

PLEASE NOTE VICTORIA'S SUBMISSION RESPONSE WAS RECEIVED ON THE 14th OF JANUARY, AFTER ALL OTHER STATES SUBMISSIONS WERE UPLOADED TO THE WEBSITE

Good afternoon,

Please find below Victoria's comments on CGC 2015-05-S. Our apologies for the delay.

Victoria appreciates the work that the Commission has undertaken in relation to the wage costs assessment since the 2015 Review, including the production of two staff discussion papers, the engagement of consultants and the sponsoring of a session at the Australian Labour Market Research Workshop.

Victoria would have preferred that the November 2015 staff discussion paper have covered an extensive analysis of the conceptual underpinnings of the wage costs assessment and to have fully explored the labour market complexities raised by the commissioned research. It is recognised that delays to the process have at least in part been outside the Commission's control (due to the availability of data and research).

While Victoria continues to consider that the current methodology needs to be revised, it recognises that the tight timelines for the 2016 Update would make it impracticable for the Commission to consider and implement significant changes to the methodology for the wage costs assessment. In light of these constraints Victoria supports the recommendations of the November 2015 staff discussion paper.

Victoria requests that after the release of the 2016 Update the Commission give the re-examination of the wage costs assessment methodology a high priority so that it can develop, in consultation with the states, a revised methodology that can be implemented for the 2017 Update.