

Submission
No 21

INQUIRY INTO IMPACT OF COMMONWEALTH WORKCHOICES LEGISLATION

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Theme:

Summary

Submission To Standing Committee on Social Issues

**LEGISLATIVE COMMITTEE
INQUIRY INTO THE IMPACT OF COMMONWEALTH
WORKCHOICES LEGISLATION**

Penrith Working Families

Jo Jacobson

Introduction

My name is Jo Jacobson and I reside at 2750. I am married with one child and am the Spokesperson of Penrith Working Families. I work as an early childhood teacher in a local private child care centre.

Penrith for Working Families is a community group that was established in November 2005. The Group is made up of a number of ordinary families who live in Penrith and are concerned about the Howard Government's changes to industrial relations legislation.

We welcome the opportunity to make written submissions to this Inquiry on behalf of Working Families in Penrith and would embrace any opportunity to make oral submissions as well. I would also like to request further opportunity for us to put forward any supplements I am currently still sourcing.

In September 2005 I met with the local Federal Member Jackie Kelly and outlined our concerns on behalf of Penrith Working Families. We were deeply concerned when the Howard Federal Government announced its proposed changes to the Industrial Relations System in 2005 after gaining control of the Senate. At the time of the announcement, the government provided few details about the proposed changes notwithstanding 55million dollars of taxpayers' money on an education campaign, which was merely window dressing to promote the changes. It was not until the legislation was actually passed through parliament that working people are starting to become aware of its impact and application.

Even now that the changes have come into force the government has left uncertainty about the interpretation of various aspects of the legislation. One example is the highly publicised Cowra Abattoir case where the new legislation was used to terminate employees, then rehire them on lesser wages and conditions. It was only through the pressure of the media and Kevin Andrews that the employer reversed their decision, however legal opinion is still divided as to whether the actions of the abattoir was in fact legal under the WorkChoices. How are we to know where we stand under Work Choices?

The Penrith Working Families group believes strongly that a number of workers will be substantially disadvantaged by the changes to the Industrial Relations System and we are particularly concerned about the impact this will have on local and families in general.

Major Concerns about WorkChoices

The Penrith Working Families is concerned about the following:

1. The removal of the independent umpire.
2. The Fair Pay Commission – sets the minimum wage and this is no longer determined without reference to fairness of decisions to minimum wage earners.
3. Forcing young workers onto individual contracts.
4. The abolition of the Awards System and a move to placing every worker onto individual contracts.
5. The removal of overtime and penalty rates.
6. The move to prevent unions from entering workplaces and representing workers.

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7. The creation of uncertainty and insecurity in the workplace.
 8. Impact on OHS in high-risk industries – I refer the inquiry to the recent Beaconsfield disaster and the role that the Australian Workers Union played and is continuing to play in relation to the overall occupational health and safety issues. They are also working to ensure that the workers in the mine receive their entitlements and that the families directly affected receive appropriate compensation.
 9. The shift of power to employers with minimal protection for employees, particularly for low skilled, young workers.
 10. Issues of the future in relation to economic downturn. The Fair Pay Commission has already stated they will decrease the minimum wage if needed.
 11. Once employees are on an AWA or Individual contract they can no longer go back to the award.
 12. Changes to the 38 hour week allowing employers to average this out over a 12 month period are extremely problematic for families. This will compromise quality time with children and complicate the balancing act parents face when unable to secure set shifts and hours when looking after children.
 13. Overall family pressure will increase because employees do not have security of unfair dismissal, collective bargaining etc. It is very much an individual bargaining system which is not a positive environment for employees, particularly young employees, apprentices, low income, low skilled workers and women, as has been supported by research that women average far better outcomes under collective bargaining.
 14. Pensions and Parenting Payments linked to average male income instead of CPI may have a damaging effect down the track in cases of economic downturn or should the Fair Pay Commission not increase wages according to a living wage as IRC used to.
 15. No more pay equity cases will be allowed due to abolition of IRC power, thereby taking away collective workers ability to challenge their pay. The LHMU case for childcare workers will be the last seen under the old legislation.

Penrith Working Families would greatly appreciate the opportunity to present to the Inquiry individual case studies and personal accounts of people who have been affected. The purpose of these case studies would be to highlight how the changes have had a devastating impact on Families. These will be detailed in supplements to this submission.