

2019-20 Budget Estimates Hearing

Public Account and Estimates Committee

The Hon Tim Pallas MP

Treasurer

Minister for Industrial Relations

Friday 31 May 2019

The Portfolio

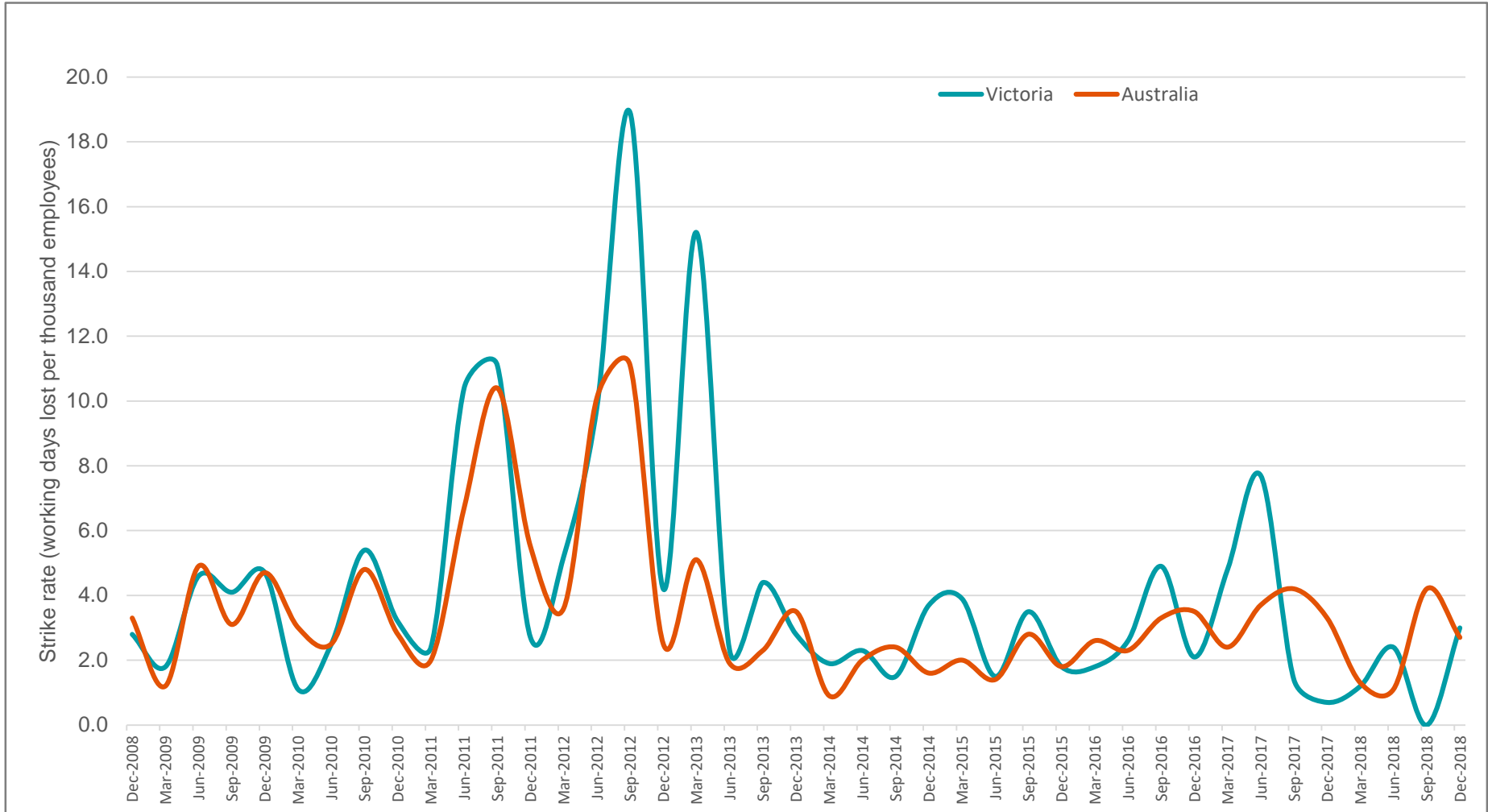
Key Responsibilities of the Minister for Industrial Relations:

- Victorian participation and advocacy in the national industrial relations system
- Promote a positive industrial relations environment
- Support for fair and equitable workplaces
- Public Sector Bargaining – 151 enterprise agreements covering over 311,000 employees
- State industrial relations legislation and policy development
- Enforcement and compliance of state industrial relations laws
- Monitor private sector disputes to protect the public interest
- Monitor industrial relations issues on Government major projects

Public Sector Bargaining Outcomes

- **2018-2019:** 23 enterprise agreements renegotiated
- **Last term:** Significant improvements to working conditions:
 - Nurse to patient ratios
 - Family violence leave
 - Minimum 8 weeks paid parental leave
 - Secure, on-going employment for teachers

Strike rate in Victorian and Australia – December quarter 2008 to December quarter 2018



Source: ABS Catalogue No. 6321.0.55.001 Industrial Disputes, Australia (16 March 2019)

Revised Public Sector Wages Policy

- Revised policy commenced 17 April 2019
- Fiscally sustainable in current economic circumstances to support continuing investment in social and economic reform
- Drives public sector priorities:
 - Deliver exceptional services and value for Victorians
 - A professional and responsive public sector
 - Government as a fair and best practice employer
- **Primary pathway wage outcomes capped at 2% per annum**
 - Best Practice Employment Commitment to operationalise priorities
 - Additional benefits to address key operational or strategic priorities
- **Alternative pathway**
 - 12-month agreement, 2.5% wage increase, No other changes

2018-19 Industrial Relations Achievements

Labour Hire Licensing Scheme



- Commissioner appointed October 2018
- Licensing scheme commenced 29 April 2019
- Over 30 information sessions held with providers
- Over 140 licence applications lodged
- Penalties will apply for operating without a licence (30 October 2019)

Portable Long Service Benefits Scheme



- Covers workers in contract cleaning, security, and community services
- Employer levy set to support the scheme
- Board appointed and Authority established
- Draft regulations released for public comment
- Will commence operations 1 July 2019

2018-19 Industrial Relations Achievements

On Demand Inquiry

- Chaired by former Fair Work Ombudsman
- Over 90 written submissions received
- Final report expected late 2019



Owner Drivers and Forestry Contractors Amendment Bill

- Reintroduced 30 April 2019
- Amendments to provide a fairer operating environment include:
 - provision of information to owner drivers and forestry contractors
 - dispute resolution framework

2018-19 Industrial Relations Achievements

Fair Work (Commonwealth Powers) Referral Act

- Passed 30 April 2019
- Provides greater consistency and fairness for public sector workers negotiating EBAs

New Long Service Leave Act 2018

- Commenced 1 November 2018
- Fairer, more flexible for workers and business
- Better protections for women workers

Wage Inspectorate Victoria

- Undertakes education, compliance and enforcement
- 8,477 child employment permits issued
- >10,000 long service leave enquiries annually



2019-20 Industrial Relations Budget

Table 1.17: Output Initiatives - Department of Premier and Cabinet (BP3, p92) (\$ million)

	2018-19	2019-20	2020-21	2020-21
Industrial Relations				
Building positive industrial relations	..	1.3

Output summary by departmental objectives (BP3 - p295) (\$ million)

	2018-19 budget	2018-19 revised	2019-20 budget	Variation %
Industrial Relations				
Building positive industrial relations	13.5	27.2	16.0	18.4



VICTORIA
State
Government

Premier
and Cabinet