

UNITED
WORKERS UNION

THE 2022-23

VICTORIAN BUDGET

**And secure work, liveable wages and the
delivery of quality essential services.**





UNITED WORKERS' UNION 2022-23 VICTORIAN BUDGET SUBMISSION

United Workers Union (UWU) is a new union with 150,000 workers across the country from more than 45 industries and all walks of life, standing together to make a difference. Our work reaches millions of people every single day of their lives. We feed you, educate you, provide care for you, keep your communities safe and get you the goods you need. Without us, everything stops. We are proud of the work we do—our paramedic members work around the clock to save lives; early childhood educators are shaping the future of the nation; supermarket logistics members pack food for your local supermarket and farms workers put food on Australian dinner tables; hospitality members serve you a drink on your night off; aged care members provide quality care for our elderly and cleaning and security members ensure the spaces you work, travel and learn in are safe and clean.

United Workers Union welcomes the opportunity to put forward policy proposals to be considered as part of the Victorian Government's 2022-23 Budget.

As we emerge from the COVID-19 pandemic and seek to build back better and stronger, the role of government is critical, and we urge Government to pursue secure work, decent wages, and the delivery of quality essential services. The proposals we outline provide the Victorian Government the opportunity to do this.

SECURE WORK

The Victorian Government can set the standard, both as a model employer, and as a user of goods and services from the private sector.

The government can play a positive role in improving working conditions for some of the most vulnerable and low paid workers in society, by maximising the impact of its purchasing power and its position as a service provider.

We believe the government can do more to transform its procurement regime to ensure there is sufficient funding for service contracts driving decent work and lifting industry standards across the board.

As a significant procurer of security and cleaning services, the state government has the capacity to become a market leader and exert immense influence on both industries, either by lifting contract standards or by directly employing property services workers, thereby improving working conditions.

The security and cleaning industries are shaped by a 'race to the bottom' in contract standards and employment conditions, and subsequently we have widespread and systematic exploitation of workers.

Below we outline two proposals for the security and cleaning industries, which we believe will dramatically improve security and cleaning jobs and fundamentally advance industry compliance, business practices and most importantly wages and conditions of these essential workers.

1. Delivering on Safeguard for Victorian Security Guards

Day in and day out, security officers are putting themselves on the line to protect both people and properties. During the pandemic, their role has been pivotal in helping to stem the spread of COVID-19 and keep the public safe. Yet many security guards have felt a general lack of respect for their efforts. Those who keep our state buildings and services safe are experiencing the exploitation of dodgy subcontractors, poor wages and conditions firsthand.

The Victorian Government can act to ensure we have a robust and professional security industry where its strength comes from a respected, secure, properly paid security workforce.



Safeguard is part of the solution.

Both a campaign, and a standard to be met by contracts and legislation, Safeguard has five key demands:

- ① Job Security
- ② Liveable Wages
- ③ Respect
- ④ Career and Skill Development
- ⑤ Safe Workplaces

The Victorian Government is the largest procurer of security services in the State, spending an estimated \$134 million on security contracts across State buildings and services.

Across the state of Victoria, it is estimated that the annual value of security contracting is \$625 million and there are 33,174 security licence holders.

As the largest procurer of security services, who the government does business with, not only impacts the working lives of hundreds of security guards, but also shapes the entire industry.

Procurement through State Purchase Contracts has driven a fall in guard wages relative to the award of 7% in the last 10 years. Subcontracting, permitted in State Government contracts, allows security companies to use subcontractors to undermine conditions and drive down wages.

For the Victorian Government to be a client of best practice two things are needed:

- 1. Contracts for security services engaged by Victorian government departments and agencies to set a minimum award advantage equal to at least 5.66% above the award.**
- 2. Contracts for security services engaged by Victorian government departments and agencies need to prohibit the use of subcontractors.**

Accordingly, we seek that the 2022-2023 budget provide for an 7% increase to ensure each agency and services security contract allows for the payment of Safeguard wages.



2. Making school cleaners true members of Victorian School staffing communities

School cleaners play an essential role in keeping our children safe and well. This has become especially apparent during the COVID-19 pandemic and will remain so given the susceptibility of COVID-19 transmission in our schools.

There are approximately 1,600 school cleaners in the Melbourne metropolitan area plus an additional 1,400 cleaners engaged in enhanced COVID cleaning.

There are currently five contractors delivering services in the metro area:

- **Facilities First**
- **ISS Facility Services**
- **Menzies International**
- **Spotless Cleaning**
- **Tradeflex Services**

The consolidated cleaning contract has been extended to July 2022.

Whilst consolidated contracts in across the Metro Melbourne area have brought a level of consistency across schools, there remain issues of job insecurity and lower quality services that are inherent in the outsourcing of this essential service.

Issues with the current system

1 Workload.

School cleaners regularly report not having enough time to clean to a level that they would consider a clean and healthy learning environment for children. Cleaners tell us that they often stay back past the end of their shifts to complete their work.

2 Teaching staff picking up the slack.

When contractors take a very narrow definition of what work can be undertaken by cleaning staff, teaching staff are left to pick up the slack. Principals are forced to deal with high turnover amongst cleaning staff. They also report having to intervene in disputes between cleaning staff and contract companies and having to address poor cleaning standards.

3 Equipment and supplies.

Cleaners often must work with faulty, unsafe equipment and requests for additional cleaning supplies often take many weeks to be fulfilled. This makes the work harder, can increase the physical strain on cleaners, and contributes to cleaners not being able to clean to expected standards.

4 Inadequate training.

Exacerbating these issues is a lack of appropriate on-site training. Cleaners report being given only vague instructions about what is expected of them and not being shown how to safely carry out their work. High turnover means this impact is particularly acute and impacts cleaners and cleaning standards.

5 Health and safety.

As a direct result of the above cleaners experience high levels of stress, anxiety, and workplace injury. Workload, feeling unable to perform their job to the standard they would like, faulty equipment and inadequate cleaning supplies, and job insecurity take a large toll on school cleaners. Reports of bullying by Managers and Supervisors are frequent.

6 Job insecurity.

Cleaners are in constant fear about what happens to their jobs if there is a contract change. Part-time cleaners often have last minute changes to their hours. They are not paid for the full year, forcing these low paid workers onto unpaid leave over the Christmas period, placing enormous financial and emotional stress on cleaners and their families.

7 Respect.

Many cleaners are regularly told by supervisors and managers that they will lose their job if the school makes a complaint about cleaning standards. Where there is insufficient training, time, or equipment to complete the tasks, this increases tension between cleaners and other members of the school community.

You can't address these issues under the current system.

Bargaining has repeatedly failed to address the above issues. Companies claim that there is not enough money in the contracts to address the low pay and poor conditions faced by school cleaners.

Ultimately it is students who pay the price. Students do not have access to the clean and healthy learning environments they deserve. High turnover and the exclusion of cleaners from the school community also deprives students of a relationship with another known and trusted adult in their school.

What the Victorian Government can do.

Directly employ the cleaners doing the essential work across our government schools.

In most States and Territories around Australia, school cleaners are directly employed by Government.

In these states we have found that:

- **Workloads are manageable.**
- **It is easier for cleaners to have faulty equipment replaced and to obtain the required chemicals and supplies to do their work.**
- **Secure jobs increase wellbeing and reduces turnover**
- **Induction and training are appropriate to the job.**
- **Cleaners are paid for 52 weeks of the year.**
- **There are clear channels and mechanisms for cleaners to raise issues and have them addressed.**
- **Cleaners feel respected.**

Directly employed cleaners report feeling like valued members of the school community and students know the cleaners at their school and experience the benefits of a relationship with a trusted adult alongside the rest of the teaching staff

Based on our union's experience and involvement in successful reversal of outsourcing of school cleaning in WA and the ACT, there are some key elements to consider in a successful changeover process:

- **A centrally managed hiring and supply process is simpler for both schools and individual cleaners**
- **Union representation in the changeover processes is critical to ensure cleaners are informed and involved**
- **A Union Collective Agreement to address some of the pressing issues for cleaners (such as employment for 52 weeks of the year).**



3. Future of Victorian industry and manufacturing

Victoria, and the world, is in the middle of an energy transition. Leaving the rest of the world to take the lead on this shift threatens the jobs, wages, and conditions of thousands of United Workers' Union members in the oil, chemicals and plastics supply-chain.

The Victorian Government can lead in the transition and take advantage of the opportunity to create tens of thousands of new manufacturing jobs.

It is vital that funding for the transition, both the technology shift and the social relations supporting the technology, is prioritised in the next budget.

- **Worker transition planning and training** – Funding to personally reach out to workers in identified fossil fuel supply-chain workplaces, including a free F2F career planning session for them, fully funded (i.e., free training for new energy jobs) and the hiring of a suitable worker with recent shop floor experience to do outreach work and provide advice on industry planning from a bottom-up perspective.
- **Funding to stimulate the demand side on renewable hydrogen** – Funding for industry and heavy transportation to uptake renewable hydrogen for energy use. Victoria won't get quality jobs in this sector unless we stimulate demand. The generous subsidies for household solar PV and their tapering down over time as costs come down provide the best historic model for the work that it would take to normalise renewable hydrogen quickly and effectively as a key bulk liquid in Victoria's energy system.
- **Funding to set up energy management agreements and household renewable/energy efficiency upgrades** – This would stimulate local building products manufacturing work in a sustainable fashion. According to our *Gas Substitution Roadmap submission*, getting a managed energy services agreement system set up in our state would unlock a new market worth up to \$50 billion.
- **Funding to develop the Victorian government's cooperative and worker-owned industry strategy as per the 2018 Victorian Labor platform** – We note the recently released social enterprise strategy does not directly deal with the cooperative model. This enterprise model drives greater wage equality, higher productivity, greater capital intensity and improved resilience compared with the traditional enterprise model. In an era of COVID and the climate crisis, it is worth noting that increased organisational resilience is vital in getting Victoria through the next few decades. During a crisis, cooperatives tend to fairly cut hours across their workforce rather than cutting jobs. As workers own their workplace, they have trust that they will be able to increase their hours and their income when conditions allow it.



ESSENTIAL HEALTH SERVICES

As the registered union representing Victorian Ambulance Officers and Paramedics, we believe it is critical that government recognise that the best way for Ambulance Victoria (AV) to keep Victorians safe is to ensure it is properly funded and that the welfare and safety of its workforce is paramount.

The COVID-19 pandemic has shown the fragility of the health sector and has been its frontline healthcare workers' who have paid the cost in their physical and psychological health.

Currently there is insufficient resources for Ambulance Victoria to properly meet demand, which is placing huge strain on the system and those who work within it. Coupled with serious concern around the culture and organisational functionality, the well-being of our paramedics is under significant strain.

Ambulance Victoria needs reform and a significant increase in resources.

- 1. More paramedics, more trucks on the road and improved communication, including expanding access to Mobile Data Terminals to rural paramedics.**
- 2. A focused effort on the safety and welfare of paramedics, including:**
 - Increase capacity of Team Managers to support operational staff by increasing contact time and
 - 24/7 Safety & Welfare Officers working in each Communications Centre to support the safety and welfare of paramedics on the road
- 3. Improved access to clinical support and training especially for graduate paramedics, and,**
- 4. A funding model across support areas (including but not limited to, Communications, Rosters, Fleet, Payroll, Billing) within Ambulance Victoria tied to demand and staffing increases.**
- 5. Funding to ensure Emergency Services Telecommunications Authority (ESTA) can function at full capacity including additional staffing to meet ongoing demand.**

It has become clear over recent years leading up to and during the COVID-19 pandemic that the expectation is that Ambulance Victoria do more with less. The current Key Indicator Performance, (KPI) model has resulted in systematic failures with the slightest increase in demand and unsustainable and inexcusable pressures being placed on paramedics and support staff.

In the most recent People Matter Survey 2021, only 62% of respondents indicated that Ambulance Victoria provides a physically safe work environment and 33% believe senior leaders consider psychological health as important as performance. Both the psychological health and physical safety of operational employees are directly impacted by the ability of the organisation to support them whilst attending cases.

Over recent years the focus on performance and the increasing workload has impacted the time that Duty Managers have available to assist staff with safety and welfare matters that they encounter on road. Therefore, we're calling for 24/7 Safety & Welfare Officers to work in Communication Centres, with rotating rosters to utilise the experience of on-road specially trained paramedics.

We can and must do better for the health and wellbeing of our front-line staff and the vital role they play in responding to Victorians in critical medical emergencies. As such we call on this upcoming budget to demonstrate a significant commitment to the resourcing required to enable our Paramedics to do their job well and be better supported in doing so.





SUMMARY

Often, governments have led a charge towards 'rock bottom' prices by focusing purely on budget savings that can be made in the short-term. However, this has cost governments over the long-term by driving a culture of non-compliance and unsustainable business and employment practices, which ultimately results in a range of other social, economic and fiscal costs.

Government procurement must deliver good value for money with a razor-sharp focus on ensuring contracts are sufficiently priced to ensure compliance with proper labour standards and safe workplaces. Putting labour rights and industrial compliance at the heart of procurement policy should mean that governments are able to build a sustainable and fair economy and create of decent jobs for Victorians.

United Workers Union has valued the opportunity to highlight some areas of reform and actions that the Government can undertake.

If successfully implemented, we know they will deliver significant benefit to thousands of low paid Victorians in insecure work and will deliver the reform needed to take the Victorian economy sustainably into future.

We look forward to working with Victorian Government now and into the future.

