



Australian Government
**Department of Employment
and Workplace Relations**

Your Ref OBPR22-02412

Deputy Secretary, Workplace Relations Group
Martin Hehir

Jason Lange
Executive Director
Office of Impact Analysis
Department of the Prime Minister and Cabinet
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Dear Mr Lange

Certification as Impact Analysis Equivalent – Standing up for casual workers

I am writing to certify the Senate Select Committee on Job Security Inquiry and the review of the *Fair Work Amendment (Supporting Australia's Jobs and Economic Recovery) Act 2021* (Cth) as processes and analysis equivalent to an Impact Analysis for the Australian Government's election commitment *Standing up for casual workers*. This commitment was to legislate a fair, objective definition of when an employee can be a casual and provide a clearer and stronger pathway to permanent work. As this policy was an election commitment, only this policy and the status quo were considered.

The new definition will amend the current statutory framework. This existing framework confines the definition of casual employee primarily to the employment contract. The new definition will keep the core concept that a casual is someone who does not have a firm advance commitment to continuing and indefinite work, but ensure this concept is understood by reference to the practical reality of the employment relationship instead of the contractual description alone.

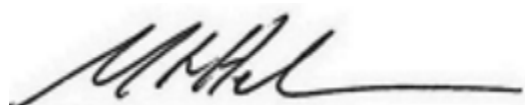
The model proposed by the Government provides eligible employees with two pathways to change their status: through seeking a change of status with reference to the amended definition of casual employee (the new employee choice definition pathway), or through the existing casual conversion mechanism. Provided an employee is correctly classified on engagement, status will only change prospectively, meaning backpay liability will not accrue. The Fair Work Commission will have strengthened powers to resolve disputes. These changes are consistent with the findings of the two impact analysis equivalent processes.

I certify that the two processes, and additional information provided by the department, adequately address the Impact Analysis questions. The attached includes this department's analysis of how these questions are addressed and provides detail on the costing of the regulatory impact, which will be an increase of \$1.4 million per annum. The regulatory burden to business, community organisations or individuals is quantified using the Australian Government's Regulatory Burden Measurement framework and is provided below.

Regulatory burden estimate table				
Average annual regulatory costs (from business as usual)				
Change in costs	Business	Community organisations	Individuals	Total change in costs
Total, by sector	\$1,103, 410	\$-	\$289, 961	\$1,393,372

These documents are submitted to the Office of Impact Analysis for the purposes of assessing their relevance to fulfil Impact Analysis requirements for a final policy decision.

Yours sincerely



Martin Hehir
Deputy Secretary, Workplace Relations Group
Department of Employment and Workplace Relations
23 August 2023