



FairWork  
Commission

Corporate Plan 15/16



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1

Introduction



# 1 Introduction

## Statement of preparation

I am pleased to present the *Corporate Plan 2015–16* for the Fair Work Commission covering the periods of 2015–2016 to 2018–19. The plan has been prepared in accordance with the requirements of paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the *Public Governance, Performance and Accountability Rule 2014*.

The Fair Work Commission is responsible for the delivery of a single planned outcome as set out in the *Portfolio Budget Statements 2015–16*.

This corporate plan sets out our key activities and strategies to strengthen the Fair Work Commission's role in delivering simple, fair and flexible workplace relations for employees and employers.

The plan underpins our business planning and individual performance plans, so that there is a clear alignment with the functions and responsibilities of the Fair Work Commission across the organisation.

**Bernadette O'Neill**  
General Manager  
Fair Work Commission

31 August 2015



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Purposes

## → 2 Purposes

### Fair Work Commission

The Fair Work Commission is Australia's national workplace relations tribunal responsible for administering the provisions of the *Fair Work Act 2009* and the *Fair Work (Registered Organisations) Act 2009*.

The Fair Work Commission is an independent body with power to carry out a range of functions, including:

- promoting cooperative and productive workplace relations
- resolving unfair dismissal claims
- making stop orders to stop or prevent bullying at work
- dealing with general protections claims
- setting the national minimum wage
- creating, reviewing and varying modern awards
- approving enterprise agreements
- assisting the bargaining process for enterprise agreements
- assisting with the prevention and resolution of industrial disputes
- determining applications for right of entry permits and
- a range of functions concerning federally registered organisations of employers and employees, including registration and eligibility for membership.



The Fair Work Commission's General Manager has functions concerning the regulation of federally registered organisations of employers and employees, including conducting investigations regarding financial management.

The Fair Work Commission is committed to its ongoing *Future Directions* change program to improve performance and service quality. The program acknowledges – in the words of the Fair Work Commission President, Justice Iain Ross AO – that 'past success does not guarantee future survival and continued innovation is indispensable to an institution's ongoing success'. Like any court or tribunal, the Fair Work Commission depends on community support for its legitimacy and recognises that accountability and transparency are fundamental to that support.

A blurred photograph of three business professionals in an office setting. In the foreground, a man in a light-colored shirt and dark tie is holding a large stack of papers. In the background, a woman in a light blue shirt and dark pants is looking at a document, and a man in a dark suit and tie is also looking at a document. The scene is brightly lit, possibly from a window, creating a high-key, professional atmosphere.

The Fair Work  
Commission is  
committed to  
its ongoing  
*Future Directions*  
change program...

*Future Directions* includes initiatives grouped under four key themes, which are reflected in the strategic goals set out in this plan:



promoting fairness and improving access



efficiency and innovation



increasing accountability and



productivity and engaging with industry.

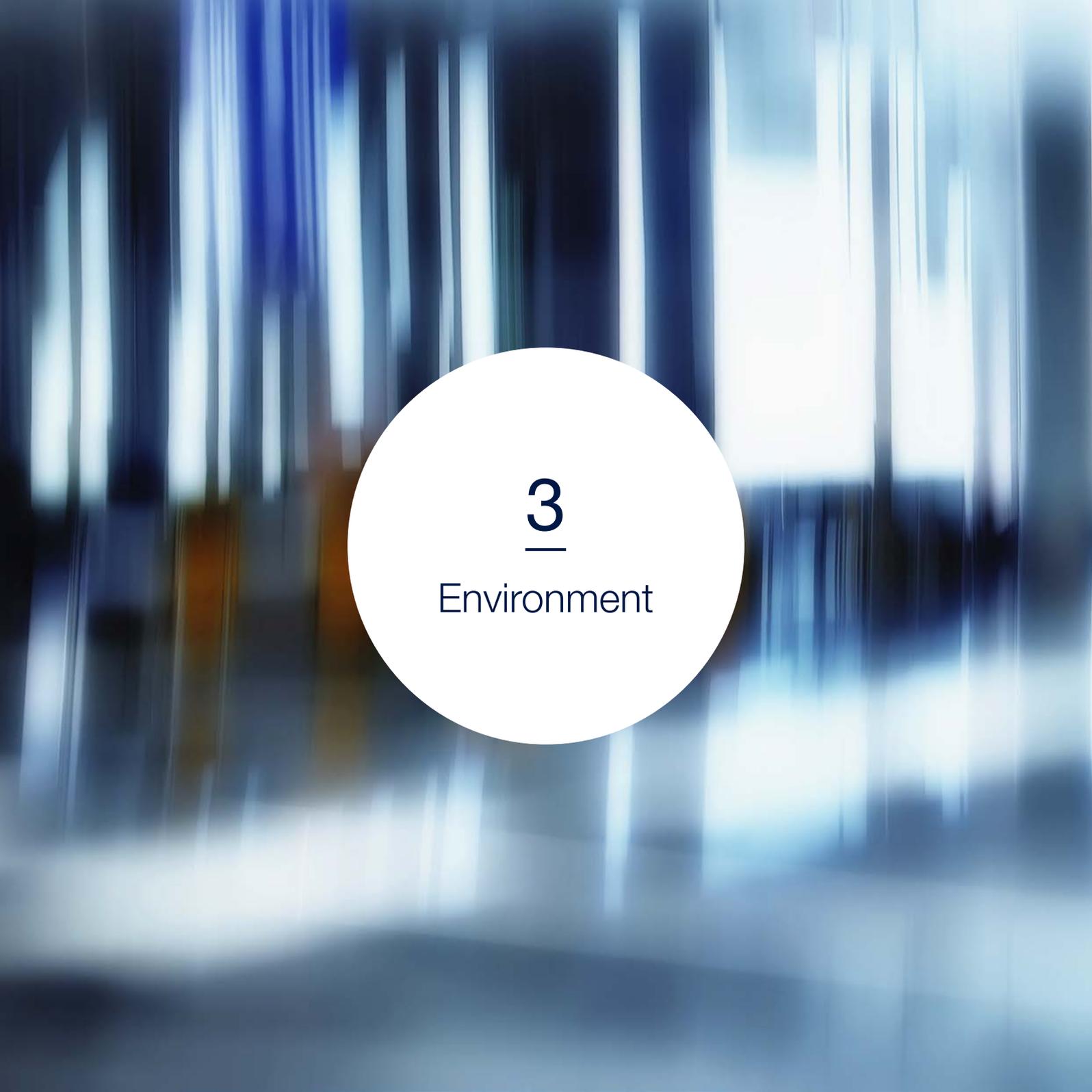
## Portfolio Budget Statements

The Fair Work Commission is responsible for delivering a single planned outcome as set out in the *Portfolio Budget Statements 2015–16* (PBS):

Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern awards, facilitative collective bargaining, approve agreements and deal with disputes.

The Fair Work Commission achieves the intended results of its outcome by delivering a single programme of dispute resolution, minimum wage setting, orders and approval of agreements.

The programme objective is to exercise powers under the *Fair Work Act 2009* in accordance with the objects of that Act in a manner that is fair and just; is quick, informal and avoids unnecessary technicalities; is open and transparent; and promotes harmonious and cooperative workplace relations.



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Environment



## 3 Environment

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Australia's first national workplace relations tribunal, the Commonwealth Court of Conciliation and Arbitration, was established more than a century ago in 1904.

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Since then, the tribunal has undergone many changes in jurisdiction, name, functions and structure in line with substantial legislative, social and economic changes. The tribunal has endured by successfully adapting to changes in its legislative environment and because it provides an independent, competent and professional dispute resolution service

The continuing contestability of workplace relations in Australian politics and society is reflected in a current wide-ranging inquiry by the Productivity Commission. The inquiry is reviewing Australia's workplace relations framework, including institutions such as the Fair Work Commission. The Productivity Commission is expected to release its final report in November 2015.

In order to meet the demands of a modern workplace relations system and to strengthen the design and content of our systems and resources, the Fair Work Commission regularly consults with its clients, stakeholder groups and the broader community. As part of our annual planning process, we also assess the operational environment by studying the trends and changes that affect our ability to offer quality services, meet the needs of our clients and remain relevant to our key stakeholders.

As with most public organisations, the Fair Work Commission faces the challenge of continuing to deliver quality services efficiently and effectively within the resources provided by government. Added to this, our capacity to deliver services is directly affected by the number of Members appointed to the Fair Work Commission from time to time. The appointment of Members is a matter for the government of the day.

Given these parameters, the Fair Work Commission is committed to addressing change internally so as to direct resources to where they will deliver the greatest benefit to users. Part of our ongoing *Future Directions* change program involves reviewing, and benchmarking against, best practice management and structures in other similar tribunals and courts. In so doing, we regularly review workflows to identify and pilot work allocation models to ensure that we deliver services to a high standard whilst also ensuring the most efficient allocation of resources.



...the Fair Work  
Commission regularly  
consults with its clients,  
stakeholder groups  
and the broader  
community.

## The changing workplace relations landscape

The Fair Work Commission operates in an economic, social and industrial environment that is subject to frequent change. Labour markets have been reshaped by significant and sustained structural transformation in the Australian economy, which is reflected in the composition of the workforce, increasing diversity in working arrangements and patterns of work and falling rates of trade union membership. Whereas 50 per cent of employees in Australia were members of a trade union in 1980, by 2013 this figure had fallen to 17 per cent overall and 13 per cent in the private sector.<sup>1</sup>

Structural changes have also seen a significant decline in industrial disputation, as measured by the number of working days lost per 1,000 employees. The figure has fallen from over 260 days in 1988 to around seven days in 2014.<sup>2</sup>

Historically the Fair Work Commission has primarily dealt with collective disputes between parties who are generally represented by legal practitioners, trade unions or employer organisations. The introduction of an unfair dismissal jurisdiction in 1993 was the first time the tribunal had a significant jurisdiction dedicated to individual rather than collective disputes. Today, unfair dismissal applications alone account for 40 per cent of the Commission's caseload.

The shift from collective to individual rights-based disputes poses two particular challenges.

1

Firstly, unlike parties to collective disputes, parties to individual matters are often infrequent or 'one-time' users who are self-represented and have a limited knowledge of processes and relevant legislation. Not only does this make case management more complex but it also requires us to provide services, information and materials tailored to the needs of self-represented parties.

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Secondly, this shift has led to the expansion and disaggregation of the Fair Work Commission's stakeholder base. We can no longer communicate with the majority of parties who might appear before the Fair Work Commission through peak employer and employee associations alone. While peak employer and employee associations remain important stakeholders, we are increasingly engaging with the wider community and tailoring our services and communications to an audience with variable understanding of our functions and objectives.

1 Source: ABS, Employee Earnings, Benefits and Trade Union Memberships, Australia, August 2013, Catalogue No. 6310.0

2 Source: ABS, *Industrial Disputes, Australia, Dec 2014*, Catalogue No. 6321.0.55.001

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Performance

## 4 Performance

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The overarching purpose of the Fair Work Commission is to exercise powers and functions under legislation.

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In order to discharge these responsibilities effectively and efficiently, over the 2015–16 to 2018–19 period the Fair Work Commission will focus on delivering the following activities and actions in line with the purposes and goals set out below:

### PURPOSE

The Fair Work Commission will perform its functions in accordance with the *Fair Work Act 2009*

### ACTIVITY

Powers and functions are exercised in accordance with legislation



### OUR GOAL

The community understands the role of the Fair Work Commission and recognises it as an independent, expert tribunal

### Our actions

We will develop strategies to strengthen the public's understanding of the role of the Fair Work Commission

### Our measures

We will make qualitative and quantitative annual assessments against:

- implementation of a Fair Work Commission communications strategy
- our engagement with users, organisations, practitioners, the research community and small business to disseminate information about the role of the Fair Work Commission and to obtain feedback
- appropriate engagement and collaboration with external stakeholders, including APS agencies, as appropriate for an independent tribunal.



## OUR GOAL

The Fair Work Commission is accessible to all Australians, recognising the community's diverse needs and expectations

## Our actions

We will:

- continue the *Future Directions* change program
- develop strategies to respond to the shift to more infrequent and self-represented users whilst also meeting the needs of frequent users
- continue to improve business intelligence, data systems and analytical capabilities to improve service delivery and efficiency
- improve access and service standards through improved use of technology.

## Our measures

We will make qualitative and quantitative annual assessments regarding:

- implementation of the *Future Directions* initiatives
- activities to promote productive and cooperative workplaces relationships, including the *New Approaches* program
- availability of improved and current information, tools and resources for users
- demonstrated improvements to service delivery models
- development of a Digital Strategy to deliver user-focused service improvements and efficiencies
- development of an improved case management system.

A stack of papers and documents is shown on the left side of the image, with a dark blue circle containing text on the right side. The background is a light blue gradient with a blurred image of a person's face.

The overarching purpose of the Fair Work Commission is to exercise powers and functions under legislation.



## OUR GOAL

### The Fair Work Commission is accountable and transparent

#### Our actions

We will:

- set and report against a greater range of performance benchmarks
- continue to make more information about the work of the Fair Work Commission publicly available
- engage with government to the extent appropriate as an independent tribunal
- meet high standards of compliance, risk management and corporate governance
- continue to benchmark activities and seek and consider all feedback.

#### Our measures

We will make qualitative and quantitative annual assessments regarding:

- public reporting against Fair Work Commission performance benchmarks
- strategies to gain and respond to feedback from users.

#### 2015–16 PBS

##### Key performance indicators

##### 2015–16

##### 2016–17

##### 2017–18

##### 2018–19

Improve or maintain the time elapsed from lodging applications to finalising conciliations in unfair dismissal applications

34 days

34 days

34 days

34 days

Annual wage review to be completed to enable an operative date of 1 July

By June 30

By June 30

By June 30

By June 30

Improve or maintain the agreement approval time

32 days

32 days

32 days

32 days

**PURPOSE**

The General Manager’s powers and functions are exercised in accordance with the *Fair Work (Registered Organisations) Act 2009*

**ACTIVITY**

Effective and proactive regulation of registered organisations



**OUR GOAL**

High levels of compliance with legislative obligations

**Our actions**

We will:

- adopt and embed a risk-based culture and approach
- engage appropriately with the regulated community and other stakeholders
- deal appropriately with non-compliance and in accordance with published policy
- engage with government on the practical application of legislation
- use tools, resources and education to aid voluntary compliance
- build capability internally
- meet performance targets set out in the Regulator Performance Framework (detailed information is available at <https://www.fwc.gov.au/registered-organisations/overview>).

**2015–16 PBS**

<u>Key performance indicators</u>	<u>2015–16</u>	<u>2016–17</u>	<u>2017–18</u>	<u>2018–19</u>
95 per cent of financial reports required to be lodged under the <i>Fair Work (Registered Organisations) Act 2009</i> are assessed for compliance within 40 days	95% / 40 days	95% / 40 days	95% / 40 days	95% / 40 days



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Capability

## 5 Capability

### People capability

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A skilled and capable workforce is a key enabler of the Fair Work Commission's performance, directly affecting our ability to respond to a changing environment while continuing to deliver services of the highest standard.

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We will focus over the next four years on the development of our human capital, staff employed by the Fair Work Commission. We will develop a workforce capability strategy with primary focus on:

- A systematic review of structure, roles and responsibilities in line with APS frameworks in order to ensure a contemporary and agile workforce which is best placed to support delivery of the tribunal's functions.
- Development and ongoing implementation of a workforce plan, including strategies for recruitment, retention, flexible deployment and succession to ensure an agile workforce which can meet changing demands.
- In line with strategic and annual business planning, review our training and development framework to ensure that individuals and work groups are provided with opportunities to participate in learning and development which is relevant to organisational goals.
- Continuing to use our annual staff performance appraisal system to regularly assess and gather feedback regarding performance and behaviour, as well as review professional development needs and opportunities.
- Review our current processes for personal and organisational performance planning to ensure that individual performance planning is closely aligned with our business and strategic plans.
- A systematic review of corporate and procedural policies and arrangements to ensure staff are appropriately informed and can perform their day-to-day functions to a high standard.

## Governance

The President is responsible for ensuring that the Fair Work Commission performs its functions and exercises its powers in a manner that:

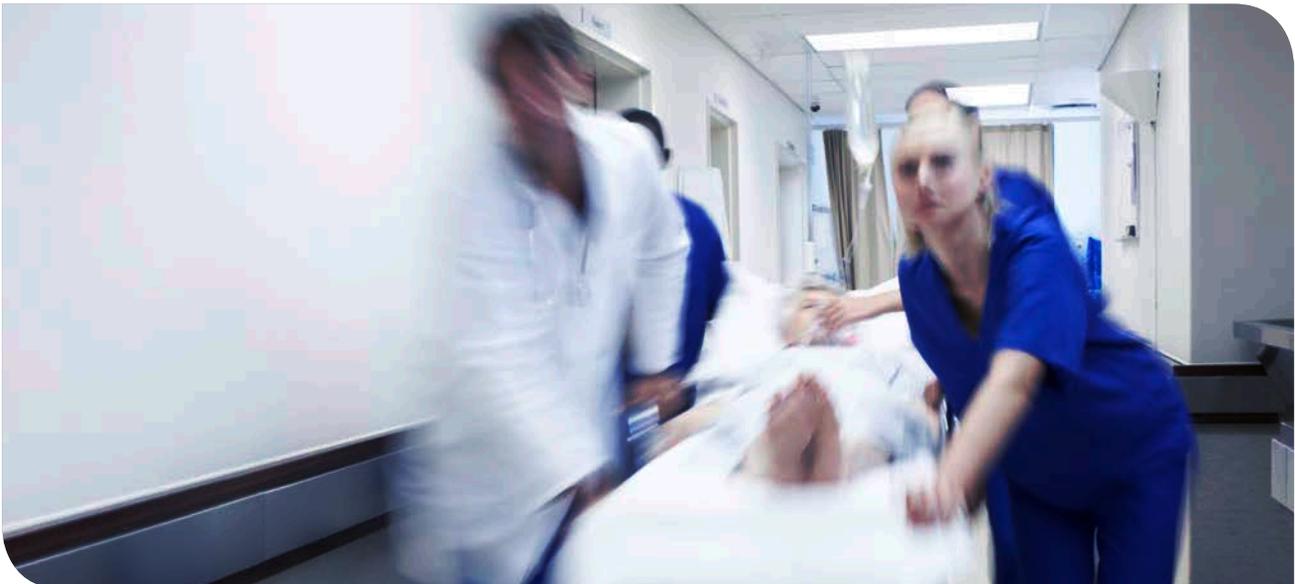
- (a) is efficient; and
- (b) adequately serves the needs of employers and employees throughout Australia.

The Commission is a non-corporate Commonwealth entity. As the Commission's accountable authority, the General Manager is responsible for financial management under the provisions of the *Public Governance, Performance and Accountability Act 2013*. The General Manager also has the function of assisting the President of the Fair Work Commission in ensuring that the tribunal can perform its functions and exercise its powers. In addition, the General Manager has functions as a statutory officeholder concerning federally registered organisations under the *Fair Work (Registered Organisations) Act 2009*.

The General Manager is supported by an Executive made up of Directors of each of the four branches and through various governance structures.

Over the next four years we will review and, where necessary, strengthen our governance and leadership by:

- developing the leadership capabilities of current and potential future leaders
- reviewing governance structures and processes.



A skilled and  
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is a key enabler of the  
Fair Work Commission's  
performance...



## Culture

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The Commission's culture is underpinned by the APS Values – impartial, committed to service, accountable, respectful and ethical. In developing and maintaining a culture that entrenches and demonstrates these values in all we do, our focus over the next four years will be on strengthening:

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### **Innovation**

We will be innovative, agile and responsive. We will use technology and innovation to replace manual tasks with more value-add activities. We will encourage and reward innovation and create an environment that cultivates new ideas.

2

### **Collaboration**

We will work collaboratively across the organisation to share our collective knowledge, foster a shared sense of purpose, achieve our goals and strive to meet community expectations.

3

### **Service excellence**

We will be user-focused, making users' needs central to our processes and service delivery. Our services will be accessible, efficient, reliable and of the highest possible standard.

## Information management

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Our goal is to achieve high-quality, integrated information management across the organisation to enable delivery of high-quality services.

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Our focus in the next four years will be on:

- Reviewing and updating our website so that information is accessible, targeted to our audiences, accurate and concise. This project will include a review and updating of website content and subsequent implementation of ongoing processes to ensure information materials remain of a high-quality.
- Updating our infrastructure:
  - We will update our case management system with the ultimate aim of integrating our case management and other systems, thereby providing greater access to more comprehensive data.
  - We will continue to strengthen our disaster recovery infrastructure and work processes, enhancing our ability to provide uninterrupted service.
- Develop and implement an Information Management Strategy. We will:
  - Continue to develop business intelligence competency, focusing on skills, processes and policies to strengthen our use of data and information.
  - Review and update the Fair Work Commission’s results framework to ensure that clear and consistent entry protocols, system and reporting definitions and terminology are in place.
  - Build our organisational reporting capability to provide strong evidence-based corporate and business reporting frameworks.
- Continuing to ensure the right policies and procedures exist to support the Fair Work Commission’s information management through maintaining appropriate records, data management and information security policies and procedures. In particular, we will strengthen our records management capabilities and processes, fully transitioning from paper-based to digital so that digital is the standard and paper the exception.



## ICT capability

The Fair Work Commission's ICT Strategy is built on three principles:

- 1** ICT as a critical business service
- 2** a focus on service delivery, collaboration and service excellence
- 3** an investment management approach.

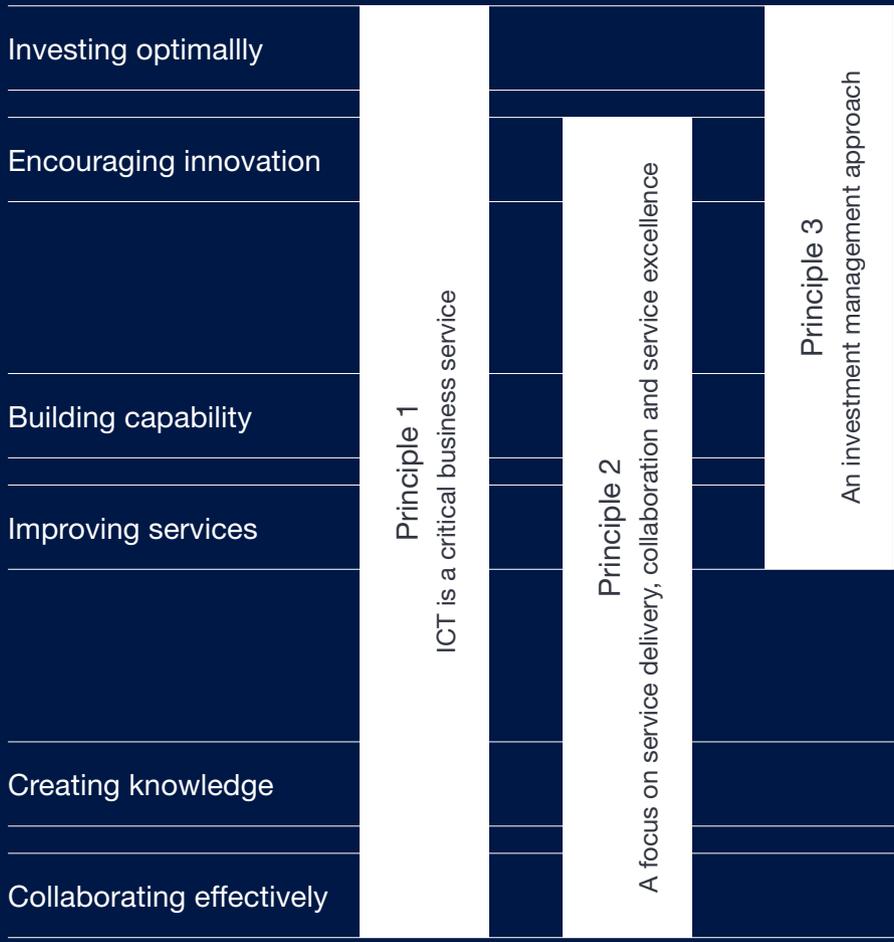
These principles and our resulting strategy were developed in line with the APS Information and Communications Technology Strategy 2012–15.

The table on the next page indicates how our principles intersect with the three priority areas specified by the APS:



Alignment of the Fair Work Commission strategies with APS ICT strategic actions 

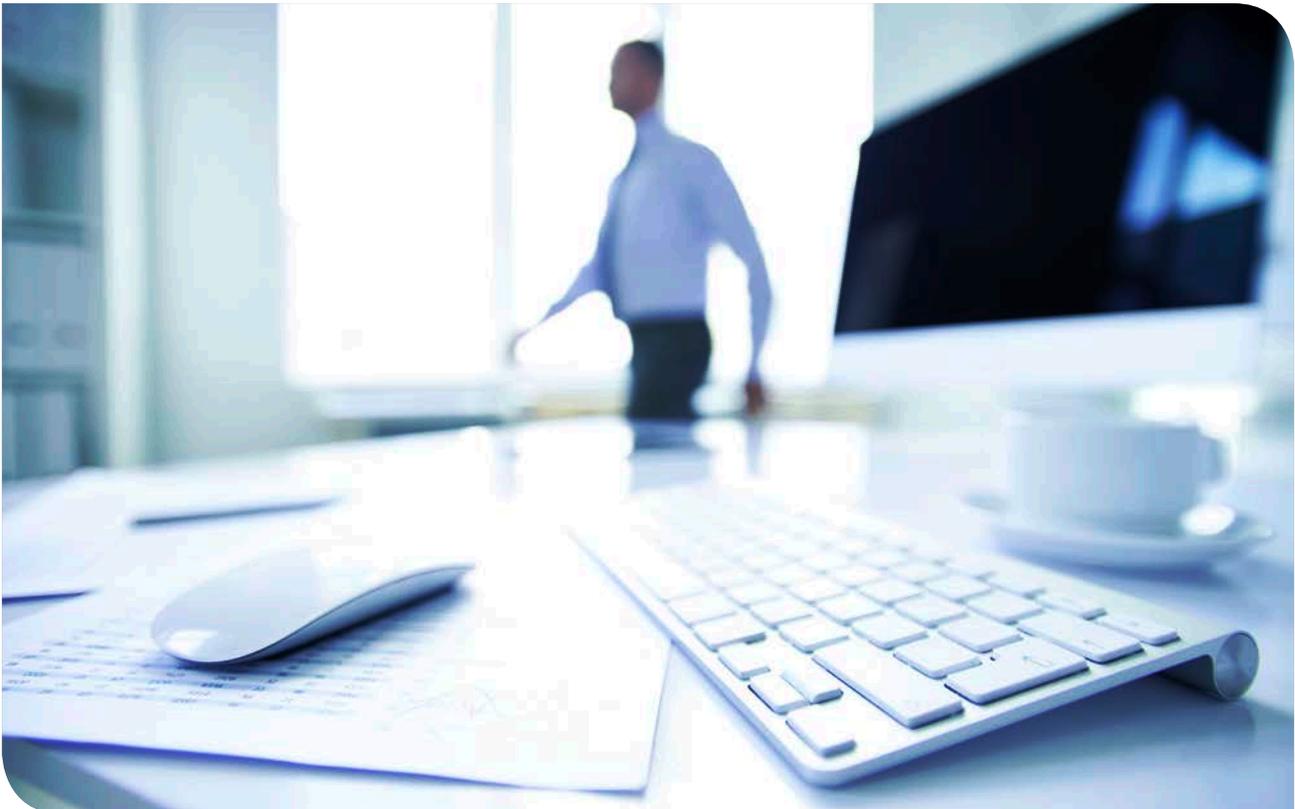
APS ICT Strategic Actions



FWC ICT Strategic Principles

Over the next four years the Fair Work Commission will seek to respond to the experiences and needs of our users to ensure that we deliver high-quality services that are efficient, effective and reliable. We will achieve this through:

- Using technology to improve access, timeliness and efficiency, including through a content governance strategy.
- Meeting the Digital Service Standards for all services across the organisation that are within the scope of the Standard, to facilitate and encourage online engagement while also maintaining universal access through 'assisted digital' services for those who do not use online services.
- Exploring ways to use technology to enable parties to electronically access information about their matters.
- Increasing the effectiveness and efficiency of internal communication systems by linking our telephone, video and data systems.
- Ensuring cloud computing is considered as an option in all new, significantly-sized information technology systems decisions.



# 6

## Risk oversight and management

## → 6 Risk oversight and management

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Over the next four years the Fair Work Commission will work to embed a contemporary risk management culture and practices across the organisation, in line with the risk management framework introduced by the *Public Governance, Performance and Accountability Act 2013*.

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Our aim is to establish a high-quality organisation-wide risk management system. We will focus on:

- Reviewing our current risk management framework, policy and practices in line with the following principles:
  - Governance arrangements provide sufficient delegation, accountability and oversight appropriate to the scope and significance of activities.
  - Communication about risk is clear, wide-reaching and effective.
  - Risks can be effectively escalated where necessary.
  - Risk is embedded as an integral part of day-to-day activities.
  - All staff are responsible for actively managing risk.
  - Risk management is applied on a consistent and systematic basis across the organisation.
  - Staff and managers have appropriate risk management training, skills and assistance to undertake effective risk management on a consistent basis across the organisation.
  - Risk management is aligned with our strategic objectives.
- Reviewing our structure and project governance arrangements to fill operational and capability gaps.
- Reviewing our corporate and procedural policies and arrangements to ensure that staff are appropriately informed about the scope of their role, their responsibilities and accountability so that they can perform their day-to-day activities to a high standard.
- As part of our workforce planning, review our induction and training programs to provide training and development for staff concerning risk.





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