

INQUIRY INTO IMPACT OF COMMONWEALTH WORKCHOICES LEGISLATION

Organisation: Legislative Assembly
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Telephone:
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Theme:

Summary



8 July 2006

Attention: Merrin Thompson
Standing Committee on Social Issues
NSW Parliament
Macquarie Street
Sydney NSW 2000

SOCIAL ISSUES COMMITTEE

10 JUN 2006

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Dear Merrin

Commonwealth WorkChoices Legislation 2006

I write to provide comment on the Commonwealth WorkChoices legislation and to express concern about the impacts on my constituents and electorate.

While the stated aim of this legislation is to boost productivity and strengthen the economy, the **WorkChoices legislation has polarised the community**, with widespread protests about this legislation, and more campaign activities planned.

Significant and ongoing media reports have shown that employees have already been disadvantaged since implementation of WorkChoices began on 27 March 2006. These reports have identified workers losing their jobs, being made casual rather than permanent, and receiving lower wages or reduced benefits.

Media reports have shown that the choice employees have been given is to accept the new arrangements or lose their job. This contradicts the Commonwealth Government material that presented the legislation as a reform that would help employees and the economy.

Constituents who have contacted me believe the new laws undermine employees' rights, compromise the existing workplace safety net, and disadvantage those individuals most marginalised and vulnerable to exploitation. I share community concern about the effects of lower pay, fewer entitlements, and job insecurity.

Employees who already face barriers to workplace bargaining appear to have been put into more precarious situations under WorkChoices. I am concerned about the impact on casual employees; young and older people; women and mothers; and people with disabilities, mental illness, limited English, or limited educational backgrounds.

I share community concern that vulnerable and disadvantaged workers will have very low minimum standards under WorkChoices, and will suffer unfair treatment.

The WorkChoices removal of "no disadvantage test" provisions, threatens basic standards for workplace agreements, and risks working conditions for existing employees. I am concerned about the impact on employees who have little choice in employment, or who may be put in the position of accepting wages and conditions that are insufficient to sustain their family.

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My constituents and the wider community are concerned that employers with fewer than 100 employees are not subject to the same unfair dismissal provision as other employers. The extended six-month qualification period for unfair dismissal claims (previously three months), appears to be largely unknown in the community, so there is concern about the impact on job security as the new provisions begin to be used.

The conditions covered in industrial awards have been significantly reduced under WorkChoices. I share community concern about the loss of basic provisions. For example, the removal of jury service provisions make it unlikely that employers will grant them, leaving employees trapped between requirements to fulfil citizenship duties and potential impacts on their job and income.

Australian Associated Press reported in June that Australian Workplace Agreements (AWAs) under the new system differ significantly from previous AWAs. This report stated that annual leave loading has been removed in 64 per cent of agreements, penalty rates in 63 per cent, gazetted public holidays in 40 per cent, and shift allowances in 52 per cent. All award conditions have been dropped in 16 per cent of new AWAs, while more than one in five AWAs contain no pay increases over the life of the agreement.

These figures show a dramatic reshaping of the income, working conditions and rights of Australian employees, within a very short time.

With high national housing costs, particularly in the inner city, and high levels of personal debt, I am also concerned about the impact of these changes on life / work balance. Many women's organisations have raised concerns about the impact on female workers and the potential harm on women's careers and their role in caring for family members.

Many Australians were already working much harder, with longer hours, with less job security than ever before, and WorkChoices appears set to rapidly increase the speed of these changes. There has been an increase in casual, contract and professional employment, a reduction in job security and lower incomes for some employees. The removal of collective bargaining and unions from workplaces will also have a significant impact on future working conditions.

Most of these changes are occurring very quickly, without monitoring or evaluation of economic or social impacts.

In response to these new circumstances, the Victorian Government has introduced a new Workplace Rights Advocate, and I believe that the NSW Government should consider a similar service to help NSW residents understand and manage in this new environment.

I recommend that the NSW Government:

- 1. Review complaints about WorkChoices to identify how the NSW Government can provide information and protection for marginalised workers;***
- 2. Evaluate and document the impact of WorkChoices, particularly on marginalised employees;***
- 3. Investigate NSW Government strategies to protect vulnerable employees; and***
- 4. Lobby the Commonwealth Government to reinstate collective bargaining, baseline standards for awards, and protection from unfair dismissal.***

Yours sincerely



Clover Moore
Member for Bligh