



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Referred by: Australian Labor Party **Proposal No:** C918
Date Referred: 9 December 2022 **Date Published:** 20/03/2023
Proposal Title: Modernise laws to respond to the gig economy
Cluster: Cross Cluster

General Government Sector Impacts

	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	-	-	-	-
Depreciation	-	-	-	-	-
Less: Offsets	-	-	-	-	-
Revenue	-	-	-	-	-
Net Operating Balance:	-	-	-	-	-

Capital Expenditure	-	-	-	-	-
Capital Offsets	-	-	-	-	-
Net Capital Expenditure:	-	-	-	-	-

Net Lending/(Borrowing):	-	-	-	-	-
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Total State Sector Impacts

Net Lending/(Borrowing):	-	-	-	-	-
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Notes and costing assumptions:

The policy proposes consultations to develop reforms for workers in the gig economy including:

- a scheme to provide workers compensation benefits to gig platform workers
- a portable entitlement scheme for gig, disability, home care and other precarious workers;
- Extend Chapter 6 of the Industrial Relations Act 1996 to include gig workers in the transport industry like rideshare and food delivery workers;
- Establish discrete and enforceable codes of conduct for WHS work performed by on-demand platforms in the rideshare, food delivery, parcel delivery and disability and home care sectors of the gig economy; and
- Review the grouping provisions of the Payroll Tax Act 2007 to ensure that on-demand platforms are not obtaining an advantage over other businesses.

The policy states that on forming government, Labor will consult on the best approach for developing and phasing in these reforms.

Notes and costing assumptions continued:

The PBO has been advised that among the issues to be canvassed in the consultations is a mechanism for businesses operating in the gig economy to meet the costs of new initiatives such as workers compensation and portable entitlement schemes, including the costs of administering those schemes.

The PBO notes that a lack of data will be a significant barrier to developing cost estimates to inform the consultations. The NSW Legislative Council [inquiry](#) into the future of work reported in 2022. Among other things it noted the NSW Government does not collect data on the number of gig economy workers in the State, or their wage rates.

Other variables that need to be settled in the consultations include a detailed and precise list of what entitlements would be covered under the proposed portable entitlement scheme, the government agency that would be responsible for administering the scheme, and its funding arrangements.

Legal advice will also be required before some elements of the policy can be implemented.

In summary, the PBO notes that consultations are likely to be complex and lengthy. The exact costs of the reforms to State finances cannot be estimated at this time; however, given the advice that the intent of the policy is that any costs will be recovered from businesses operating in the gig economy, the PBO estimates that there will be no net impact on the NSW budget.