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# **Australia 2022: Towards a Modest Reset?**

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**LIST OF ABBREVIATIONS**

- MPISOC -----Max Planck Institute for Social Law and Social Policy
- AAT -----Administrative Appeals Tribunal
- ABS ----- Australian Bureau of Statistics
- ATO -----Australian Taxation Office
- AUD-----Australian Dollar
- CPI ----- Consumer Price Index
- GDP----- Gross Domestic Product
- MYEFO----- Mid-Year Economic and Fiscal Outlook
- NDIS----- National Disability Insurance Scheme

## 1. THE CURRENT ECONOMIC, POLITICAL AND SOCIAL SITUATION

### 1.1. Overview

The 2022 calendar year saw the first change of the national government in nearly a decade, with the defeat of the conservative Coalition Liberal/National party and election of a Labor administration. Burnt by electoral failure of a more ambitious change agenda at the previous election, Labor won with a small target minimalist program, as voters deserted the Coalition in heartland seats of its major partner the Liberal Party in favour of ‘independent’ candidates standing for more mainstream values around integrity and climate change.

Elected with a comparatively narrow Parliamentary majority and an extensive cross-bench of independents, Labor inherited a trillion dollars of debt (from COVID-19 support measures) and rising interest rates on that debt. It also confronted a structural shortfall between revenue and the increasing costs of key programs including disability (the NDIS) and aged care, along with costs of meeting campaign promises for more affordable child care, extended parental leave (to 26 weeks by 2026) and lifting salaries of care workers in aged and disability sectors.

The October 2022 post-election mini-Budget concentrated on rearranging spending to honour election promises while returning the national accounts to fiscal neutrality to begin addressing the structural imbalance (Budget October 2022). To that end the Budget found AUD \$28.5 billion in expenditure savings over four years and ‘banked’ nearly all the temporary increase in revenue from resource taxes generated by demand for minerals following the Russian invasion of Ukraine (lowering the 2022-2023 fiscal deficit by \$41.1 billion: from 78 billion to 36.9 billion).

Cost-of-living household relief payments were not included in the Budget for fear that such fiscal stimulus would further fuel inflation. The government held its nerve on fiscal rectitude despite soaring inflation (anticipated to reach 7.75% in the December quarter, far outstripping wage growth) and rapidly rising energy costs (anticipated to rise by 20% by end 2022 and another 30% the following year). Disturbing rates of growth in expenditure projected by Treasury for sectors such as the NDIS, aged care and interest on government debt, nevertheless mean that the regular May 2023 Budget may also need to consider boosting taxation revenues.

### 1.2. Statistical Measures

Economic conditions in Australia experienced a reality check in 2022 as international trends of surging inflation and the Ukrainian-Russian war impacted a domestic economy still flush with COVID-19 stimulus savings ‘banked’ by better off citizens and available to fuel consumer spending post-lockdown.

### **1.2.1. Monetary Policy**

After continuing to hold down the official interest rate at the 0.1 per cent level reached in November 2020 and messaging the public that rates would not increase until 2024, the Reserve Bank of Australia ('RBA') was obliged to embark on a series of rapid rises from May 2022. Seven increases (four by 0.5, two at 0.25 percentage points) lifted the cash rate to 2.85 per cent by November, with Treasury anticipating it to peak at 3.35 per cent in mid-2023 (Budget October 2022: 45).

### **1.2.2. National Accounts**

The national accounts remain heavily in deficit, but temporary short-term improvements of AUD \$28.5 billion compared to forecasts earlier in the year meant that the 2022-23 deficit is estimated to be \$36.9 billion or 1.5 per cent of GDP (Budget October 2022: 1, 78) rather than the \$98.9 billion projected as recently as at the end of 2021 (MYEFO 2021: 2). However the cash deficit is then expected to rise, peaking at AUD \$51.3 billion (2% of GDP) in 2024-25 (Budget October 2022: 74). Net debt is projected to hit 28.5 per cent of GDP in 2024-25 (lower than the 37.4% anticipated in late 2021: MYEFO 2021: 65) but then peak at 31.9 per cent of GDP in 2032-33, due to debt servicing and other pressures (Budget October 2022: 74).

### **1.2.3. Economic Growth**

Economic growth in the second half of calendar 2022 was impacted by international conditions. Real GDP increase for fiscal 2021-22 was 3.9 per cent, slightly higher than the 3.75 per cent predicted at the end of 2021, but growth has been revised down for subsequent years. The 2022-23 forecast is for 3.25 per cent (not the 3.5% expected: MYEFO 2021: 2, 15, 25) dropping further to a low 1.5 per cent in the following year (Budget October 2022: 1, 6). GDP growth reported for the September quarter of 0.6 per cent however brought the annual figure for calendar 2022 to a healthy 5.9 per cent, though this was from the low base of the previous year (ABS 2022a).

### **1.2.4. Unemployment**

Unemployment in 2021-22 fell to 3.8 per cent (Budget October 2022: 6), even lower than the 4.5 per cent anticipated in the mid-year fiscal outlook at the end of 2021 (MYEFO 2021: 15-16, 36). Seasonally adjusted unemployment in October 2022 stood at 3.4 per cent (ABS 2022d) as against 5.2 per cent at the same time in the previous year (ABS 2021c). The October post-election Budget however anticipates unemployment to rise to 4.5 per cent in each of 2023-24 and the following fiscal years (Budget October 2022: 6).

The seasonally adjusted workforce participation rate in October 2022 was 66.5 per cent (ABS 2022d), almost two points higher than the 64.7 per cent at that time in the previous year (ABS 2021c). The participation rate is forecast to increase slightly to 66.75 per cent in 2022-23,

before dropping back to 66.5 per cent in 2023-24 (Budget October 2022: 47). Under-employment in October 2022 was 5.9 per cent (ABS 2022d), a substantial drop from the 9.5 per cent in October of the preceding year. Employment growth is forecast in the 2022 October Budget to be a healthy 3.3 per cent over 2021-22 (much greater than the 1% predicted the previous year) but is then expected to fall to 1.75 per cent in 2022-23 and a rather dismal 0.75 per cent in 2023-24 (Budget October 2022: 47).

### **1.2.5. Inflation and Wage Growth**

Inflation surged in 2022. When the post-Election Budget was delivered in October it was expected to peak at 7.75 per cent by the end of the calendar year, but just a few weeks later that figure was revised up to 8 per cent by the Reserve Bank.

Inflation measured by the consumer price index came in as 7.3 per cent for the period September 2021 to September 2022 (ABS 2022c). This is 4.3 per centage points higher over the 12 months than the 3.0 per cent for the equivalent period in 2020-2021 (ABS 2021b).

The post-Election forecast for inflation is for 5.75 per cent in 2022-23 and 3.5 per cent in the following year (Budget October 2022: 6). Wage growth continued to fall behind inflation in 2021-22 (2.6% against inflation of 6.1%). This is anticipated to continue in 2022-23, with wages increasing 3.75 per cent against inflation of 5.75 per cent. Wages are not expected to outstrip inflation until 2023-24 (and then by a mere 0.25%: Budget October 2022: 6).

Over comparative May to May periods, wage growth measured by full-time adult average weekly total earnings rose by 2.1 in 2022 (ABS 2022b). This is a better result than the 1.6 per cent for 2020-2021 (ABS 2021a) but far short of the pre-COVID 4.8 per cent for 2019-2020. Earnings rose by 3 per cent for 2021-2022 on the all earnings measure (ABS 2021a), compared to just 0.1 per cent in the previous year.

## **2. POLICY AND PROGRAM CHANGES**

Due to the Election and change of government, there were even fewer than usual program or policy changes during 2022.

### **2.1. Phasing out Compulsory Income Management**

Prior to losing office in 2007, the Howard Coalition government had introduced a ‘cashless’ card for some social security recipients deemed incapable of responsibly spending their own money. Indigenous communities were a particular target, based on their high proportion of expenditure on alcohol, drugs, gambling or pornography at the expense of child neglect and inadequate nutrition. These variously named and designed cashless cards quarantined a portion of welfare payments as able to be used only at designated commercial outlets and

only for particular types of purchases. From the outset, income management was heavily criticised on the grounds of punitive paternalism, discrimination, colonialism and other grounds (Billings 2011, Bielefeld 2014, 2016, Bielefeld and Beaupert 2019).

Despite anecdotal support from some quarters, rigorous independent evidence-based evaluations of such ‘in-kind’ welfare in place of ‘cash welfare’ had long shown that the policy was not only punitive but ineffective (ANAO 2018, Bielefeld 2021a, 2021b). The new Labor government moved quickly to honor its promise to repeal the cashless debit card (which compulsorily quarantined 80% of welfare payments). It has also foreshadowed changing the older ‘Basics’ card, which compulsorily quarantines a lower proportion (50%) of income but which is able to be used at fewer commercial outlets and lacks any capacity for on-line shopping or serving as a tool for financial management of debt (Galloway 2022). It is proposed that the new card will be voluntary and run exclusively by government (not contracted to a commercial provider).

## **2.2. Reforming Privatised Job-Services Programs for the Unemployed**

Australia in the mid-1990s led the world with a neoliberal reform of employment services. In place of the post-WW2 state-run employment programs, the scheme was fully privatised. It was contracted-out to charitable or for-profit commercial providers (Considine 2001, Considine, Lewis et al. 2011). Over time, larger commercial firms – including multinationals – won the bulk of the contracts, as providers shrank from 350 to around 50.

Under this ‘privatised’ version of a public employment program (PEP), the market went through multiple iterations as various levers or architectures such as price competition, regulatory oversight, payment-by-results, complex star ratings and massively detailed contracts were tried and failed as policy tools (Considine 2022: 19-40, Davidson 2022). In particular, cost-cutting degraded the quality of support for the unemployed, while performance management payment signals in contracts tended to reward short-term outcomes (such a casual work for six months) with ‘churning’ of easy to place unemployed at the expense of serving those with more complex needs (Considine, Nguyen et al. 2018). Participants increasingly were likely to be punished with loss of benefit sanctions rather than assisted into stable employment (McGann, Nguyen et al. 2020). Some larger providers even won contracts with business models enabling one part of the business to provide the very ‘employment outcomes’ needed to qualify for the payment rewards for successful employment services.

The outgoing conservative Coalition government had enacted a new employment services model taking effect in mid-2022, a few weeks after the May Election. The main change under the newly named [‘Workforce Australia’](#) scheme was to shift the easiest to place of the unemployed onto a ‘self service’ digital engagement platform, in place of face-to-face casework contact with an employment provider. Designed to overcome over-investment in



this group to the neglect of the needs of those with more complex barriers to employment, this scheme also transitioned compliance and sanctioning (reduction or loss of payments) to the same digital platform. Although a legislative instrument was developed to curb the risks associated with such automation and reliance on algorithms, major concerns remain. These include that vulnerable people will wrongly be placed in the digital stream or that it will discriminate due to the ‘digital divide’ of inadequate smart phone hardware, affordable phone data plans or reliable connections (Considine, McGann et al. 2022, Carney 2023 forthcoming).

The outgoing Coalition government also finalised a fresh round of government contracts (delayed while Workforce Australia was designed) with job services providers prior to the change of government at the May Election, making it difficult to alter policy setting due to the sovereign risk associated with breaking contracts. The incoming government nevertheless has flagged a number of significant and overdue changes designed to better align services with the needs of the unemployed. These changes include avoiding unduly punitive engagement at the expense of training and support, and putting greater focus on secure ongoing over casual or temporary employment outcome measures (Morton 2022).

### **2.3. Implementing the Report of the Royal Commission Inquiry into Aged Care**

Despite a number of very important reforms to aged care administration and funding during the 2021 calendar year (see: Carney 2022: part [2.3]), key workforce and quality of care recommendations remained outstanding.

Government is yet to fully come to terms with the need to raise the significant revenue needed to fund acceptable levels of quality of residential accommodation and home care supports for the rising proportion of the population expected to require those services over the medium to longer term (Australia 2021a: 149-160; 164-168). However three important sets of more immediate reforms were made during 2022.

The first of those reforms was a non-legislative measure of advising the wages umpire (the Fair Work Commission) of government support for a work-value wage increase for the highly feminised and low paid aged care workforce. The Commission awarded a 15 per cent increase, which the government will fund in two tranches: 10% from July 2023 and the remaining 5% from July 2024. The second reform package acted on the Royal Commission recommendations by legislating a better funding model (which took effect in October). It also gave increased functions and responsibilities to an Independent Health and Aged Care Pricing Authority, mandated a ‘star rating’ system for providers, introduced a care workforce code of practice (and sanctions for its breach), and provided for improved governance standards for aged care providers (further, Wischer 2022; part [5.1] below)). The third set of reforms entailed implementing a campaign promise to require aged care facilities to have a registered nurse on duty at all times, and measures to require publication of information about aged care provider performance and a cap on the level of aged care charges.

As is true of neoliberal models of contracting-out of a swathe of Australia’s social services, governance and accountability of aged care remains a major public policy challenge. This is due to the lack of real choice or agency for clients of those services, the absence of competitive market signals to improve the quality of offerings by providers, and the inexorable pressure for providers to advance their commercial interests or those of their shareholders (further: Considine 2022: 63-88).

## **2.4. Child Care Subsidies**

Improved affordability of child care was a core electoral promise of the new Labor Government (ALP 2021). Designed to be of almost universal application rather than simply a ‘welfare’ measure, it was presented as a social capital-building early education measure which would both provide greater social equity and promote economic productivity through increased female workforce participation.

Following a short upper house inquiry by the Senate Education and Employment Legislation Committee, the *Family Assistance Legislation Amendment (Cheaper Child Care) Act 2022* became law at the end of the year. The centrepiece of the reform taking effect from mid-2023 provides that families earning up to AUD \$80,000 per year receive a childcare subsidy rate of 90 per cent. Those earning over that figure have their childcare subsidised at a rate that tapers down from 90 per cent by one percentage point for each additional \$5,000 of family income. The subsidy does not cut out altogether until family earnings total AUD \$530,000. First nations children are guaranteed 36 hours of care a fortnight and parents who are educators receive discounted fees (see part [5.1] below).

Other parts of the reform address limitations inherent in Australia’s neoliberal quasi-market model of provision of child care (further: Considine 2022: 89-112). This is sought to be achieved by way of requiring greater transparency and accountability of child care providers, improvement of data and analytics capability, and strengthened payment integrity (including enhanced risk reporting obligations for providers holding several contracts and new fraud provisions).

## **2.5. Other Measures**

Few other legislative measures in 2022 proved to be significant in policy terms (for details of all changes implemented see part [5.1] below). As a pre-Election sweetener the former government legislated some small ‘cost of living’ payments and suspended the excise duty levied on petrol and diesel fuel, but these benefits operated over only a few months of the year.

A Royal Commission was appointed to report by early 2023 on how the bureaucracy and/or Ministers contributed to or failed to rectify the AUD \$1.8 billion of false and unlawful debts sought to be raised under the social security automated ‘debt’ recovery scheme known as

robodebt (Carney 2021: 9). The Disability Royal Commission continued to release important research reports and other interim pronouncements as it continues towards its extended final reporting date of September 2023 (Australia 2021b).

### **3. CONCLUSION**

The May Federal Election and subsequent change of government inevitably curtailed the level of legislative or policy initiatives while the new Labor government settled into office. On resumption of Parliamentary sittings in the latter part of the year, the new government legislated the bulk of its modest electoral agenda, including enacting child care and aged care reforms, and repeal of the cashless welfare card, among other achievements.

Given governments rarely have a majority in their own right in the upper house of Parliament (the Senate), negotiations with minor parties also yielded some positive social policy outcomes. For instance the deal with the final cross-bench member needed to pass the Government's reform to wage bargaining laws (including multi-site negotiation) was, among other concessions, secured in return for establishment of an independent committee of experts to report annually on adequacy of social security payments a few weeks before the tabling of each May Budget. This will at least add to public awareness and debate regarding the below poverty-line rate of social security payments for people of workforce age.

The new Labor government certainly will not lack for potential reform targets over its term of office. Virtually all major social service and related programs now operate as 'quasi-markets' where private-for-profit commercial providers or not-for-profit welfare agencies compete to win government tenders to supply the service in question. This neoliberal governance model applies to disability services, aged care, child care, and employment services, among others. However as recent analysis demonstrates, the model is failing to deliver the promised positives of client choice, service quality, or other touted attributes, while being unduly open to gaming, fraud and other negative outcomes; and reform has become very difficult to design or achieve (Considine 2022). The new government may take up that challenge in future years, but unfortunately there presently is neither any commitment nor even hint that it may do so.

### **4. THE LEGISLATIVE FRAMEWORK**

No change has been made in the basic architecture of the legislation governing social security payments, other than modest consolidation to reduce duplication of provisions (for details of all payments, see: Carney 2013). The legislation continues to be administered by the department now called Services Australia, operating through another agency called Centrelink.

Decisions made by officers of Centrelink are reviewable on their merits, with two levels of merits review. The first tier (since July 2015 the Social Services and Child Support Division of the Administrative Appeals Tribunal) now schedules single member rather than panel hearings for the vast majority of appeals (98% in 2017: Carney and Bigby 2018), with a further level of merits review to the General Division of the Administrative Appeals Tribunal (further, Pearce 2015).

Social security law is currently found in five enactments, each of which is frequently amended:

- *Social Security Act 1991* (Cth)
- *Social Security (Administration) Act 1999* (Cth)
- *Social Security (International Agreements) Act 1999* (Cth)
- *Family Assistance Act 1999* (Cth)
- *Family Assistance (Administration) Act 1999* (Cth)

#### 4.1. Recent Amending Acts

- *Treasury Laws Amendment (Cost of Living Support and Other Measures) Act 2022* (Act No 14 of 2022)

This Act introduced a long-term change to improve the safety net for general and concessional pharmaceutical co-payment contributions over the year (Sch 7) along with two short-term electoral sweeteners: a \$420 low and middle income ‘cost of living’ income tax offset paid in the 2021-22 tax year (Sch 6) and temporary suspension of fuel excise until September 2022 (Sch 9).

- *Social Security Amendment (Improved Child to Adult Transfer for Carer Payment and Carer Allowance) Act 2022* (Act No 25 of 2022)

This Act corrected an anomaly that ended child-related Carer Allowance and Carer Payments when a child turned 16 if a review had been sought, but allowed the payment (and associated health care card) to continue for three months if no review had been sought; the 3 month continuation now applies in both circumstances.

- *National Disability Insurance Scheme Amendment (Participant Service Guarantee and Other Measures) Act 2022* (Act No 27 of 2022)

This Act implemented various recommendations of a 2019 Review (the ‘Tune Report’) including a service guarantee in the form of timeframes and engagement principles for key processes and service performance standards; greater flexibility and ease of making changes to plans and support packages; clarification of eligibility for people with fluctuating psychosocial disabilities; and changes to ensure the governing Board reflects diversity and people with lived experience of disability, and that access to diverse markets and co-design of policy changes is respected.

- *Social Services and Other Legislation Amendment (Pension Loans Scheme Enhancements) Act 2022 (Act No 28 of 2022)*

This Act made minor adjustments to the scheme enabling home equity to be converted to an additional fortnightly pension income stream or lump sum advance. To remove a disincentive to use of the scheme, participants will never encounter ‘negative equity’ (have their estate repay more than the value of the property). A lump sum advance, cashing out future payments, is also provided.

- *Social Security Legislation Amendment (Streamlined Participation Requirements and Other Measures) Act 2022 (Act No 32 of 2022)*

This Act makes a host of changes needed to support the introduction of the ‘Workforce Australia’ on-line stream of self-service digital engagement with employment service providers and compliance with mutual obligation requirements of social security payments to unemployed people of workforce age (Sch 1). In making those changes the Act also consolidated into one set of provisions the rules previously often duplicated across four different workforce age payments (saving about 130 pages of legislation). Upper house (Senate) amendments imposed an annual review of Workforce Australia and a requirement for a legislative instrument providing a ‘digital protections’ safeguards framework around the new digital environment (s159A). The Act for the first time now incorporates provisions for Commonwealth funding contracts with employment services providers (Sch 2) in place of previous authority through Finance department delegations.

- *Aged Care and Other Legislation Amendment (Royal Commission Response) Act 2022 (Act No 34 of 2022)*

This Act implemented a number of recommendations of the Aged Care Royal Commission, including: a new funding model from October 2022 (Sch 1); a public ‘star rating’ system for providers (Sch 2); a code of practice and sanctioning scheme for care workers (Sch 3); extension of the serious incident reporting scheme from residential to home care (Sch 4); improved governance and leadership standards for providers (Sch 5); enhanced information sharing (Sch 6); greater scrutiny of use by providers of refundable deposits (Sch 7); expanded functions and responsibilities of an Independent Health and Aged Care Pricing Authority (Sch 8); and strengthened arrangements for giving of consent authorising restrictive practices (Sch 9).

- *Social Security (Administration) Amendment (Repeal of Cashless Debit Card and Other Measures) Act 2022 (Act No 39 of 2022)*

This Act repealed the cashless welfare debit card and made provision for voluntary transfer to similar arrangements (such as the Basics card) where people elect not to return to managing the entirety of their social security payment.

- *Social Security and Other Legislation Amendment (Self-employment Programs and Other Measures) Act 2022 (Act No 42 of 2022)*

This Act ensures that income support payments paid to participants in the July 2022 ‘Self-Employment Assistance’ program are treated identically to those in the predecessor ‘New Enterprise Incentive Scheme’ that it largely replaced, so that these payments continue to be disregarded for child support and other social security rate calculation purposes, as beforehand.

- *Social Services and Other Legislation Amendment (Lifting the Income Limit for the Commonwealth Seniors Health Card) Act 2022 (Act No 43 of 2022)*

This Act increases the cut out point for qualification for the Seniors Health Card to AUD \$90,000 a year for a single person and AUD \$144,000 a year for couples.

- *Aged Care Amendment (Implementing Care Reform) Act 2022 (Act No 47 of 2022)*

This Act implements campaign promises of the incoming Labor government regarding ensuring that aged care facilities have a registered nurse on duty at all times (Sch 1); caps aged care charges (Sch 2); and requires publication of transparent information about providers (Sch 3).

- *Fair Work Amendment (Paid Family and Domestic Violence Leave) Act 2022 (Act No 50 of 2022)*

This Act amends the *Fair Work Act 2009* to provide for ten days a year of paid family and domestic violence leave (at the rate for hours that would otherwise have been worked), in place of a former entitlement to five days of unpaid leave.

- *National Health Amendment (General Co-payment) Act 2022 (Act No 53 of 2022)*

This Act implements an Election promise by amending the *National Health Act 1953* to lower, from 1 January 2023, the co-payment for medicines from AUD \$42.50 to AUD \$30.

- *Social Services and Other Legislation Amendment (Workforce Incentive) Act 2022 (Act No 55 of 2022)*

This Act provides a temporary incentive for aged pensioners to engage in work by allowing them to earn another AUD \$4,000 before the income test applies to reduce their rate of pension. This is achieved by increasing the workforce bonus concession by AUD \$4,000 until 30 June 2023. The Act also allows pensions to be suspended for a period of up to two years, where income which includes employment income has resulted in a nil rate of entitlement that otherwise would result in cancellation. The same dispensation applies to concession cards.

- *Social Services and Other Legislation Amendment (Incentivising Pensioners to Downsize) Act 2022 (Act No 62 of 2022)*

This Act doubles the period during which sale proceeds from a former family home are exempted from inclusion in social security means tests from 12 months to 24 months.

- *Family Assistance Legislation Amendment (Cheaper Child Care) Act 2022 (Act No 66 of 2022)*

This Act gives effect the incoming Labor Government's promise to make early childhood education and care more affordable for 96 per cent of families currently using child care, with no families being worse off. The Act implements a range of measures to increase the level of child care subsidy for families, improve child care provider transparency and accountability, improve data and analytics capability, and strengthen payment integrity. The main provision offers families earning up to AUD \$80,000 per year a subsidy rate of 90 per cent, with those earning over that figure a rate that tapers down by one percentage point for each additional AUD \$5,000 of family income until it reaches zero per cent for families earning AUD \$530,000 (Sch 1). The Act also provides new reporting obligations on providers to identify, monitor and mitigate risks posed to the viability of providers who have a significant sector presence (Sch 2); a base level of 36 subsidised hours of child care per fortnight for First Nations children (Sch 3); enhanced fraud provisions (Sch 4); and discounted fees for parents who are educators (Sch 5).

- *Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022 (Act No 79 of 2022)*

This very extensive amending Act honours the incoming Government's campaign promises to boost stagnating wages growth through structural changes to labour law. The main change ushers in European style multi-employer bargaining, curated to balance worker and employee in three different types of employment setting. The first setting, termed the 'supported bargaining stream' covers low-paid and mainly feminised workforces in sectors such as care; the second, called the 'single interest employer' stream covers industries such as hospitality. As part of the balancing of competing interests, multi-employer bargaining in these settings is an opt-in rather than industry-wide model, with varying democratic and other protections for enterprises with very small workforces or those at risk of adverse bargains struck by larger enterprises. Bargaining has been made less complex, is governed by obligations of fairness and good faith, and the test for approval of an agreement as being 'better-off-overall' than previous awards has also been simplified. Among a multitude of other changes, the Act broadens the equal pay work value principles to overcome any assumptions based on gender and ensure that historical gender-based undervaluation of work is considered. Pay secrecy clauses are no longer permitted, and use of fixed employment contracts has been restricted.

- *Treasury Laws Amendment (Energy Price Relief Plan) Act 2022 (Act No 96 of 2022)*

This Act introduced a number of measures to restrain growth of energy costs for consumers, including capping gas prices and codes of practice for gas and coal supplies to energy generators (Schedule 1), as well as federal payments to States and Territories to enable them to provide subsidies to energy retailers to offset part of an energy bill for eligible vulnerable consumers and small businesses, thus reducing the cost of energy for those targeted (Schedule 2).

#### **4.2. Significant Bills Awaiting Passage, or Defeated in the Senate**

- *Fair Work Amendment (Equal Pay for Equal Work) Bill 2022*

This Bill introduces amendments to labour law to require that, for labour hire workers covered by certain modern awards, the rate of pay being offered for the labour hire workers is the same or greater as for directly employed workers.

No other proposed legislation of any real significance was awaiting passage at the end of the calendar year.



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