



**POLICY COSTING REQUEST – DURING THE CARETAKER PERIOD FOR A
GENERAL ELECTION**

Name of policy:	Industrial Relations
Person requesting costing:	Senator Milne
Date of request to cost the policy:	3 September 2013
<i>Note: This policy costing request and the response to this request will be made publicly available.</i>	
Has a costing of this policy been requested under Section 29 of the Charter of Budget Honesty (i.e. from the Treasury or the Department of Finance and Deregulation)?	No
Details of the public release of this policy (Date, by whom and a reference to that release)	31 August 2013, Mr Bandt MHR http://adam-bandt.greensmps.org.au/rights-at-work
Description of policy:	
Summary of policy (as applicable, please attach copies of relevant policy documents):	<p>A package of reforms to workplace laws including to:</p> <ul style="list-style-type: none">• Give people who have been in their job 12 months enforceable rights to request flexible working arrangements, including the number of hours they work, the scheduling of those hours and the location of work. Employers have the right to refuse on operational grounds but must provide reasons for the refusal;• Strengthen existing provisions for carers. If a carer requests flexible working arrangements, employers can only refuse where there are serious countervailing business reasons;• Provide a pathway for any casual or rolling contract employee who has been in a workplace for more than 12 months to request a move to secure, ongoing work and allow unions and employer organisations to make applications to the Fair Work Commission for ‘secure employment orders’ on a sector or industry-wide basis. Small business will be exempt from the legislation; and• establish a fund of \$120m over 3 years, available on a competitive basis, to encourage the creation of 4,000 continuing academic career positions to permanently replace about 20,000 casual hourly paid academic jobs; and• require the Australian Public Service to double the representation of people with a disability and people from non-English speaking backgrounds within the public service by 2018.
What is the purpose or intention of	To protect workers’ rights and relieve job insecurity

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the policy?				
What are the key assumptions that have been made in the policy, including:				
Is the policy part of a package? If yes, list and outline components and interactions with proposed or existing policies.	No			
Where relevant, is funding for the policy to be demand driven or a capped amount?	The fund for universities to establish continuing positions is capped.			
Will third parties (for instance the States/Territories) have a role in funding or delivering the policy? If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged?	No			
Are there associated savings, offsets or expenses? If yes, please provide details.	No			
Does the policy relate to a previous budget measure? If yes, which measure?	No			
If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the program?	No			
Will the funding/program cost require indexation? If yes, list factors to be used.	No			
Expected impacts of the proposal				
If applicable, what are the estimated costs each year? If available, please provide details in the table below. Are these provided on an underlying cash balance or fiscal balance basis?				
Estimated financial implications (outturn prices) ^(a)				
	2013-14	2014-15	2015-16	2016-17
Underlying cash balance (\$m)	0	-40	-40	-40
Fiscal balance (\$m)	0	-40	-40	-40
(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A positive number in the underlying cash balance indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.				

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What assumptions have been made in deriving the expected financial impact in the party costing (please provide information on the data sources used to develop the policy)?	Capped amount for the fund for universities to establish continuing positions. Other measures should have minor impact on the budget.
Has the policy been costed by a third party? If yes, can you provide a copy of this costing and its assumptions?	PBO costed right to return to work policy on 23 October 2012.
What is the expected community impact of the policy? How many people will be affected by the policy? What is the likely take up? What is the basis for these impact assessments/assumptions?	Better work-life balance and job security for Australian workers.
Administration of policy:	
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc.)?	Department of Education, Employment and Workplace Relations
Should departmental expenses associated with this policy be included in this costing? If no, will the Department be expected to absorb expenses associated with this policy? If yes, please specify the key assumptions, including whether departmental costs are expected with respect to program management (by policy agencies) and additional transactions/processing (by service delivery agencies).	No – any additional department al costs to be absorbed.
Intended date of implementation.	1 July 2014
Intended duration of policy.	Ongoing (other than the fund for universities to establish continuing positions which runs for three years)
Are there transitional arrangements associated with policy implementation?	No
List major data sources utilised to develop policy (for example, ABS cat. no. 3201.0).	

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Are there any other assumptions that need to be considered?	No
<p>NOTE:</p> <p><i>Please note that:</i></p> <ul style="list-style-type: none">• <i>The costing will be on the basis of information provided in this costing request.</i>• <i>The PBO is not bound to accept the assumptions provided by the requestor. If there is a material difference in the assumptions used by the PBO, the PBO will consult with the requestor in advance of the costing being completed.</i>	