerging labour market issues with targeted initiatives | • Early and coordinated response service for retrenched workers implemented and clients linked with appropriate services  
• Working Victoria website connects jobs seekers and industry with Government infrastructure projects |
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| 3. Maintain supply of migrants to fill skill shortages that cannot be met locally | • Develop and implement migration attraction strategy including:  
  o Overseas visits  
  o Overseas posts  
  o Website strategies and campaigns  
  o Promotion case studies | • Meet Victoria’s skilled migration target of 28.5%  
• BP3 target – average number of unique visitors to the Live in Victoria website per month (60,000 – 65,000)                                                                                                                                                                                                                               |
|                                                                          | • Sponsor skilled and business migrants to meet industry needs, respond to inquiries, and provide post-arrival services                                                                                                                                                                                                                       | • BP3 – 85% client satisfaction with services provided  
• Average processing time of 25 – 30 days for state sponsorship applications                                                                                                                                                                                                             |
|                                                                          | • Consult with industry and advocate with Commonwealth on Victoria’s skill needs                                                                                                                                                                                                                                                              | • State sponsored eligibility lists updated and revised to match migrants to skill needs  
• Development of Victorian Skilled Migration Plan commenced by December 2009 in consultation with Commonwealth, to be finalised by 1 July 2010.  
• Adoption of our recommendations by Commonwealth improves skilled migration outcomes for Victoria                                                                                                                                                                                 |
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| 4. Address disadvantage in the workplace and assist disadvantaged jobseekers | • Improve employment outcomes for indigenous Victorian’s through existing and new initiatives | • IYEP target  
• Employment initiatives developed for inclusion in whole of government ERC bid  
• Improved employment outcomes for indigenous Victorians contributing to “closing the gap” targets |
| | • Ensure compliance with and broader industry knowledge of child employment and long service leave legislation | • Client satisfaction with information and services provided  
• Young workers less likely to be exposed to unsafe or unfair work practices  
• Investigation of long service leave entitlements of workers conducted expeditiously and steps taken for recovery where appropriate |
| | • Promote pay equity for women in Victorian workplaces and industry | • Publication of industry case material to promote an increased take up of pay equity audits in private and public sector, contributing to closing of pay gaps |
| | • Manage service delivery of educational, advice and legal services to Victorian employees through contract with Job Watch | • Review of Job Watch concluded by December 2009.  
• Recommendations developed for Minister for IR by May 2010  
• Contract renegotiated to enhance service provision. |
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<td>5. Position Victoria as a world class investment location and place to live and work.</td>
<td>• Market and attract skilled and business migrants to Victoria</td>
<td>• Meet Victoria’s skilled migration target of 28.5%</td>
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<td>• Advice and assistance to DIIRD, other departments and potential investors on Victorian IR climate and regulatory framework</td>
<td>• Industrial relations advice and briefings provided to facilitate investment in Victoria as and when required.</td>
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| 6. Increase organisational capability        | • Enhance policy capability in new areas including Workforce Intelligence, Indigenous Employment  
• Align skills and resources to meet emerging industrial relations and workforce participation issues | • Workforce Victoria restructure implemented by December 2009.  
• Units review workload and resources by June 2010. |