

Tabled 18/7/06 by
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WASTE CONTRACTORS
AND
RECYCLERS ASSOCIATION
OF N.S.W.

ABN 72 805 135 472

Inquiry into the impact of the Commonwealth WorkChoices legislation

18th July, 2006

1. The Waste Contractors and Recyclers Association of NSW (WCRA) is a registered Association representing employers in the waste & recycling industry in NSW. The Association represents the overwhelming majority of waste contractors in the state and our current membership can be profiled as follows-
 - Total membership of 93
 - Representing an estimated 4,500 employees and sub- contractors
 - Utilising an estimated 2,600 collection trucks
 - The operations of our Members include domestic & commercial solid waste & recycling collections, liquid waste, skip waste, transfer stations, landfills, waste processing facilities, recycling centres, treatment plants, clinical waste operations, hazardous waste collections, bin manufacturers etc.
 - These Members range in size from large companies (national and multi national), through to mid size companies down to small businesses both in the metropolitan area and in country NSW. In fact, we are one of the few industries whose Members conduct commercial operations in every town and city in NSW.
 - Almost without exception wherever a NSW Council contracts out its waste & recycling service one of our Members is involved.
2. WCRA believes that the ability of workers to bargain with their respective employers is diminished by the WorkChoices legislation. The apparent presumption which lies behind the diminishment of the bargaining capacities of workers is that employment in particular and economic activity in general will be stimulated in an economy where employers have a relatively free hand. It is arguable whether women, young people and casual employees are affected to either a greater or lesser extent given that the overall diminishment of employee bargaining power is significant in itself.
3. Clearly the corollary which flows from the view expressed in respect of question 2 above is that the bargaining position of workers specifically with respect to their wages conditions and security of employment will likewise be diminished.
4. WCRA does not believe that the WorkChoices legislation will have any lesser or greater affect in rural communities than it will in metropolitan communities. The effect of the legislation generally will not be felt so much by geographic location as by the skill base and educational background of workers. To be more specific, those workers with a good education and with skills which are in demand will have the capacity to improve their position where those skills are in relative scarcity. However where employees are unskilled and/or have a poor educational base then those employees may find their wages and conditions being eroded with time. This will become more acute at times of high unemployment when employers will have a greater pool of labour upon which to draw.

5. WCRA can offer no view on whether the WorkChoices legislation will have any effect on gender equity. In our industry what is important is the capability to get the job done, and there are currently no differentials in award rates of pay and conditions between males and females.
6. WCRA does not believe that the legislation itself will have any effect on the balance between work and family responsibilities in the waste and recycling industry.
7. In its current form the WorkChoices legislative package does not affect the rights or position of injured workers. In NSW Work Cover regulates the rights of injured workers.
8. It is difficult to make a prediction as to the outcome of the WorkChoices legislative package on employers and small businesses. Obviously the Federal Government hopes that there will be a stimulus in economic activity generally and as employers benefit from this stimulation so there will be a "trickle down" effect in benefits to employees. However there is a significant potential downside to the WorkChoices legislative package. The effective deregulation of the Australian labour market which has been brought about by WorkChoices will enable capital interests to enter markets which they have not previously occupied and seize market share through the use of low cost labour models. This will obviously work to the disadvantage of incumbent employers who may have more generous workplace arrangements for their employees. It therefore cannot be assumed that the WorkChoices legislation will automatically benefit all employers in small businesses. There will be winners and losers and the outcome, as indicated earlier, is not easy to foresee. This is of particular concern to WCRA. The waste industry is both a rapidly changing and a rapidly developing industry. It will need to draw on employees to an increasing extent in the future. If the effect of WorkChoices is to create a downward spiral of wages and conditions then the capacity of our members to find good people to work in the industry may be severely compromised.
9. In the view of WCRA the best result which this inquiry could deliver is that it strongly recommends an amendment to the legislation which would mandate for the Australian Fair Pay Commission to establish and legislate for minimum rates of pay and conditions across specific industries (such as waste & recycling). At the moment WorkChoices prevents this and WCRA believes that wholesale and unfettered deregulation is undesirable for Australian business and for Australian society.