

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2025–26 Budget Estimates

Melbourne – Tuesday 3 June 2025

MEMBERS

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Meng Heang Tak

Richard Welch

WITNESSES

Jaclyn Symes MLC, Minister for Industrial Relations; and

Chris Barrett, Secretary, and

Matt O'Connor, Deputy Secretary, Industrial Relations Victoria, Department of Treasury and Finance.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee.

I ask that mobile telephones please be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2025–26 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside of this hearing may not be protected by this privilege.

All evidence given today is being recorded by Hansard and is broadcast live on Parliament's website. Broadcast includes automated captioning. Members and witnesses should be aware that all microphones are live during the hearings and anything said may be picked up and captioned even if it is said quietly.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream and other committee members.

Witnesses will be provided with a proof version of the transcript to check, and verified transcripts, presentations and handouts will be placed on the committee's website.

I welcome the Minister for Industrial Relations the Honourable Jaclyn Symes as well as officers from the Department of Treasury and Finance. Minister, I am going to invite you to make an opening statement and presentation of no more than 5 minutes, and this will be followed by questions from the committee. Your time starts now.

Jaclyn SYMES: Thank you, Chair. This is a continuation of the previous hearing, moving into industrial relations. Thank you for the opportunity to speak about the important work of this portfolio.

Visual presentation.

Jaclyn SYMES: In Victoria the government and Industrial Relations Victoria continue to lead a range of important work and projects to implement a robust industrial relations agenda, contributing to the promotion of fair jobs and a positive industrial relations environment for Victoria. It includes support for Victoria's participation in the national workplace relations system and our representation in major industrial relations cases and inquiries. In the past year, for example, Victoria has made submissions to the Fair Work Commission on key reviews, including its annual wage review, which sets the national minimum wage. Chair, in breaking news this morning, the commission has handed down its decision in relation to this matter, setting the national minimum wage at \$948 per week, or \$24.95 per hour, with an increase to modern award minimum wages of 3.5 per cent. This is very consistent with the views that were expressed in the Victorian government's submission, so we are certainly welcoming of that news today.

It has been a busy year in the enterprise bargaining space. Thirty-two public sector agreements have been settled since 24 July, including nurses and midwives, Ambulance Victoria, Triple Zero and VicPol. It has also been a busy year for the portfolio agencies who play a critical role in regulating Victoria's industrial relations schemes, with the Portable Long Service Authority and the wage inspectorate continuing to ensure that our industrial schemes and legislation are being implemented properly. Work has also been implemented in relation to implementation of the Wilson review, and we have also progressed well in our reforms to restrict the use of non-disclosure agreements in sexual harassment matters.

This slide just goes briefly over supporting our portfolio agencies and the work that they do. The portable long service benefits scheme is now in its sixth year of operation, ensuring that workers in the contract cleaning, security and community service sectors have access to long service leave, irrespective of whether they have moved between employers within that industry, and has registered over 400,000 workers and over 3700 employers in the scheme. From 26 July it will begin processing the first claims, given that it will be seven years from the commencement, which will mean that people become eligible. For the wage inspectorate, the budget allocated \$3.1 million for the inspectorate to continue its work to provide advice, education and support to employers and employees about their rights and responsibilities, building on its output over the last financial year with more than 10,000 calls to its helpline and more than 1000 written queries having been responded to.

Four key priorities for 2025–26: we will be continuing to work with the Commonwealth to progress the national labour hire scheme, for which we are the host jurisdiction, enabling us to play a key role in the creation of nationally consistent labour hire laws and work to develop a national labour hire regulator similar to Victoria's Labour Hire Authority. Just watching the clock, we will go to the Wilson review. In terms of the Wilson review implementation, the government is working to progress our response to the eight recommendations made within the review, with \$6.1 million allocated to support the implementation. For example, we have got legislation in at the moment, and once that passes we will have the complaints referral function. We are also ensuring that funding be allocated to enable the workplace inspectorate to set up ICT systems and a website complaints portal as well as recruit and train staff. We will also support the set-up of the operationalisation of the secretariat to support the alliance of the state and federal law enforcement bodies which is contained in recommendation 2 of that report.

In relation to non-disclosure agreements, members may be familiar with the government's commitment to developing pioneer legislation to restrict the use of non-disclosure agreements in workplace sexual harassment matters. This would be the first of its kind in Australia. The legislation will acquit a key recommendation of the Victorian Ministerial Taskforce on Workplace Harassment, which found that NDAs are often misused to silence victim-survivors, protect employer reputations and hide serial offending within workplaces. The consultation in relation to that work has been very insightful, with a clear recognition of the harm and trauma that NDAs can cause and the need for reform. We are working towards having the reforms passed in Parliament this year and are more than happy to hear people's views on that, whether it is in this hearing today or as the legislation progresses. Thank you. Chair.

The CHAIR: Thank you very much, Minister. The first 8 minutes is going to go to Mr Welch.

Richard WELCH: Thank you, Chair. Thank you, Treasurer. I refer to budget paper 3, page 186, table 2.28. There is a line there, 'Strengthen Victoria's economic performance through fair, equitable and productive workplaces'. In that vein, Treasurer, why has the government not introduced police checks on Victorian government Big Build sites?

Jaclyn SYMES: Mr Welch, in relation to the work that we have been doing with concerning behaviour on construction sites, that is the whole reason that we brought about the Wilson review. There are recommendations that he has made which, after looking at that review, we are working our way through. I am more than happy to take you through the progress of some of the work that is doing that. But in particular our government is actioning some of those recommendations because we want to act swiftly and comprehensively to allegations of criminal and intimidatory activity involving union representatives, including obviously the work involving Victoria Police but also the –

Richard WELCH: Treasurer, just to be clear: does that include police checks?

Jaclyn SYMES: In relation to a fit and proper person test, I think I can take you through some of that work. Would you like to comment on that, Mr O'Connor?

Richard WELCH: Well, just on the police checks – are we doing police checks? That is all I want to know.

Matt O'CONNOR: Mr Welch, there was not a specific recommendation in the Wilson review going to police checks. There was a recommendation around strengthening the labour hire legislation in relation to the fit and proper person test.

Richard WELCH: Okay. That is all I needed to know. Thank you very much. Treasurer, how involved are ministers and officials in ensuring contractors are complying with basic integrity in fiduciary obligations that apply to government projects?

Jaclyn SYMES: It is not the role of the minister to take on that role. That is why we have regulators, and that is why in particular we are setting up the referral line for the wage inspectorate, so that they can ensure that people that have raised issues or seen inappropriate behaviour can have a one-stop shop for reporting issues and be directed to the appropriate bodies. It is not the role of a minister to step into the shoes of some of those bodies or of Victoria Police.

Richard WELCH: On page 95 of the same document, under 'Industrial relations', you have budgeted \$6 million for 'Government bodies' engagement with construction companies and construction unions'. Who is spending that money, and why does the Victorian taxpayer need to spend \$6 million for government bodies to engage with construction? Aren't they already doing that?

Jaclyn SYMES: Mr Welch, we do not tolerate corruption. We do not tolerate criminal or intimidatory behaviour within any workplace or organisation. Allegations that came to light meant that we wanted to make sure that we could fill any gaps. This is what this investment is all about doing. I think many people have called on us to act, and that is exactly what we are doing, supported by this investment. A complaints function costs money to set up, but it will ensure that we are acquitting the recommendations of the Wilson review. It is all about ensuring that there is a safe and effective forum for anyone to raise complaints about corruption on government sites.

Richard WELCH: This \$6 million – I do not think it is about the complaints mechanism. It is for 'Government bodies' engagement with construction companies and construction unions'. We are on page 95, table 1.24.

Jaclyn SYMES: As you will note, Mr Welch, it is \$4 million this year, and that involves a lot of establishment costs and then the ongoing costs obviously taper off.

Richard WELCH: Of what? Establishment of what?

Jaclyn SYMES: On page 95.

Richard WELCH: Establishment of what – \$4 million for what?

Jaclyn SYMES: As I said, we have got a new complaints function to ensure that we can have a one-stop shop for people to raise issues and complaints. That involves an IT system establishment. We are also taking action to ensure the fit and proper person test applies to people who have contracts on government sites. In relation to a lot of those activities, you have to employ people to undertake those tasks.

Richard WELCH: Just to be clear, though – I do not want to be mistaken here – you are saying that the complaints mechanism is incorporated into this 'Government bodies' engagement with construction companies and construction unions'?

Jaclyn SYMES: Correct.

Richard WELCH: Right. Will the Victorian government commence proceedings against Incolink or any fund that has engaged in unlawful conduct?

Jaclyn SYMES: Unlawful conduct is a matter for Victoria Police, Mr Welch.

Richard WELCH: How many criminals and underworld figures are still working on Big Build sites?

Jaclyn SYMES: Mr Welch, we have taken action. The federal government have taken action. If you or anybody else has any concerns about illegal activity or people that should not be on worksites, then we are creating a system so that you can direct those views so that they can be actioned and directed to the appropriate officials.

Richard WELCH: But you are not aware of any?

Jaclyn SYMES: Personally, no.

Richard WELCH: The department?

Jaclyn SYMES: Mr Welch, this is all about ensuring the integrity of Victorian government projects. That is why –

Richard WELCH: Yes, that is why I am asking the question. Are you aware of any?

Jaclyn SYMES: Well, like I said to you, if anybody, whether it is a public servant or a member of the public, is aware of any criminal conduct, they should report it either through the portal or directly to Victoria Police.

Richard WELCH: Okay. But to be clear, you and the department are not aware of any complaints.

Chris BARRETT: If we were, that is what we would do.

Richard WELCH: But no present ones?

Matt O’CONNOR: I am not aware of any, no, Mr Welch. No.

Richard WELCH: Can the Treasurer rule out that she or any of the government ministers have met with corrupt officials or organised crime figures?

Lauren KATHAGE: How is this related to the budget?

Richard WELCH: It is part of the budget because it is under strengthening ‘Victoria’s economic performance through fair, equitable and productive workplaces’. Do you consider corruption not part of a fair workplace? That is why.

The CHAIR: Mr Welch, do you want to repeat the question to the Minister for Industrial Relations?

Richard WELCH: Can the minister rule out that she or any government ministers have met with corrupt officials or organised crime figures?

Jaclyn SYMES: Mr Welch, I am not going to speak for anyone other than myself. Am I aware if I have met or spoken with anybody that meets the description that you have outlined? No, I am not.

Richard WELCH: How much taxpayer money has the –

The CHAIR: Apologies, Mr Welch, you are out of time. I am going straight to Mr Hilakari.

Mathew HILAKARI: Thank you so much. I am really pleased to continue on and talk about the Wage Inspectorate Victoria. I reference budget paper 3, pages 95 and 96. They set out just over \$3 million which is set aside for fair and productive Victorian workplaces. I am just hoping you can talk about how the wage inspectorate will support Victorians and deliver those education and compliance elements that are really important.

Jaclyn SYMES: Thank you, Mr Hilakari, for your question and an opportunity to outline the work of the wage inspectorate, or the WIV. They have important statutory responsibilities for administering several key pieces of legislation that shape Victoria’s industrial framework, namely the *Long Service Leave Act*, the *Child Employment Act* and the *Owner Drivers and Forestry Contractors Act*. The impact that the WIV has in achieving outcomes for Victorian workers can be demonstrated by a lot of their compliance activities. They have launched more than 30 proceedings before the courts and recovered over \$2 million in long service leave entitlements, and they are also doing work in holding employers to account for their payment obligations to their workforce. I think, as I indicated earlier in my presentation, there is a lot of traffic that comes through the lines verbally and in writing in relation to people seeking advice on these matters, so they have been quite active. They have finalised over 100 long service leave investigations over the last financial year; that is a lot of people checking their entitlements and getting some outcomes. That has obviously led to some real, tangible outcomes for their employees in recovering funds that are owed to them.

Some specific prosecutions, obviously, are good to talk about, because it promotes appropriate compliance and behaviour from others. The WIV launched investigations and prosecutions against both CommSec and Bankwest for breaching Victoria's long service leave provisions. CommSec pled guilty to failing to pay more than \$38,334 in long service leave entitlements to eight former employees, which ranged from between \$1100 to \$10,300 for those staff, so significant opportunities for people to get what was owed to them. In relation to Bankwest, they also pled guilty in failing to pay more than \$22,000 in entitlements to nine former employees, so that has now been rectified through this work as well. Those organisations each received fines of \$18,000 and had to pay costs as well, so a timely reminder to other employers that you have obligations that are compulsory and it goes to the rights of your workforce. WIV's investigations also led to Optus providing an additional \$218,000 worth of long service leave to approximately 560 Victorian employees who had not been allocated their full entitlement. That organisation also received \$13,000 in fines and was ordered to pay some costs as well – but good outcomes for individual workers. Just last week WIV filed charges in the Magistrates' Court against a sheet metal fabrication company who have allegedly failed to pay long service leave entitlements. So there is a lot of activity in terms of cases that have gone through the courts or been addressed and also some active prosecutions that have been launched through the courts. WIV is also responsible for administering the *Owner Drivers and Forestry Contractors Act*. That is all about regulatory responsibilities such as auditing and ensuring that hirers are complying with mandated rates under their legislation.

There is also the child employment legislation that I referred to, which is an important oversight and safety mechanism for the facilitation of employing young people. Over the last financial year the wage inspectorate assessed and granted 480 child employment licences, which are required for employment of anyone under the age of 15 and have enabled the employment of over 3200 children. Interestingly, but probably unsurprisingly, most are regional kids. Once the kids are in the workforce it also plays a critical role in encouraging best practice, such as ensuring that they are properly supervised, given required rest breaks and are obviously not employed without a licence, to make sure that people have got the adequate information about the special and agreed settings for this type of employment. In the last financial year we did investigate 786 matters and monitored compliance around the state of child employment. They successfully did prosecute, again, some employers for breaches under the *Child Employment Act*, including the owner of Kanteen Krew, who were prosecuted for \$4000, and Donut King stores, various ones, for \$10,000 for failing to meet their full obligations. As I said, we are busy. They are active in relation to taking inquiries from the public. It was 7300 calls to their helpline and over 1000 written inquiries that they had responded to.

I think, Mr Hilakari, in your question you also asked about some of the education activities which are demonstrated through some of their compliance, but obviously prevention is always much better in matters such as this. They have finalised and implemented a three-year education strategy aimed at raising awareness of workplace rights and obligations in Victoria, and they have run two major educational videos and e-learning modules – and have engaged more than 200 stakeholders – including translating information to six languages so that information is accessible about workplace rights and entitlements and making sure that it is widespread and available. There is always more work to do in this space.

Mathew HILAKARI: I think sometimes those fines are educative as well for organisations – to take note of what happens if you do not pay your rights and obligations to employees. I am so glad to hear some of those really big numbers that are being delivered back to employees, and rightly so.

I might just take us to the repeal of Victoria's wage theft laws. I know that Wage Inspectorate Victoria has been renamed Workforce Inspectorate Victoria. I am just hoping you can talk about some of this transition with the repeal of that legislation and what it means.

Jaclyn SYMES: Yes, I can, definitely, because one of the key functions of the wage inspectorate was investigation and prosecution of wage theft matters. We started doing that in July 2021 because we introduced wage theft offences in around 2020. Throughout their operation they received 1400 matters and investigated more than 600 complaints of wage theft, which is an indication that it is unfortunately a reasonably common occurrence. Their activities hopefully sent a strong message to people that they should be pretty careful in relation to ensuring that people are provided with appropriate wages and conditions. Obviously, and in good news, the federal government signalled their introduction of their own legislation in this space.

Mathew HILAKARI: It is good they followed us up.

Jaclyn SYMES: Often we lead the way in Victoria – time and time again. Their legislation created an offence of wage theft. It became clear that their offences would cover the field and in respect of the enforcement of employee entitlements that would largely override our framework and our offences, which would mean that they were inoperable. In light of that announcement we have ceased its activities, and that is why I think, in terms of the budget reference that you mentioned, the performance measures obviously were not met – because they were no longer required to be met.

Mathew HILAKARI: That is right.

Jaclyn SYMES: The wage theft reports – we closed some of those. I think we transferred any relevant information to the feds. Their legislation came into effect on 1 January 2025. We have introduced complementary legislation to make sure that we do not have any residual issues in our framework that would render their activities – or put any barriers up to their things. In that legislation that repealed our wage theft stuff we also took the opportunity of renaming the WIV to Workforce Inspectorate Victoria rather than Wage Inspectorate Victoria, which I still use interchangeably. It is going to roll off the tongue soon.

Mathew HILAKARI: Just say ‘the inspectorate’.

Jaclyn SYMES: It is good it has got the same acronym, so it is the WIV. But they are now Workforce Inspectorate Victoria, which more broadly represents the raft of activities that they do, as opposed to purely wages, as I indicated in my previous answer of the multiple tasks that they undertake. WIV will continue their important work in a range of other measures, but they will also be taking on new functions, receiving and triaging complaints of corruption, which I was having a conversation with Mr Welch about – an important organisation doing a lot of things for the benefit of particularly Victorian workers.

Mathew HILAKARI: We do not have a lot of time, but portable long service leave in your presentation – that is amazing that we are seeing that tick over now, and more than 400,000 workers are benefiting.

Jaclyn SYMES: We will get some people in that are starting to access it I think, to talk about how good it is.

Mathew HILAKARI: Great. We should celebrate it.

Jaclyn SYMES: Yes. Thank you for that.

The CHAIR: Thank you, Treasurer. We are going to go to Mr Puglielli.

Aiv PUGLIELLI: Thank you. Good afternoon. Just starting on budget paper 3, page 161: we know the government is negotiating a new EBA for Fire Rescue Victoria. Are you able to confirm, Minister, there will not be any reduction in FRV’s minimum staffing levels at the end of that process?

Jaclyn SYMES: Yes.

Aiv PUGLIELLI: Great.

Jaclyn SYMES: I went through this in some detail in relation to – it got conflated as an issue in the Emergency Services and Volunteers Fund legislation, and although it was not part of that Bill, I was asked to confirm that there is no intention of the government to reduce firefighter numbers, whether it is in total or in relation to turnouts and the like. I can confirm that that is not the government’s intention, and it never has been.

Aiv PUGLIELLI: Thank you. I will move on to another issue. The government has said it intends to open up the VPS jobs and skills exchange to external recruits. The CPSU have been strongly in opposition to that. What is the status of this plan?

Jaclyn SYMES: Sorry, we are just conversing about the fact that the jobs and skills exchange is not a matter for the Minister for Industrial Relations, but I think Mr O’Connor might be able to add some context.

Aiv PUGLIELLI: Thank you.

Matt O’CONNOR: Yes. Thanks, Mr Puglielli. Yes, the government has announced that the jobs and skills exchange will be wound up, so those functions will no longer be carried out.

Aiv PUGLIELLI: Does that then prevent VPS workers from having access to internal positions?

Matt O'CONNOR: Not necessarily. There is work going on in relation to a revised recruitment policy within the VPS, but there are also provisions within the VPS agreement that encourage mobility and encourage departments to look at options for moving workers around, particularly in cases where there might be shortages as well.

Jaclyn SYMES: If I can add to that, Mr Puglielli. Obviously I cannot comment on that specific program, but I have had really constructive conversations with the CPSU off the back of my announcement of the Silver review. It is good public policy to help facilitate people who are displaced in the public service into areas where there are opportunities, and that is a principle that I think you will find is something that I support and many people in the government support, so I am continuing to have conversations with the CPSU and colleagues in relation to making sure that people are afforded the opportunity to move around as the opportunities present themselves.

Aiv PUGLIELLI: On to the Silver review, just with the time I have got left, once that process is completed

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The CHAIR: Apologies, Mr Puglielli. We are just out of time.

Aiv PUGLIELLI: Thank you – very quick.

The CHAIR: Minister and officials, thank you very much for taking the time to appear before the committee today. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

The committee is going to take a very short break before beginning its consideration of the portfolio of Regional Development.

I declare this hearing adjourned.

Witnesses withdrew.