

PAEC 2021–22 Budget Estimates Hearing

Thursday 27 May 2021

**Industrial Relations
Portfolio**



Premier
and Cabinet

Key Achievements for 2020-21

- **Wage Inspectorate Victoria** has undertaken extensive establishment work for the Inspectorate to become a Statutory Authority from 1 July 2021 and has filed four matters in the courts for alleged breaches of the Child Employment Act and the Long Service Leave Act.
- **The Public Sector Industrial Relations Unit** has overseen negotiations for several major and non-major enterprise agreements, including the VPS Enterprise Agreement and is revising the common policies that flow from the new VPS enterprise agreement.
- **The Private Sector Industrial Relations Unit** lead Victorian Government submissions to major industrial relations proceedings and reviews - including the Annual Wage Review, Paid Pandemic Leave in Health Sector Awards, Horticultural Award Minimum Rates, Commonwealth Senate Inquiries for Job Security and Fair Work Amendment Legislation. The unit is responsible for developing and administering industrial relations legislation for Victoria, including the recent Industrial Relations Legislation Amendment Act 2021.

Wage Inspectorate Victoria

- The Wage Inspectorate is currently an administrative unit within Industrial Relations Victoria.
- Following the passage of the *Wage Theft Act 2020*, there has been extensive work undertaken to prepare for the commencement of a new statutory authority, Wage Inspectorate Victoria, from 1 July 2021.
- A project team was established within Industrial Relations Victoria to undertake a range of preparatory tasks, including: recruitment, staff training and procurement of a case management system.
- The Victorian Government reaffirmed its commitment to establishing a new statutory authority to prosecute employers who commit wage theft offences under the new *Wage Theft Act 2020*, by providing \$17.4 million over two years in the 2020-21 State Budget.
 - \$8.4 million in 2020-21 and \$9 million in 2021-22

Private Sector - better supports for 'on-demand workers' in Victoria

- Following delivery of the Inquiry into the On-Demand Workforce in 2020, an Australian first industrial relations policy initiative, Government has released its response to the report. The response supports, in full or in principle, all 20 recommendations made by the Inquiry.
- The Government has allocated \$5.3 million over 2 years as part of the 2021-22 State Budget. This funding will be used to fund policy development and do a cost-benefit analysis of proposed reforms.
- The Government will work progressively to implement its response, providing more certainty, choice and fairness for workers and businesses, including initiatives:
 - working with key stakeholders, industry and unions to develop principles-based conduct and accountability standards (on topics such as consultation, fair conditions and pay, and worker representation and safety) to provide fairer conditions for on-demand workers.
 - looking into options to provide easy access to clear advice around work status, rights and entitlements, while also helping to resolve disputes.

Public Sector Industrial Relations Unit

- The Public Sector Industrial Relations Unit within Industrial Relations Victoria provides centralised industrial relations services to Government. The unit:
 - oversees enterprise bargaining across the public sector;
 - facilitates compliance with the Government’s industrial relations policies;
 - provides advice and assistance to Departments and Agencies in dealing with industrial issues and disputes; and
 - oversees industrial relations in two sectors of significant importance to Government (rail and construction), including convening the Building Industry Consultative Council.
- The Public Sector Industrial Relations Unit supported the Government’s response to COVID-19 pandemic by providing guidance for government employers. This included developing the Industrial Relations Framework and Guidance Notes for the VPS and broader public sector.
- To date, the Government has approved 35 public sector agreements in the 2020-21 financial year.
- The 2021-22 State Budget includes \$4.77 million over four years to continue to fund the functions of the Public Sector Industrial Relations Unit.