

IR POLICY AND GOVERNANCE UPDATE



INTRODUCTION

Among a range of issues in this week's Update, some steps to minimise cyber-attacks, interest rates remain unchanged, we review the recently released wage price index results, a reminder of some available business rebates in NSW and Victoria, and the SA election is on this month.

Additionally, with the easing of some COVID-19 related restrictions in numerous states, particularly relating to the use of facemasks. While the use of facemasks in some workplaces and in some states becomes optional, they remain highly recommended where maintaining a safe distance from others may not be possible and may continue to be required when facing clients in a retail setting. Members should consider how they approach this issue in line with their workplace health and safety planning.

UPSWING IN CYBER-ATTACKS

Given the condemnation by most countries of the Russian invasion of Ukraine, along with associated support of Ukraine and sanctions against Russia, the Australian Cyber Security Centre has issued a warning to all Australian businesses to ensure all security measures are in place against possible state-based cyber-attacks. These could include hacking, denial of service, cyber outages, ransomware attacks, phishing attacks and other network and system compromises.

Some simple but effective steps businesses can undertake to mitigate the risks and chances of damage include:

- > Communicating with all staff on the potential for a cyber related attack occurring, particularly in the coming weeks. Advise caution with opening any unsolicited emails, to back up files regularly, and to immediately report any possible system compromises or suspicious activity.
- > Ensuring antivirus and malware software is up to date. Given many businesses continue to have employees working remotely, request that employees ensure any device used for work purposes is operating with up to date antivirus software and to only use authentic software.
- > Update passwords regularly and use multi-factor authentication where possible.
- > Discuss these issues and risks with your IT team.

Members are reminded that there is a mandatory requirement on public and private businesses, with an annual turnover of \$3m or more, to report a cyber breach to the Office of the Australian Information Commissioner if the breach results in a loss of personal data. We provide a link to the OAIC website: <https://www.oaic.gov.au/privacy/notifiable-data-breaches/report-a-data-breach> . Otherwise, if a cyber security incident or crime occurs at the workplace, these can be reported to the ACSC at the following link: <https://www.cyber.gov.au/acsc/report> .

INTEREST RATES UNCHANGED

At its meeting this week, the Board of the Reserve bank determined to hold fast and maintain the cash target rate at 0.1%. Reserve Bank Governor Philip Lowe stated that although the Australian economy remains resilient and spending is picking up following the setback caused by Omicron variant of COVID-19. The RBA has stated it will not increase the cash rate until actual inflation is sustainably within the 2 to 3% target range.

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The RBA's central forecast is for the unemployment rate to fall to below 4 per cent later in the year and to remain below 4 per cent next year. Wages growth has picked up but, at the aggregate level, is only around the relatively low rates prevailing before the pandemic. A further pick-up in wages growth and broader measures of labour costs is expected as the labour market tightens.

Inflation has picked up more quickly than the RBA had expected, but remains lower than in many other countries. The central forecast is for underlying inflation to increase further in coming quarters to around 3¼ per cent, before declining to around 2¼ per cent over 2023 as the supply-side problems are resolved and consumption patterns normalise. The CPI inflation rate will spike higher than this due to the higher petrol prices resulting from global developments. How long it takes to resolve the disruptions to supply chains is an important source of uncertainty regarding the inflation outlook, as are developments in global energy markets.

However, the invasion of Ukraine is a major new source of uncertainty. Inflation in parts of the world has increased sharply due to large increases in energy prices and disruptions to supply chains at a time of strong demand. However, this conflict may cause the central banks of numerous countries, including Australia, to slow down on any thoughts of interest rate increases in the short term.

WAGE PRICE INDEX FOR 2021

The Australian Bureau of Statistics released its national Wage Price Index. The WPI is an estimated index covering wages and salary costs and measures changes in the price of labour. According to the data, the seasonally adjusted WPI rose 0.7% in the final quarter of 2021, with an annual growth rate of 2.3% for last year.

According to the Head of Prices Statistics at the ABS, Michelle Marquardt, the proportion of pay rises reported over the December quarter was higher than usually seen at this time of year. This can generally be seen to be the result of the implementation of the last phases of award updates and state-based public sector enterprise agreements, on top of a rising number of wage and salary reviews, drove wages up 0.7% over the quarter. Wage pressure continued to build over the December quarter for jobs with specific skills. Private sector wage growth occurred across a broad range of industries as businesses looked to retain experienced staff and attract new staff. Private sector wages rose 2.4% annually, maintaining the rate of growth recorded in September quarter of 2021.

Given the lower wage increases last year, but having experienced increases in CPI, particularly as a result of higher fuel and construction costs, along with supply disruptions, and other inflationary measures, we may see the current government hand out some income tax cuts when the federal budget is delivered next month, subject to their re-election in May. Additionally, given the lower wage growth figures, and that they remain below current inflation, the Reserve Bank will unlikely raise interest rates until the latter half of this year.

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NSW RESTRICTIONS EASING

COVID-19 public health related measures in NSW have been scaled back and further easing is to occur at the end of this week. Relevantly from Friday, 18 February 2022, the following adjustments were made:

- > No density limits (previously one person per 2sqm for hospitality venues);
- > QR check-ins will only be required for nightclubs, and for all music festivals with more than 1,000 people. Hospitals, aged and disability facilities may use their existing systems for recording visitors.
- > The recommendation to work from home is now at the employer's discretion.

Further, from the beginning of Friday, 25 February 2022, facemasks will only be mandated on public transport, on planes, at airports, hospitals, aged and disability care facilities, corrections facilities, and indoor music festivals with more than 1,000 people. However, facemasks are encouraged for indoor settings where maintaining a safe distance from others is not possible, and for customer-facing retail staff. Members in NSW must continue to have and apply COVIDSafe plans in their workplaces.

NSW SMALL BUSINESS REBATE

NSW small business owners and sole traders can now apply for an NSW Government rebate of up to \$1,000 to make their workplaces safer with \$1 million added to the Small Business Rebate Program. Projects that may be eligible for the rebate include:

- > Safety items to manage COVID-19, such as hygiene products including portable and fixed hand sanitiser stations
- > Access ramps to move products safely
- > Guard rails to reduce falls
- > Items that reduce risks of injury from lifting and moving heavy equipment
- > Forklift safety measures such as specialised seatbelts, anti-vibration seats, automatic stop/go barriers and reversing light systems
- > Machinery protection measures such as pressure mats with auto cut-off sensors
- > Protections including ramps to load goods onto vehicles, conveyor systems and specialised stacking and racking systems
- > Specialised hearing protectors for noisy workplaces

Eligible items purchased must also be existing products, not second-hand or manufactured specifically for your business. To be eligible for the rebate, NSW business must sign-up and attend a free SafeWork NSW event or webinar and receive an attendance certificate for use in the rebate application. We provide the following link that will provide comprehensive details on this rebate:

<https://www.nsw.gov.au/grants-and-funding/1000-safework-small-business-rebate>

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VICTORIAN RESTRICTIONS EASING

Victoria has eased certain COVID-19 related public health measures and further are to come at the end of this week. From 11.59pm Friday, 25 February 2022:

- > The recommendation that Victorian employees work from home where possible will be removed and be at the discretion of the employer.
- > Facemasks will continue to be required on public transport, in taxis and rideshare, on planes and indoors at an airport, hospitals, and indoor areas at care facilities and for workers in hospitality and retail.
- > Facemasks will continue to be recommended for workers who are facing members of the public.

Although facemasks will not be mandated in most circumstances, members should strongly consider their ongoing use in the workplace where maintaining a safe distance from others is not possible.

VICTORIAN BUSINESS STIMULUS PACKAGE UPDATED

The Victorian Government has announced a further \$200m for the state business stimulus package. Although the complete details are yet to be released, it appears the majority of the stimulus program is aimed at promoting hospitality and regional travel. However, there may be components of potential interest for members. Further information can be found via the following link:

<https://www.vic.gov.au/business-stimulus-package>

WA UPDATE

Although the wearing of facemasks in all indoor settings continues to be required, the WA Government has announced that from 12.01am Thursday, 3 March 2022, its borders will open for vaccinated interstate travellers who have obtained a registered [G2G](#) pass prior to arrival. Vaccinated domestic arrivals will not be required to undertake a period of quarantine. All interstate travellers will be required to provide proof of a negative rapid antigen test within 12 hours of arrival and must report any positive result.

ACT RESTRICTIONS EASING

The ACT government is easing the mandatory use of facemasks in indoor settings from 6pm Friday, 25 February 2022. Facemasks will remain mandatory on public transport, hospitals, aged care facilities, on planes and at airports. Businesses and workplaces should consider whether to continue implementing mask wearing policies within their own workplaces, both for employees and any clients or visitors entering the premises as part of their COVID Safety Plan. However, it continues to be recommended that facemasks be worn in workplace settings where maintaining a safe distance from others is not possible.

Additionally, and from 11.59pm Friday, the ACT is implementing the mandatory requirement for the registration of positive rapid antigen test (RAT) results. Detailed information on how to register a positive result can be found at the following link: <https://www.covid19.act.gov.au/stay-safe-and-healthy/rapid-antigen-test-rat-positive-result-registration-form>.

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SA STATE ELECTION

The South Australian state election for the 55th Parliament of SA is set down for Saturday 19 March 2022. All seats in the House of Assembly or lower house, whose current members were elected at the 2018 election, and half the seats in the Legislative Council or upper house, last filled at the 2014 election, will become vacant.

CONTACT

Any Industrial Relations Member who has a related query should contact Charles Watson, GM – IR, Policy and Governance at The Real Media Collective via email charles@thermc.com.au or mobile: +61 428 568 032.

DISCLAIMER

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