

REPORT OF A PUBLIC FORUM BEFORE

STANDING COMMITTEE ON SOCIAL ISSUES

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

At Penrith on Monday 17 July 2004

The Public Forum commenced at 11.00 a.m.

PRESENT

The Hon. J. C. Burnswoods (Chair)

The Hon. Dr A. Chesterfield-Evans

The Hon. K. F. Griffin

The Hon. C. J. S. Lynn

The Hon. R. M. Parker

The Hon. I. W. West

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CHAIR: I declare open this hearing of our inquiry into the impact of the Work Choices legislation. I welcome Karyn Paluzzano, the member for Penrith, and thank her for attending. I thank Karyn's office staff for helping us with some of the organisation as well. I thank all of you for coming, particularly those who will speak this morning. You will be welcome to join us for a fairly short lunch break. This afternoon we will have a more formal hearing.

You have probably been given a statement, but there are a couple of procedural matters I want to run through. Most of you probably know that we were asked to do this inquiry in March to examine the impact of the Commonwealth legislation. So far we have received nearly 50 submissions and we have had two days of public hearings in Sydney, hearing from the key groups—unions, government and others. Today we are hoping to hear much more directly from members of the community and people who have an experience to talk about or from those who want to tell us about their fears about what they face. We will be in Wollongong next week. We have a hearing in Sydney tomorrow and we have another hearing in Sydney next week as well.

At the end of all that, we produce a report which we table in the Legislative Council. Two things then have to happen: The Government has to provide a formal response to our recommendations and the report is debated in the Legislative Council. When I call your name from the list I have, I will ask you to take the oath or the affirmation. That protects you as well as us in terms of comments you might make. We will give each of you five minutes. A warning bell will be rung after four minutes and another bell will be rung after five minutes. We ask members of the audience to please listen in silence. It really is a matter for us to hear from people and not to have a two-way or a multi-way conversation. Nevertheless we are aware that people hold very strong views about this legislation.

If you are speaking, please avoid mentioning individuals by name. We do not want to defame people but we also do not want to get into arguments which result in someone demanding the right of reply. If you do say something really nasty about someone, we have certain obligations to give people a right of reply and that can become complicated. In most cases we find that people can get across the point they want to make without necessarily going into details of names and so on. If you stray from that, I might need to interrupt and ask you to speak more generally. There is always an opportunity, if you feel the need, for you to put something in writing afterwards so that the Committee has access to information. Hansard is here and we will have the transcript of what you say today. That is very helpful to us. Obviously, after many days of hearings, we have to think about exactly what point was being made by a person at Penrith. That transcript will be publicly available and it will be on the web site probably next week.

I remind members of the media who are present that if you take film or camera shots, you should focus on the Committee members or the witness who is actually speaking only, not on members of the audience. I am sure we will have no trouble. Turn off your mobile phones. We will commence with a list of people that Merrin and Katherine have organised. After that we will have our lunch break and, as I said, you are very welcome to stay. Thank you all for attending.

KEITH FREDERICK BARRINGTON, having been affirmed: Good morning, ladies and gentlemen. My name is Keith Barrington. I am 77 years old. Some of you might say that is irrelevant, but let me assure you it is not. I was brought up during the Depression. Being 77 years old, I was born in 1929, which was the start of the Depression. In your minds, pick up your paint brushes and paint a picture. Jack Lang closed the banks. When he closed the banks, there was no work, there was no money, but what work there was in those days for the likes of my father and some of your ancestors was the digging of ditches for the council with a pick and shovel for two bob a day, or 20¢. Does anybody here work for 20¢ a day now?

Lang closed the banks. There was no money. As I said, there was pick and shovel work. In those days our tradesmen got £5, or \$10, a week after serving five years apprenticeship for 44 hours a week. I am really abbreviating a lot of my submission, but this legislation makes the boss the boss—there are no two ways about that—but for people like me and for people around about my age, that is nothing new. The boss was the boss in our day. You did as you were told. You worked hard and you got paid very little for it, but we lived.

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I worked on sheep and cattle stations for \$26 a week under an unlimited hours award or what you would call an award. There were rewards in that because you could milk your own cows, have your fresh milk, make your own butter, raise your own chooks, and have your own garden when you had time. The boss was still the boss and you did a day's work for them. Now today a lot of people want a lot more than we had in those days. I helped to fight for that over the years as a union delegate. For 30 or 40 years I was a union delegate who was fighting for the conditions that the people have got today.

My argument is this—and I am abbreviating a lot of it: if Mr Howard's Government wants to enforce these conditions that he wants to bring in now, he should have to go back and give us what we could have with the wages that he wants to pay. I will give you an example. In those days you could buy a block of ground and a house at Bronte 200 yards from the beach for £200, or \$400 in today's money. Can you imagine paying \$400 today for a house? Could you also imagine buying a bag of coal to keep your fuel stove going today for 2 shillings or 20¢? Could you buy a rabbit like you could in those days for sixpence? When the bloke sold you the rabbit, he skinned it there and then, and asked you did you want the kidneys and the liver so that you could make soup. That is how we lived in those days, but we lived.

We did not have televisions and all the flash things that we have got now, but we were happy and content, and people had big families. There were no unemployment payments. There was no child endowment, and you did not get \$4,000 to have a baby. You just had it. Do you know why? Because in those days there was not the pill. What I am saying is what I firmly believe—and there is a lot more I could say about hospitals and all the rest of it—that if Mr Howard and his Government want to introduce this legislation, let him first give us back the ability to live on the wages and conditions that he wants to enforce now. Thank you.

COLIN CHAPMAN, having been affirmed: Good morning. Up until 14 weeks ago I was employed as a construction worker on the biggest job in Parramatta, S. Skinner Apartments. Now there is \$3.5 million in moneys owed to subcontractors and workers on that job. The builder says it is not his problem; the developer does not want to know. Seven weeks ago we were locked out of there and they put armed guards in there. We cannot get into get our personal items. My fellow workers and I are owed a substantial amount of wages.

Since then we have had a picket on the job. For the last seven weeks we have been standing in the rain and all sorts of conditions just trying to get our legal entitlements, which are superannuation, long service leave, and everything else. The developer, in his wisdom, does not want to talk to us blokes as a collective, but individuals, and he is offering just AWAs, individual workplace agreements. As a unionist, that is unacceptable to me. It is not freedom of choice; it is just blatant standover tactics. They do not want to know about our problems: paying mortgages and putting food on the table. They are treating us like rubbish.

We have tried to approach different members of the State governments and parliaments, and they do not want to know about it. ICAC is currently doing an investigation against the developer, known as a State development property group. They have a track record with this on a previous job at Camperdown, where they forced the builder to go broke and refused to pay all outstanding moneys to every individual worker on that job and subcontractors.

So we are still going to stay on this job until it is resolved one way or another. I was currently employed under an enterprise bargaining agreement on that specific job. I am a safety officer on the job. There are numerous safety problems on that job, which concluded with the job being closed down. We have been left there on our own. We are getting good support from the public, to know what goes on at the big end of town and just not open to us like normal workers.

If we let Howard get his legislation through, in this climate, God help our kids in the future when they have to find work because they are going to have no chance. That is all I have to say.

PATRICIA FORMOSA, having been affirmed: I am a community worker at Graceades Cottage at Bidwill, which is a community or neighbourhood centre in a mainly Department of Housing area, which is the suburb of Mount Druitt. I want to talk about the social issues of WorkChoices industrial relations legislation impacting on people and families in our community right now. I also want to give

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a little bit of background about Bidwill. It has high unemployment, a high percentage of Centrelink benefit recipients, and a lot of young people. The way in which WorkChoices impacts upon them is the link between minimum wage and benefits that will impact upon them in the future. There is also a high percentage of intergenerational welfare dependency.

As far as workers are concerned, there is also a large number of semi-skilled workers, but mainly unskilled labour in people in our area. Most of these people have low literacy skills, they lack self-confidence, and they actually have no bargaining power with employers. They have little to bargain with, because most of them have no recognised skills.

In working with them, a lot of people who were seeking to get work, we have noticed that they do not have the confidence or verbal skills to negotiate workplace agreements for themselves. So they really need the collective bargaining power and support of unions in negotiating agreements. They also have the threat of being replaced by transient labour—overseas workers, foreign students, backpackers, and that type of thing.

These semi-skilled and unskilled workers mostly have casual work and shiftwork, and they rely on penalties and entitlements to maintain adequate wage levels to support their families. So there is a need to retain the industrial awards system to help these people retain those entitlements and be able to support their families.

I would like to talk about one local family, who is one of the few families that are not in public housing, that have a mortgage. The husband and wife are both working in unskilled labour, and they have three children. One child, who is in the first year of high school, has learning difficulties and is attending our after-school tutoring program to help him with maths and English. The mother works at Alexandria for a printing firm. She had previously negotiated with her employer for a nightshift that fitted in with her and her husband's work times, so the husband could get home in time to mind the kids by the time she needed to leave for work.

Since the WorkChoices legislation has come in, all shifts at that place of employment have been changed. Most of the long-term workers have now moved because the hours did not fit in with family life. They have been replaced by students—quite often they are foreign students—willing to work without penalty rates and other entitlements.

His mother did not have a choice. She needed to keep up the mortgage payments, so she needed to continue to work in these difficult shift hours. It is very difficult for family life. It is difficult to prepare meals; it is difficult to have time with husband and family. The son is no longer able to attend our after-school tutoring because no adult is available to transport him to the community centre for his lessons. He is now lagging behind in maths and English at high school, he is losing motivation, and he may not be able to finish high school. What are his chances of gaining skilled or semi-skilled employment in the future? This is simply perpetuating the cycle of the working poor.

The second family story also shows the impact of overseas workers currently being felt in our community. A family with four children from New Zealand, a Maori family, came to Australia after February 2001. The mother and father were both working. The mother lost her job. The father was working in the building industry as a casual concreter. Because of a downturn in the building industry, he is not getting regular work. But the family is not eligible for any Centrelink benefits because they came to Australia after February 2001.

This is how it will be for workers who are brought in from overseas. They will be here, maybe with their families, maybe on their own. But if the work stops, what then? We now have this family coming to us, begging for help for vouchers to pay for electricity. They are behind in their rent and they are facing eviction.

I do not have time to tell you how WorkChoices impacts on me personally. I was going to talk about going through the fifties when my family had to face my father being on strike many, many times to work for these entitlements that are now being stripped from us: the look on my mother's face when she had to accept a food package; how I felt when I had to go to the headmaster to tell him we could not afford to pay my school fees at the local high school; having to get a special note just to

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collect textbooks, and all the other kids at school looking at me. So I am personally affected by this as well. Thank you for listening.

DENISE GUTHREY, having been affirmed: I am a child care worker at a community-based preschool at Cranebrook. I would like to let you know what happened in my workplace recently. In February this year I applied for my position at a community-based preschool to be made part-time—the additional needs worker position I had worked in for the previous three years as a casual, even though it had been regular work with set hours.

I was prepared to take a reduction in additional pay in return for the job security and additional conditions offered by a part-time position. At the beginning of April my employer offered me my position on a temporary, part-time employment agreement for a period of two months, noting that the agreement may be rolled over. I sought advice from my union, the LHMU, who advised me not to accept this offer as my pay would be reduced from \$18.36 per hour to \$14.74 per hour, but would not provide me with the access to the conditions of a part-time position. I wrote back to my employer advising them that I could not accept the reduced pay and conditions they offered, and requested further negotiations.

On 27 April I attended our staff day. At a staff meeting I was told, in front of other employees, that as I had rejected their offer I no longer held my position and they would be advertising the additional needs worker's position. They also advised that I would be made casual relief. Following the meeting, knowing that I had Buckley's chance of getting any work at the preschool, I rang the LHMU and Jackie Kelly's office. Jackie Kelly is my local member.

The adviser in Jackie Kelly's office was very helpful. She gave me the number of Workplace Services, who in turn gave me the number of the Australian Industrial Relations Commission, who in turn gave me the number of Legal Services. All said they believed I had a legal case, but no-one was up to date with the new industrial relations laws and could not help me at the time. In frustration, I again rang Jackie Kelly's office. This time the adviser personally rang the office of Workplace Services. A member of staff from the office of Workplace Services rang me. I told him my side of the story, and he then rang my employer to get their side of the story. He then rang me back, and said my employer was doing the right thing and I had no case.

I again rang Jackie Kelly's office. This time the adviser contacted Kevin Andrews' office. Kevin Andrews' office then did some research into the status of my employer and advised that I lodge a claim of unfair dismissal with the New South Wales Industrial Relations Commission. I contacted the New South Wales Industrial Relations Commission, which confirmed I could lodge an unfair dismissal claim. I then contacted the LHMU, which filed a dispute on my behalf with the commission. In 19 May, prior to the dispute hearing and represented by my union, I attended a meeting with my employer. The outcome of this meeting was that I was reinstated into a permanent part-time position. I started back in my workplace on 24 May.

As you can see, this process placed a lot of strain on me and my family, both personally and financially. I have learnt from this episode that the State industrial laws need to stay in place as they offer speedy protection at minimal cost to workers in my position. If I had had to fight for my job under the new Federal laws, I would be still fighting for my job at a huge cost to myself and my family, with minimal chance of success. I have gone from pillar to post with what has happened. I got on the phone and tried to do all my own legwork. But I just kept getting fobbed off. I am very lucky that my workplace was at that time under the New South Wales industrial relations laws, because if not I would still be unemployed.

I have been welcomed back into my workplace, and I am doing extra hours. I have had the support of colleagues in my workplace, and that made it easier to go back to my job. People might say, "You're only working 14 hours a week. Why fight for your job?" Well, one, I had a community-based centre, and I work with additional needs children, and that is not an easy job. As it is, childcare workers like me are underpaid. You have to be doing the job because you love it, not for the money because the money you get is horrendous. I was welcomed back into the workplace not just by the staff but the children. Children need stability, and as it is now there is a high turnover of staff in childcare. We need to fight not only for the rights of employees that have been treated like I was but also for these children, because they are our future.

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CHAIR: The next person will be Mr Thomas Hennessy.

THOMAS HENNESSY, having been sworn: Through the Chair, I thank you for the opportunity to speak to this inquiry of the upper House into WorkChoices. My name is Thomas Hennessy, known to my friends as Tim. I am one of a group of retirees formed in the seat of Lindsay with the express purpose of fighting these new industrial relations regulations. Many of us are self-funded retirees and do not belong to any particular union, so you might be forgiven if you think I am active for only altruistic reasons. This is far from the truth.

From day one I have believed that these industrial relations regulations are the product of an evil organisation. I am well reminded of that cliché that for evil to succeed good men must do nothing. In this case, I am on the side of the good guys. So why am I driven, at the age of 71 going on 72, to actively engage in protest? My great grandchildren, of which I currently have four, will be the first generation in my family to join the work force under less advantageous conditions than any previous generation of workers will have since the inception of active trade unionism in Australia. I stand to be corrected, but I believe that struggle has been going on for something in the order of 100 years.

These workplace conditions have, by agreement, been gradually improved over that period, little by little, at times at great cost to past trade unionists and their families. With these agreements being wiped out in a single act, by an evil-driven, politically motivated ideology, I see people driven back to those austere times. This has to be resisted by all legitimate means. If this Labor Party cannot channel our aspirations to a successful conclusion, God help us and subsequent generations!

Mrs MARYLOUISE (MARY) YAAGER, having been sworn: I am going to submit a statement on behalf of [*Names deleted*]. I am aware that they have formally sent this statement to the Committee, but I will table it after I have finished reading it. [*They*] are a family who live in Penrith. Can I ask, Are there any members of the press here today? They want to keep this information confidential.

I write to the committee to express my profound concern about the impact of WorkChoices.

I speak from experience and I would like the committee to take note of what happened to me recently.

I commenced working for a small business in [*suburb deleted*] in 1998. I worked as an Optical Dispenser assisting the principal of the business Mr [*Name deleted*], who was an Optometrist, in all aspects of the business.

The terms of my employment were governed by the Stop Employees ("State) Award.

I helped establish the business and played a major role in growing the business into a profitable enterprise.

Around the middle of last year, Mr [*Name deleted*] employed a young receptionist in the business. I worked alongside the receptionist for around 6 months.

In late January this year, after I had returned from take a period of Annual Leave, I was called into [*his*] office.

[*He*] asked me whether I had heard about the changes to employment law coming into effect in March. [*He*] explained that the new laws gave employers the right to terminate the employment of an employee.

[*He*] then informed me that, "we could do things the hard way or the easy way". [*He*] went on to explain that "the easy way" was that I would resign my employ. "The hard way" was that he would terminate my employment, unilaterally, once the WorkChoices came into effect in March. [*He*] confirmed that should I choose not to resign, I would be terminated in March when the new IR laws came into effect.

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I felt gutted. I could not believe what I had just heard. There had been no indication from [him] in the lead-up to the meeting that my employment would be terminated or that in fact my employment was in jeopardy. I felt I had been a good and hardworking employee. I had worked many extra hours without payment. I had put my heart and soul into the business. As for the business, it was thriving.

I realised the inherent injustice in the manner that I had been treated and the way in which the new IR laws would operate to the detriment of hardworking, honest and capable employees.

I contacted Unions NSW and the SDA. Unions NSW and the SDA took up my case and as a result of their intervention my employer was made to account for his actions.

Mr [Name deleted] relented and offered me my job back, I felt, rather disingenuously. I realised, however, that I would never be comfortable there and so chose an alternative remedy and secured a satisfactory outcome thanks to Unions NSW and the SDA.

The experience I had with my employer left me humiliated and unwanted after years of loyal service. The impact on my emotional state was enormous. The impact on my family was just as devastating. It left my family and me in a very difficult financial position.

In addition, the fact that I was 47 years of age made it a lot more difficult for me to find another job, even with my experience and skill.

I believe if there were no unfair dismissal exemptions for small business under WorkChoices I would not have been forced to resign.

As for WorkChoices creating jobs, well all I can say is that I lost mine and no one else was employed in my position.

Mr and Mrs [Name deleted] came to see me in January. They were not members of unions, but they were completely devastated. Mr [Name deleted] could not even talk; he broke down and cried. It was humiliating for him. I really felt for him. His wife brought in an album full of Christmas cards and letters that the boss had given him over the years saying things like, "You've made our business into a thriving and great business", and, "You are such a valuable employee"—on card after card, letter after letter, then turned around and did this to this man, who I believe still does not have a job to this day. The impact on him and his family has been devastating. That is what is happening under this WorkChoices legislation.

CHAIR: We can make what you have said confidential. It would probably be much more useful though if the transcript could include the details, but with the names deleted of both of the people you have spoken on behalf of as well as the name of the employer. In that way, people can read the story. Is that okay?

Ms YAAGER: Yes, that is fine.

CHAIR: I might ask the media to respect the confidentiality of the names.

CARMEN CINDRIC, having been sworn: My name is Carmen, and I am 18 years old. I study law and journalism full time. I used to work weekends as a casual in a Homewares store in the plaza next door. On 2 July I arrived at work for my usual Sunday shift, and with no prior warning I was given a contract to sign by a co-worker. My employer never contacted me. They were not even there, so I could not ask any questions or negotiate. It contracted away penalty rates on weekends and I was told that if I did not sign I would no longer be employed. I did not sign, but co-workers who relied on the job did, and were subsequently robbed of about \$200 a fortnight.

At the beginning of my employment there I had steady hours, but this year they were gradually reduced after I turned 18 and my rates went up. Under the agreement I would only be earning \$46 a week, and that barely covers my travel and uni costs. I am disappointed at how I was treated. To come into work and be told suddenly I must go home if I did not sign and agree to the terms was a great shock, especially with no-one there to speak to about it. I am worried that this is

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how it will be in the future—that employers can treat their workers with such disregard. That is all I have to say.

STEPHANIE CINDRIC, having been sworn: I am Carmen's mother. I am also the wife of a man who works in the construction industry. So far, we have not had any of the nasty experiences that I have heard here today, and I cannot believe what Miss Guthrey went through to keep her job. But we live in constant fear. I am terribly worried because we are on a single income, and if my husband were told—and I believe he will be told, soon, or within a few months, or next year—that his penalty rates are going to be taken off him, we will not be able to survive. We will not be able to pay off our home loan. What are we going to do? Do we sell our house and go to live somewhere else, perhaps in another State? Or do we rent? How are we going to manage? My daughter goes to university. She wants to improve her life. She wants to do better for other people as well as for herself.

Where I see this WorkChoices legislation taking us is not good. I came here as a 13-year-old. We moved from a communist country. We were given a great opportunity, and always believed that if you work hard you will be rewarded. So far, that has been the case. My parents managed, in a short while, in their first 15 years, to buy a house. We came here with two suitcases only, may I add—two children, two adults, two suitcases. We had no money. My father had \$100 in his pocket, and this was in 1969.

Both my parents worked hard. They worked weekends, they saved and bought a house, and put us through school, my sister and I. We all did well.

The economy, I am told—and there is evidence all around us—is thriving. We hear all the time our CEOs are demanding \$20 million packages and \$17 million. I ask: Who is worth that money? One person? I do not care what hours they put into that job, they are not worth \$20 million, \$17 million or \$8 million a year when an ordinary worker, who has calloused hands and who struggles and who earns \$50,000, is deemed to earn too much. They are saying that his penalty rates should be taken away from him, bring him down to his knees and make him grovel.

I have worked for 18 years. I have had a very good experience throughout those 18 years. I stopped work for 10 years to raise my family and I tried to go back to work. Three years ago I got a job with a company and had to sign an AWA agreement. I did that because I thought, foolishly, that you can discuss and talk to your boss—I always did before: I was in middle management—but I was sadly disappointed. The first time I spoke for myself when I saw that I was being blamed for something that I did not do, that was the finish of me. Within two months I was out of that job. My time comes to an end?

CHAIR: No, that is a warning bell. You may continue.

Mrs CINDRIC: What I am worrying about is this. If our cost of living is going up and our wages are obviously going to go down, how are we going to sustain our way of life? Where are we heading? Nobody is telling us this. Our Government is telling us that we have never had it so good, but so far I know that we have never had it so good because people like these, the union people, have been pushing for better conditions, better wages and safety. I do not know, but I see all that being stripped away slowly. Gradually, it will all be going out of our reach. There will be no safety.

I am not saying that all the employers are bad, but a lot of them, and from what we have heard, only care about the bottom line, the dollar. They do not care about people's feelings. They do not care about their families, and we have to put a stop to this. We have to stop young people like these worrying about how they are going to get along. When they start to get a job, when they start to work, they want to do the best they can. I believe that dedication should be rewarded, not stomped on. Thank you very much.

GEOFFREY PEARSON, having been sworn: I am a union delegate at Australian State Warehousing and Distribution Services [SWADS]. Some 14 or 15 months ago we were acquired by Australia Post which subsequently took formal control of the company on 1 July this year. For many years SWADS had been a privately-owned family company until it was bought out by Australia Post. For many years we were under an AWA until we fought with the help of the National Union of Workers [NUW] and we eventually struck an enterprise bargaining agreement [EBA].

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Everything seemed to go along quite fine. It was a fair agreement. Both parties agreed it was a fair agreement but now we find ourselves, since Australia Post has taken formal control of the company, having a new facility, a new warehouse, that is just opening up at Greystanes, or rather Prospect, and we have been told some very disturbing things coming out of that the site, such as AWAs being introduced by Australia Post's senior management. The point I would like to make is that the majority of workers they have at the new site are casuals. As you can imagine, they would be absolutely desperate to get a permanent job. The difficulty is in trying to get any permanent job these days.

How this legislation can be described as Work Choices is beyond me because basically these casuals were told, "You want a permanent job? That's fine. Here is your contract, an AWA." It erodes virtually everything we have fought for over the years. To say the least, people will be out of pocket. Probably that is a gross understatement. One of the main points of this is that initially if a casual was to look at this, a potential permanent, you see that they are being offered \$18.07 an hour against what we are currently getting, which is \$17.68 an hour. That might seem quite fair, until you read the fine print. As the hours go down, so do the wages. Eventually, by the time you reach 38 hours a week, which is what we will be doing by the end of our agreement next year, they will be on \$16.68 an hour and we will be on nearly \$18 an hour.

I honestly do not understand how the term "Work Choices" can be described as choices when there are no choices. We are told time and time again, "Right, you want the job, there's the contract. You don't want the job, there's the front door." Another disturbing fact of the AWAs is that they totally exclude the union from any representation. We are told that if you sign, if you are a party to this AWA, you are one of these potential new employees. You sign on the dotted line. If anything should happen that you should need representation down the line in the future, you are denied it. They can deny you representation of any sort.

The horror stories that are going around are not exaggerated. These things are actually happening now. I could stand up here and talk for an hour or more about some of the instances I could tell you, but ever since Work Choices came in, as far as we are concerned, it is totally misleading by the Federal Government. It is not Work Choices; it is simply no choices whatsoever.

JAMES NERO, having been sworn: I am a local. I live in Werrington. My family I would like to raise there. I have three daughters. The eldest one is 11 and the youngest one is now six months. My wife recently took maternity leave to raise our youngest daughter. She went through the usual process as she always has done with the last two daughters. She applied for maternity leave and was granted that. She was lucky enough to be working with an employer which, before she went onto maternity leave, gave her flexibility to be there to drop the girls off to school and later to pick them up.

Recently she received a letter from her employer to say that she is now required to give notice whether she will be back within the required time of the 12 months that she applied for. With that letter also came that the flexibility she previously had was gone. She rang the employer to discuss it and got told that, under the new system, they believe that they do not have to offer this flexibility any more, and now that has gone. For my wife and myself, that will be very difficult. I work full time. Previously she was able to work part time.

She started to ring around to different employers locally to try to find work to be able to go back to. While she was on the phone, these employers are actually saying to her that the job is 40 or 50 hours and that, so "What are you prepared to work for?" They are asking her what she is prepared to work for before she even gets an interview. For us, we have not heard of these sorts of things. Previously you applied for the job, you have gone there, you have been given an hourly rate and you decide whether you take it or not. She is not hearing back from these employers once she discusses the wages.

For us to drop wages, we have a big mortgage. We are a normal family. We have a large mortgage. We need to both work. Our girls are going to suffer if we cannot do this. We will lose the house. We do not aspire like Mrs Cindric does to send her daughter to university. I would like to better my kids rather than what I have had. I have worked with my hands my whole life and I do not

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want that for them, but I will not be able to afford to even keep a roof over their head let alone give them the education that I would love to give them under this new Work Choices system.

I am on not bad money at the moment. I am on \$21.25. That is a good rate, but our agreement runs out in April. My concern is that what I am being told is that I can be dropped. They can apply to some sort of period of three months, I believe, and my wages can go down to five basic minimum conditions from that EBA. We have had a lot of protections in that EBA in the past, but that is about to be gone. Our employer, we have asked for a guarantee—"Look, will you guarantee that you are not going to do this?" "No, we won't guarantee that." I mean, that is scary for us. When you drop down to \$12.75, \$13, \$14 or even \$15, we will lose the family home.

What do you tell your kids? You try to teach your kids that if you work hard, you will get rewarded, but that is not the case any more. We will suffer. My daughters will suffer. When I brought them into the world, I did not expect that this would be the future that they would have. I would like to leave it there. Thank you.

BRUNO MENDONCA, having been sworn: I am from the National Union of Workers. I am an official and I am here on behalf of Lyle White who is a member of ours. Lyle White has worked for a number of years at a company. He has been diagnosed in the last six months with cancer. He has taken some time off during that period of six months only to be told through that period that his job no longer exists. He has been terminated. He apologises for not being in today because the actual matter is before the commission and that is where he is, along with his wife who also six months prior to that was diagnosed with cancer. So his family is going through a fairly heavy trauma. To be told that you no longer have a job simply because you have been taking some time off to seek chemotherapy I think is outrageous.

In addition to that, the other part of the story that I do know is that his doctor, when he was seeking treatment through one of the sessions, had asked him personally, "So when are you going to go back to work?" He said, "Are you kidding? I'm still working." The doctor said, "What do you mean? You're going under chemotherapy and taking treatment, and you're still going to work?", and he said, "Yeah." So here we have a dedicated 57-year-old gentleman who has worked fairly hard and who is committed to his employer. He undergoes a medical condition over which obviously he has no control, seeks to have himself looked at, and gets terminated in the process.

We are happy to submit these facts in writing to this body. Unfortunately, I do not have the exact particulars, but I would be happy to provide them in the very near future. Thank you.

CHAIR: Just to clarify that, the case you are talking about is in the commission today?

Mr MENDONCA: Yes.

CHAIR: We might then get from you a statement, when you can, but we might also like to later on get some idea of the outcome from the commission.

Mr MENDONCA: Absolutely. No problem. Thank you.

CHAIR: I think we overdid saying that we will have to be brief to make time because we have actually got through all of the people on our list, unless the two who were not here earlier, Mr Hennessy or Mr Ives, have since turned up. We can break for lunch a little bit earlier than we had intended. Alternatively, if other Committee members particularly want to ask any questions of any people who spoke to us before, or if anyone feels that they really cut short their statement because we were a bit worried about time and would like to say anything else, we could do either or both. We are in your hands really. I know Ms Formosa, for instance, said she still had more to say, but apart from anyone who might want to say something, there may be Committee members who might want to ask some of the people who have already spoken to us a question. Mr West?

The Hon. IAN WEST: I think Patricia Formosa wanted to make further comments about her history. Perhaps she may wish to do so. I also have a couple of questions to ask.

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The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Since we have this opportunity, may I suggest that we allow the people who felt they did not have enough time to add to what they have said. I also have a couple of questions.

The Hon. IAN WEST: I am interested in two concepts, one being the issue of hours of work and whether or not there is a general position here that people are looking for, not only security of a job but more hours. For example, I think Denise Guthrey, the child care worker, was working 14 hours a week. Perhaps I should ask Denise. Not only are you looking for security of tenure, but are you also looking for more hours?

Ms GUTHREY: At the time I was looking for job stability, not extra hours. I was only looking for job security for my family, because I have been in the workplace there for three years. Because I work with children with special needs, my job is funded. So I looked at it over a whole period: that for three years I had been in this specially funded job, that I could continue on a more permanent basis, so I was able to get sick leave entitlements and holiday pay.

I work in a preschool, so every school holidays we break for school holidays and I do not get paid for that time. I found that, as a family with a mortgage, we were forever playing catch-up every time I went back to work after the school holidays. So it was not because I wanted extra hours as such. I was happy with my three days a week. I was working two four-hour shifts and a five-hour shift. Mine was just more for job stability, so that if I was sick I was able to take time off work. It was getting to the stage financially, "Okay, I'll struggle; I'll just get out of bed and go to work." I was only there for four hours. So it was more about job stability, not the extra hours, in the beginning.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: When you say your job was funded, do you mean it was Government funded?

Ms GUTHREY: Yes, my job is funded by DOCS and DEET.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: DOCS pays your employer, is that correct?

Ms GUTHREY: Yes, that is correct.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: And presumably, they pay you a certain hourly rate to have you there. Your employer is effectively a subcontractor to the Government on a Government grants program, is it not?

Ms GUTHREY: That is right. It is funded, and we have to apply for funding for each individual child. I am on a set wage on the child care rate under the award. No matter how much they are getting from the Government, I am under an award through my child care centre or preschool.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: But if you got less money per hour, they would keep the difference presumably?

Ms GUTHREY: That is right. That is what we were fighting for. When I applied for this, all he kept throwing back in my face when I asked for job stability was, "Your job is funded." My job was funded for three years, and in their contract—it was not an AWA; it was an employment agreement they put on the table—they wrote that if the children left the centre and the funding was null and void, I would no longer hold my job. I agreed to those terms, but not under a two-month contract. I was not going to agree to it, because you have to be in the workplace for three months before you are entitled to sick leave and I was losing my casual loading, which covered me for sick leave and the 17.5 per cent loading. Signing a two-month contract, I would not be entitled to any of that.

All he kept throwing in my face was, "Your job is funded. Where are we supposed to pull a job out for you, Denise—out of our backsides?" I am sorry; I already have a job. I am not trying to take someone else's job in the workplace. I want my job, but I want to have job stability.

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The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Was the group you were working for covering their backsides in case the Government funding stopped? There have been changes. I do not know whether you are aware that in the disability sector a lot of people have been tendering for providing services. The tender changes, and some NGOs lose the tender and others get it. Obviously, that means the employees have to get sacked and they then have to get picked up, hopefully on the same conditions, by the person who is now delivering that service. But this was in a stable situation where your NGO was still getting the money, is that right?

Ms GUTHREY: Yes, that is correct. They still had the money. When I applied, they had already been given the money. They are now applying for refunding again. I asked for my job in February and we are now in July. So why could they not offer me at least a six-month contract?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You say that if they had got funding for your job for three years, you ought to be offered the job until their period of funding ceases? In other words, you would not ask for it after their period of funding ceases, but until then?

Ms GUTHREY: Yes, until then. I took on the argument that my job had been funded for three years. Yes, I know they have to apply for it on quite a regular basis. But if those children are attending the centre, you will normally get the funding for these children. If they had a clause in their contract that if the funding did not come through, or the children left the centre, or the money was spent, my job was null and void, I was happy to take that on in the contract. But for some unknown reason—I have no idea why—they just keep saying, "But we only get funds, Denise. I can't pull a job out of my backside."

Well, I have a job. Whether they had to pull it out of their take side for the last years or not, I have had that job for three years. I am working with children who have Aspergers, autism, ADHD, and great learning difficulties, including speech problems. These children need a carer, and the same carer with them constantly, especially children with autism and Aspergers, because these children do not like change at all.

Also, if they are worried about their funding or how much money the centre is getting in, when they stood me down and they wrote that I would be a casual relief person, why did they then call a child care agency, where it would have cost them \$18 if I was still on the casual rate to call me in and replace me? Instead of calling me, they rang someone from a child care agency and it was costing them \$20-odd an hour. That is when it hurt.

I had been there for three years, working with the same children for three years, and they have pulled someone from a child care agency who does not even know these children. That is what broke my heart. I work with these children closely; it is like they are your own. Unless you work in child care—and a lot of people do not, and I do not blame them; it is a hard job. But I love my work; I am passionate about it. That is why I fought for my 14 hours a week. It was not about the hours; it was about job stability and because I love my job. I love working with these children.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: They were effectively paying for the flexibility of not having someone on their books?

Ms GUTHREY: Yes. When the union got my job back, I could not fight for loss of wages. I probably could have, but why fight for something? I got my job back, but technically, because they classed me as being on the books as a casual relief, I was at a loss. So for three weeks I sat at home without wages, after coming off two weeks on holidays with no wages because I was a casual. I was prepared to go back to work after the holidays, but I got my contract in the mail at home. Because I had sent it back, they then decided at a staff meeting, in front of nine other employees, to stand me down because I would not sign it.

That was more embarrassing than anything, being stood down in front of my work colleagues. Having only nine employees, under the new industrial relations laws because it is under 100 employees I would have been put on the scrapheap, you may as well say. It has been a hard fight, but it has been worth it.

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The Hon. Dr ARTHUR CHESTERFIELD-EVANS: James Nero, I was interested to hear your comment that when your wife was looking for work she ran a number of employers, who said, "What are you willing to work for?"

Mr NERO: That is right.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Effectively, an employer could sit there with people, knowing they have a possibility of work, and simply negotiate with each individual, say, 2¢ an hour, and ask, "What are you willing to work for?" When they said, "I am willing to work for \$1 an hour", or whatever, the employer would say, "Okay." Whereas anyone who said, "I will work for the award", or for \$10 or \$15 an hour or whatever, the employer would say, "No, sorry. Rack off."

Effectively, it is absolutely a market. It is like you go to a fellow and say, "If I buy this widget, will you take \$1 or will you take \$2?" You are bargaining for a widget, more or less?

Mr NERO: That is right. The first couple of times, my wife was thrown. She pretty much said she knows the hourly rate she is on now. She was just saying, "That hourly rate, or maybe a dollar less"; if she could get local work and there was flexibility with the kids, it would work. We work out our budget, as any other family does. But once you give that price— They were very polite over the phone, and would say, "No worries. We will call you back for an interview time." She has not heard anything back for that price.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Maybe there is someone willing to work for \$3, \$4, \$5 or even \$10 an hour less than what she is working for, so effectively that becomes the market. If you go to the bank and say, "Our total family income needs to be \$50,000 to pay the mortgage", she cannot bid less than a certain amount.

Mr NERO: That is right. We are very limited, being a family of three, so we pretty much need a certain amount of income. She is not asking for anything extraordinary.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The lack of an award means, effectively, that there is no bottom price, and that you have the bank on one side saying you have to make \$X and you have the market on the other side saying, "We will take the least possible wage we can get, and that is from the person who lives next door and is prepared to work for next to nothing."

Mr NERO: That is exactly right. I do not see how that is a choice. You do not have a choice.

CHAIR: Did any of the employers your wife was speaking to suggest an amount, or was it always, "What are you asking?" and then, "We will get back to you"?

Mr NERO: It was, "What are you asking." All the time it was, "What are you prepared to work for? What are you looking for? What is the hourly rate?"

CHAIR: They did not nominate a figure?

Mr NERO: No. And they would always be polite. As I said, on the phone they would say to her, "No worries. We will get back to you with an interview time." But none of those interview times have come forward. She has just not heard anything back from these employers. Obviously it was too high. As I said, it was not anything like the \$21.25 that I am getting; it was nothing to that extent. But still, obviously, it was too high to what she was asking for, because she has just not heard anything back.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: She is bidding at a little below the award, is that the bottom line? When she is a little taken aback and she eventually recovers, and she says, "I have been getting \$16.50; I'll take \$15"—something that is relatively close to the award, she is asking?

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Mr NERO: Yes. It is pretty much what we would survive on, and rely on to pay our mortgage, look after the kids and do what we need to do. It is probably a little bit less than the award, but it would still be enough for us to survive.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So she is offering below-award rates—presumably without penalty rates, sick pay and holiday pay?

Mr NERO: That is right. She is looking for flexibility, and some of the jobs are between 40 and 50 hours, with a flat rate. I work a 40-hour, flat rate week.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Forty or 50 hours at a flat rate leaves little flexibility, because it is full time. They could say, "Don't come in Friday, as long as you come on Sunday," if you would call that flexibility.

Mr NERO: There is no flexibility. When we decided to have another baby, we thought she would be able to get back into the work force exactly as she has done after the last two. She has found somewhere that is flexible enough to enable her to have another job. But, this time round, it does not seem to be there.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Conditions are a lot different. Well, you would not say you wish you did not have the baby—

Mr NERO: No.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: But you may not have gone ahead had you known that circumstances would change this dramatically?

Mr NERO: That is right. After our last two children it was easy for my wife to return to the work force and find a job with flexible arrangements. This time round, it is not there. She is finding it really hard to find work, and we will find it really hard if she cannot find anything within the next six months.

The Hon. IAN WEST: Have you or your wife had any difficulties with the number of hours per week that you have been offered?

Mr NERO: I work 40 hours now, and it is hard to balance those working hours with spending enough time with the kids. My wife has always worked between school hours. If she wanted to do a job of 40 to 50 hours a week, the kids just would not see us. That is not why we have had kids. We have always been able to balance time with the kids and our work lives, but this time round it feels like that is not going to be possible, and that is scary for us.

The Hon. IAN WEST: It is being said that everything is fine: we have low unemployment of 4.9 per cent, everyone out there seems to have no difficulty finding a job, everyone loves everyone else and we are just one big happy family, so what is your problem? This seems to be the philosophy coming through. Are you saying it is not like that at all?

Mr NERO: It is definitely not like that. Maybe unemployment is lower, but I do not know where they get their statistics.

Ms GUTHREY: There are more casual workers out there.

Mr NERO: I was about to say that my employer has 200 casuals on site, and some of them get 4 hours a week. I do not know whether they are considered as being employed if they get 4 hours a week. But if that is how they are getting their statistics, that is wrong.

The Hon. IAN WEST: You are saying in the western suburbs of Sydney and in Penrith the unemployment rate is not 4.9 per cent?

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Mr NERO: They might be employed if they have 4 hours, but I still consider that unemployed. If you are only getting 4 hours or 8 hours, you are unemployed; you cannot survive on 4 or 8 hours. If 4 hours a week is considered employed, I do not understand that.

The Hon. IAN WEST: Denise is happy with 14.

Ms GUTHREY: Fourteen is enough to keep our heads above water and pay our mortgage. If I were offered more, I would take it. While working as a casual for three years, I needed job stability. If I am going to be working the same day, every week, year in and year out, I want job stability.

Mr NERO: I worked as a casual for five years, but my employers recently offered me permanent employment.

The Hon. IAN WEST: What is "permanent employment"?

Mr NERO: I get 40 hours a week now, guaranteed—that is, full time with my employer.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: But is that with no penalty rates and no holiday pay—or what do you call permanent?

Mr NERO: I do get holiday pay, but I get no overtime because there is zero overtime. They utilise casuals for anything that used to be overtime. We have a big pool of 200 casuals, but some are getting only 4 hours a week.

The Hon. IAN WEST: Is your 40 hours a week 40 hours every week, or is it an average of 40 hours a week calculated over 12 months?

Mr NERO: At this stage, it is 40 hours a week. But I have heard that they have hinted that it can be averaged. Our agreement runs out in April, and that is what we are scared of: they have hinted of averaging hours. That could throw a spanner in the works. We get some time now with the kids. My daughters play netball, and we enjoy getting down there for netball. If I have to work Saturday, I will not spend time with the kids; they will be at school when I am home. I don't know how it is going to work out. What will happen is really uncertain.

The Hon. IAN WEST: So one week you might work 20 hours and the next week you might work 60 hours?

Mr NERO: Yes.

The Hon. IAN WEST: At ordinary rates.

Mr NERO: That is what I am hearing can happen. At the moment it cannot, but apparently, after my agreement runs out, that can happen.

CHAIR: We have to finish soon, but we promised Tricia a minute or two. Thank you, James, for answering questions for us.

Ms FORMOSA: I wanted to mention that the situation in Mount Druitt is a lot different to the situation in Penrith. With the Welfare to Work changes and Centrelink, a hell of a lot of people will be looking for some kind of work. For unskilled labour, the situation is even more precarious than it is for those who are skilled, which has been spoken about here this morning. One of the really big issues that I wanted to bring up is how the Centrelink Welfare to Work legislation works. Another is the question of public housing. The Department of Housing now can only really house people with multiple issues, not just families with low incomes. To be eligible for public housing, you need to have lots of issues. Once a family has a job, they are charged full market rent. Or, if they do not have a long-term lease, they may be asked to leave after a very short period of time in public housing. So life in general is being made very precarious for the many struggling families whose members have very few skills.

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What I am saying is that this WorkChoices legislation appears to be following the United States model and many other models. We are being told by our Federal Government that this is the road we have to go down. I am asking the Committee to look at other models for our industrial relations law. We may not be able to maintain our present system, but we do not have to follow the United States model. I ask the Committee to look at other models that we can adopt that will keep people in work as well as retain the standard of living and family life that we in Australia enjoy, and not to follow blindly where others are leading us. I close with this quote: The measure of a civilised society is how it treats its most vulnerable members. We must think about that.

CHAIR: Thank you, Patricia and all of you, for your contributions this morning.

(Luncheon adjournment)

(Public Forum concluded at 12.30 p.m.)

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MAREE CAROL McDERMOTT, Manager, South Penrith Youth and Neighbourhood Services Inc., Corner Trent Street and Birmingham Road, South Penrith, 2750, and

LAURA ANN WILLIAMS, South Penrith Youth and Neighbourhood Services Inc.—Youth Resource and Development, Corner Trent Street and Birmingham Road, South Penrith, 2750, affirmed and examined:

CARMEN BOSERIO, Management Committee Member, South Penrith Youth and Neighbourhood Services Inc., Corner Trent Street and Birmingham Road, South Penrith, and

JULIE ABDALLA, Aboriginal Team Leader, South Penrith Youth and Neighbourhood Services Inc., Corner Trent Street and Birmingham Road, South Penrith, 2750, sworn and examined:

CHAIR: This morning we received a confidential statement. To enable it to be made public, we will need to delete names.

The Hon. IAN WEST: I move:

That the statement be made public by deleting names.

Motion agreed to.

Ms McDERMOTT: Thanks for the opportunity of speaking directly with you today. I will read my statement. I feel quite nervous. We talk from the perspective of having grassroots community information and experience built over many years of working here in Penrith. Many of our projects work at the coalface of everyday people's lives. We have earned the respect and trust of those communities. They want us to tell their stories on their behalf, especially those we work alongside who have few personal skills and resources to articulate their fears.

We also speak from the point of view of operating a small workplace—16 employees—and we bring with us 20-plus years of experience in having a volunteer management committee, which is a group of local community members who give up their spare time to support our organisation. We are part of the third sector that helps create a civilised society. There are three things that we wish to place heavy emphasis on because of their far-reaching impact on social equity and common good. They are: the average person does not have the ability to negotiate their own workplace agreement; the probable rise in childhood poverty is linked to less household income because of the loss of overtime and penalty rates and the annual cost of living adjustments; and the diminishing capacity of people to build local social capital because of the implication of extending the working hours over a four week.

Starting with the ability to negotiate one's own workplace agreement, this is at the core of the legislation. We would call this actual dishonesty and a purposefully disempowering proposition. With this point, the Federal Government is willingly and knowingly taking away the majority of working people's rights and entitlements which have been won by them over the past 100 years and have become the benchmark of fairness. The Federal Government purports that all people will be able to sit down with their boss and negotiate their own deal on wages and conditions. I mean, what nonsense is this? What sort of spin doctoring are they giving us? There would actually be nobody in this room today, I do not think, who actually believes that people have equal power. It is a given that in every household, in every workplace, in every school or institution, in doctors' surgeries or even in the caring profession in which we work, power operates. It operates for a small number of people, and is not for the majority of others.

So in the case of the workplace, who has the power? We know it is the employer. It is the boss. There lies the manipulation of the language used by the Federal Government in telling us that we can actually sit down at the table with the boss and work out a set of terms and conditions that are acceptable to both of us and that are flexible enough to suit both our lives. All of us know that this is just not so. The legislation has been introduced by the Federal Government for the purposeful intention of reducing working people's rights and entitlements in the workplace because they do not have equal bargaining power. Knowingly and purposefully the Federal government has done this to the citizens of Australia.

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The negotiation one on one is a very powerful way of ensuring that collective agreements, which have historically served working people well, will be done away with. The old saying "United we stand, divided we fall" goes to the heart of this. We need to remember where such a saying came from—the days when working people had few rights and were fighting for those rights to ensure adequate social conditions for their families. Why would we want to go back to that?

We know that many of the families that we work with and see on a day-to-day basis will sign any sort of agreement put before them because they cannot afford to bargain or be seen to be unhappy with their conditions. There is the rent or the mortgage to pay, medical, pharmaceutical and dental fees, school excursion and sports fees, child care costs and the costs of food on the table. Who can afford to tackle that when your budget runs week to week? That is not flexibility. That is coercion.

Our second point is the likely growth in childhood poverty. We already see too much child poverty in our current work with the low-income communities and Aboriginal families we work with. Our programs work towards trying to assist families to combat this. Having little or no money to feed your children is an appalling fact in this modern Australia and it is utterly disgraceful. We already run a family breakfast program. Will we soon be called upon to run a soup kitchen? What century are we living in?

These most disadvantaged Australians already work in low-income positions because of their lower educational and training status. They have little or no bargaining power. Very often the low hourly rate is topped up by overtime or penalty rates. What will the new legislation do? It seeks to take away those much-needed rewards, thereby reducing family income and placing stress on already burdened families and leading children into further poverty. Overseas research, most notably in New Zealand when similar industrial changes were brought in during the 1990s, showed most clearly that childhood poverty rates increased, thus placing the health, happiness and future prospects of our most vulnerable into jeopardy. For a government to knowingly do this to children is a disgrace and must not be tolerated.

Our third and final point is the further weakening of community capacity by limiting the opportunity of local people to volunteer in the local community. South Penrith Youth and Neighbourhood Services Inc. [SPYNS] is primarily a community development organisation. It tries to create spaces, places and opportunities to bring people together whether for an issue, an activity, or a program. Our core aim is to build connections between people, creating trust and co-operation and a sense of belonging to the community in which they live. There is ample current evidence showing that a sense of community is something that is dwindling within our modern society. People's disconnection with others and with their community has been aided by an individualistic approach to social policy at all government levels. The common good is at peril of being lost altogether.

When this new industrial legislation arrives on the scene, it sweeps away our precious family and community time by allowing employers to make every day of the week the same. At risk, or gone, are our time-honoured weekends and evenings which were our time or family time. Rest, recreation and renewal might still exist, but it is of little use when there is no other family or community member to share it with. We already hear that we are time poor, and that our relationships with friends and family are suffering. It is then easy to see that in the new world those possible connection times will be even more severely limited. If our societal norms of work and rest are at risk, the way we organise and prioritise our lives will be adversely affected.

Social research is already available to show the detrimental impact on a fully deregulated labour market. It does not come without high social costs which will have to be borne by society as a whole. And what we are talking about here is actually people's lives. As an advocate of equality within a nation, we fail to see the adequacy of the arguments given by the Federal Government for this drastic change. On the contrary, our sociological experience and judgment leads us to great despair for the future of the Australian workforce, in particular those who are least able to speak for themselves.

CHAIR: Do you want Committee members to ask you questions now, or shall we go through the other submissions?

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Ms McDERMOTT: As we go through, we all give a perspective of the organisation as a whole because it actually has quite a few arms.

Ms WILLIAMS: I would first like to express my appreciation for being given the opportunity to raise issues about Work Choices at this inquiry today. I am speaking today as an advocate for young people. I would also like you to know that I am feeling slightly anxious and intimidated. I imagine this is how many young people would feel about having to negotiate their rates of pay with their boss. The three main points I would like to expand on in relation to the Work Choices legislation include the ability of young people to negotiate rates of pay and conditions, given their inexperience and lack of information; the impact of the poor rates of pay and conditions on family wellbeing; and my view that Work Choices legislation is a dehumanising policy move.

My position is that of youth resource and development worker across the Penrith local government area. My role is primarily that of advocacy and representation on behalf of young people 12 to 25 years old. I would like to share with you two case studies that have been conveyed to me by parents of young people. John is a young man who was aged 20 at the time of signing his AWA. John has a mild intellectual disability and low literacy and numeracy skills. His mother says:

I was unaware of the AWA so I don't know if it was signed as soon as he started in his position or at a later date—possibly during his probationary employment. Even if this was read to him, which I doubt it was, he would not have been able to fully comprehend the content and what it meant to him in the short term or the long term especially in relation to loss of penalty rates and overtime.

John signed the AWA. Considering that most of John's hours are worked nights, weekends and public holidays, he is now working for a flat rate of \$10 per hour whether he works at midnight or midday.

Young people without a disability still often do not have the skills to negotiate a better agreement, even if they are given the opportunity, but it is even more difficult for someone with a disability. He has no penalty rates, no overtime options, and can be sent home from a shift after two hours at the discretion of the employer. John in my opinion is being exploited and will continue to be trapped in a cycle of poverty. He will have little opportunities for training or further study.

Jane is a young woman of 17 and is of above average intelligence. She was offered an AWA for a casual employment position and again there was no option for negotiation. She did get to take the document home to discuss with her parent who raised several issues in relation to the conditions of the AWA. However, when Jane raised these issues with the employer, the following day she was told that these were the rates of pay and conditions and she could either sign or they would find someone else who would take her place. Jane did sign, but remained at the employer only a short time and eventually found another job with an employer who valued staff. She has been put on rates of pay and conditions commensurate with State awards.

Jane's story bears witness to a belief that some employers will view staff, particularly young inexperienced workers, as merely a pawn to be replaced, should they not see things through the view of the employer. Their skills are merely goods for sale at a price decided by the employer. Work Choices seems to me to be contradictory to other government policies that have poured thousands of dollars into youth transition programs designed to ensure that young people are supported and nurtured through this critical stage of life—the transition from school to work. Yet once they apply for a position, they may be at the mercy of mean or rogue employers who will view staff only in terms of the profits they can make from their labour. From these two case studies, one could assume that negotiation is a much misunderstood and misused concept. The fact is there is no negotiation. There are only the options provided by the employer.

I would now ask that those present come on a journey of the imagination with me. Think about your first job. Due to the protection offered by awards, you were put on reasonable rates of pay and award conditions that had been negotiated by people interested in protecting your working rights. Now imagine yourself in your earliest job and being told you were to be put on an AWA. Did you know enough to enable you to negotiate? Would you have challenged your employer? Now imagine your own children and their diverse fields of employment. Could you adequately argue for your child's pay and conditions?

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An article in the *Sydney Morning Herald* of 18 July 2005 quotes a spokesman for Kevin Andrews, Minister for Employment and Workplace Relations, stating that if a young person felt they could not negotiate on their own behalf, they could elect an agent, such as a family member or friend, to represent them in their wage negotiations. Now imagine your mother coming in to negotiate for your pay and conditions for your current position. Some of you may smile imagining this, but for many young people that will be the reality.

My second point relates to young people from disadvantaged backgrounds: young people who may have come from families who are struggling to keep food on the table and a roof over their head; young people from refugee backgrounds who need to work but have little connection with those outside their families and whose parents either speak English as a second language or not at all; young people with disabilities or parents with disabilities. Young people from disadvantaged families are already living in poverty. This group of young people may be under pressure from family to accept a job, regardless of poor pay and conditions.

This decision will have the ripple effect of reducing their ability to seek other work or access study or training, which would enable them to improve their circumstances. This will lead to young people becoming further entrenched in the cycle of poverty and joining the ranks of the working poor.

The third point I would like to raise is that personally I view the WorkChoices legislation as a dehumanising policy move by the Government. It appears to me to be a strategy of rationalist economic ideology, designed to provide increased profits to business at the expense of the most vulnerable members of our society. Is it right that some people with power, or provided with power by market manipulation, should be permitted to enslave other people born less powerful, or made less powerful by market manipulations, to demean their lives with unfair conditions and remuneration, to corrode their destinies with suddenly abandoned traditions of work? If it is permissible for human beings to harass and humiliate another human being in the name of profit, and to do so without fine or hindrance, it is not a democratic system; it is a tyranny.

The responsibility of good government is to put in place policy that protects the most vulnerable members of the community from exploitation and coercion. WorkChoices allows for exploitation and coercion that is condoned by the policy of the State. WorkChoices is putting the State above that of the citizens of the State, and devalues the input made by those participating by way of work. There is much at stake here. If we continue relentlessly down the road of free market liberalism in the guise of WorkChoices, we could lose key ingredients of a decent consensual society.

I would like to finish up by stating my support for recommendations made by the Youth Action Policy Association that suggest that AWAs need to be banned for young people under 20 and that a New South Wales State watchdog be set up to act as advocate and support to young people completing the transition from school to work, to ensure young people are provided with protection in this new industrial climate.

Ms BOSERIO: Thank you for the opportunity to address this forum and put on record my concerns about the serious negative repercussions the WorkChoices legislation poses for our communities and the broader Australian population. I believe that this legislation will impact on the ability of adult Australians to continue the age-old tradition of lending a hand through volunteering.

I personally have a strong background in volunteering, for most of my adult life contributing to my community in a number of roles: at my children's schools, through parents and citizens associations, literacy programs, fundraising, sporting activities and generally supporting extracurricular activities. Following this period, I dedicated a number of years to volunteering for the Asthma Foundation of New South Wales, where I was an integral member of a team of volunteers that provided support and education for families who were affected by this illness.

For the past 12 years I have been an active volunteer management committee member of the South Penrith Youth and Neighbourhood Services management committee. SPYNS, as it is known, works through an empowering model to support individuals, families and communities who generally are among the most marginalised and disadvantaged.

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In 2004, 6.3 million Australians, or 41 per cent of the population, were active volunteers, with the largest number of hours contributed by older and younger volunteers and the greater proportion being contributed by women. Research indicates that volunteering contributes several billions of dollars each year to the Australian economy. As Putnam and Edgar have stated, research has shown the importance of informal networks and voluntary associations built up in regions and communities to economic growth and productivity. Social capital is equally as important as human and financial capital. The WorkChoices legislation threatens the very basis of social capital.

Research also indicates that until January 2005 volunteering in Australia was on the increase, with Australia having a significantly higher percentage of volunteers than Canada and the United States. The belief is that the growth in population and economic prosperity has been a contributing factor to this growth in volunteering. WorkChoices will potentially drive down wages and conditions, which could prove a disastrous reversal to this trend.

Interestingly, community and welfare services have the highest percentage of individual volunteer hours, which I believe speaks volumes for the society in which we live and the caring and humane society which we should continue to foster. Even more interesting is the match between people on low incomes contributing more volunteer hours. These are the people who will be hit the hardest by WorkChoices—that is, they are the people with the least power to negotiate their working conditions.

Volunteering brings people together from different backgrounds to learn and share their skills, experience and knowledge. It allows people to fully develop their personal potential, self-reliance and creativity. It builds community connectedness, strengthens communities, breaks down isolation, and increases social capital. These are the positive social outcomes. The economic outcomes include the development of skills and knowledge that lead to paid employment for many volunteers and, for some, a professional career in their particular field of interest and passion. I am an example of the latter.

Volunteers like myself juggle their full-time paperwork, family life, carer commitments and volunteer hours, which necessitates predictability of working hours for our availability. WorkChoices, by undermining the award safety net, will see ordinary working hours extended into evenings and weekends, adversely impacting on the balance between work and family and volunteer commitments.

I wonder how much thought the Federal Government, in passing this legislation, gave to the impact on volunteer essential and emergency services, including our courageous firefighters. Natural disasters in Australia have brought to the forefront time and again heroic examples of the contribution our volunteers make—traditionally, mates lending a hand. My understanding is that under WorkChoices volunteers will not necessarily be protected to undertake emergency services and that these volunteers could be forced to make up the hours spent away from the workplace to undertake this critical work or, even worse, potentially be at risk of losing their jobs.

The WorkChoices legislation refers to five minimum entitlements that are to be contained in workplace agreements, of which one is the right to a maximum of 38 ordinary working hours a week. However, these hours can be averaged over a year, which enables the employer to manipulate the hours of work, and timing of hours can be changed without notice. How can this give people any predictability of being able to fulfil their commitments to volunteer work?

I urge the Australian Government to heed and be guided by the universal declaration on volunteering, which calls on the leaders of government to ensure the rights of all people to volunteer, to remove any legal barriers to participation, to engage volunteers in its work, and to provide resources to non-government organisations, to promote and support the effective mobilisation and management of volunteers.

In my opinion, the WorkChoices legislation will create serious barriers to participation in volunteer work for many individuals. In closing I would like to say that I strongly believe that this legislation will adversely affect the way of life in Australia, that in the relentless pursuit of the Government's economic goals the social deficit that will result will have long-reaching ramifications.

CHAIR: Julie, you said earlier you did not want to make an opening statement.

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Ms ABDALLA: That is right.

CHAIR: You do not want to say anything about the Aboriginal families you assist?

Ms ABDALLA: I think I will add that into the questions to be asked.

The Hon. IAN WEST: You mentioned the effect of this legislation on the ability of people to take on volunteer work. Can you elaborate a little further on that, and explain to us exactly how this legislation could possibly affect people taking on volunteer work?

Ms BOSERIO: If you look around on weekends you will see thousands of volunteers, on any given weekend, supporting sporting activities and fundraising activities. These volunteer positions need some predictability, some assurance that they are going to be available. The ordinary hours of work for most Australians at the moment are 9 to 5, or whatever, over a five-day week period. This legislation has the potential to enable employers to change hours to spread them over a full week, which in itself does not give people any assurance that they will be available for any commitment at any given time.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You are saying that if you are, for example, a volunteer mum for the soccer and your boss says you have to work on Saturday, effectively you are going to be an unreliable volunteer. So if you were to take the oranges to the ground, you would have to ring up and get someone else to take them?

Ms BOSERIO: That is right.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So the more people there are on rosters over which they have little control, the more difficult it will be to sustain activities like kids soccer or whatever?

Ms McDERMOTT: Or Guides, or Scouts, or other organisations that depend on volunteers, such as Meals on Wheels and a whole range of services.

Ms BOSERIO: In my position with South Penrith Youth and Neighbourhood Services I have predictability; I am covered by a State award at the moment. But volunteer positions are not just menial positions; they carry with them great responsibility. As the manager, on a volunteer level, of an organisation that currently operates on a budget of about \$1 million a year, I need to have in my life certainty that I will be able to attend meetings and be available for the work that is required.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So you are a volunteer manager of SPYNS?

Ms BOSERIO: As well as a full-time worker, yes.

Ms McDERMOTT: We are a community-based organisation, with a volunteer management committee.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So you have paid positions, but the broader view of how you make decisions in meetings and so on are voluntary, and technically you are not paid for them?

Ms BOSERIO: No. My role as a paid worker is in a different organisation altogether.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So you are not paid by SPYNS?

Ms BOSERIO: No.

CHAIR: Carmen is a management committee member.

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The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I see. But if you were the manager of the kids soccer club, and you had to make sure team X had nine players turn up on Saturday, if you could not go there on Saturday you would have to find someone else to take your kid there, make sure other kids got there, and make sure the oranges were brought, the jerseys were washed and so on?

Ms BOSERIO: It is also about the coach and other the essential people within the group being there, such as first aid volunteers. There are a number of responsible roles and if, at the drop of a hat you are not available, you are letting a number of teams or people or organisations down.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You are really talking about events on weekends and evenings, of which soccer might be one example, but just looking after your own family is another.

Ms BOSERIO: And a lot of the volunteering roles also include the families. So it is family time as well that is affected.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Of course.

Ms BOSERIO: WorkChoices, in my opinion, will have a serious impact on the potential of people volunteering and on their certainty of being able to commit their time.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Because, in a sense, you have another person dictating times.

Ms BOSERIO: Exactly.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: And that person might not necessarily be open to negotiation, and there might be other constraints on making the decision.

Ms BOSERIO: That is exactly right. I think this country will suffer because it has been built on the role of volunteers. A lot of services such as Home Care developed as volunteer organisations in World War II. Many of these great institutions have foundations in volunteering.

The Hon. KAYEE GRIFFIN: Ms Williams, you spoke about young people being assisted in negotiating workplace agreements and so on. Could you expand on some of the issues associated with young people looking for jobs and having to negotiate within the WorkChoices framework? Who should provide that assistance, and what sort of assistance should there be?

Ms WILLIAMS: I support what has been put forward by the Youth Action Policy Association, that AWAs for all young people under 20 be banned, that it is not an option, because young people need some sort of State award system to ensure they have adequate pay and conditions.

CHAIR: We are hearing from that association tomorrow at our hearing in Sydney.

The Hon. KAYEE GRIFFIN: In your capacity as Youth Resource and Development Worker, do you provide the kinds of assistance that young people ask for now in relation to job seeking and how to go through interviews and so on? Do you have any anecdotal evidence of the sort of assistance that young people need in that process?

Ms WILLIAMS: They need information on pay and conditions, and what is appropriate for the job. That is why earlier I asked you to imagine your own children dealing with diverse means of employment. How would you come to negotiate a rate of pay for a job that you had never worked in before and had no idea what the current adequate rates of pay are for the position, without somebody or some organisation at least giving you an idea of proper pay for the job. Prior to WorkChoices, young people would have gone to the Industrial Relations Commission, and that is no longer part of WorkChoices. The State Government is setting up a body to determine comparable rates of pay, and I guess that is where young people will go now.

The Hon. KAYEE GRIFFIN: You gave the example of a young man with a disability who did not receive any advice and whose parents were not consulted in relation to that. Have you seen

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other examples of those sorts of things happening, particularly where people have communication issues or low literacy levels?

Ms WILLIAMS: I have not been told of any other examples face-to-face. I certainly have a lot of concerns for people with disabilities, not only intellectual disabilities but any number of other disabilities, including mental illness, having to negotiate. They are at the mercy of an employer who will tell them what they are going to be paid.

Ms BOSERIO: As the mother of a young person, I am hearing about AWAs being signed, particularly in the fast food and retail industries. This is anecdotal information coming from my daughter's peers. The choice is: sign, or you just do not get a call back.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: With regard to the question of having a fixed award for those under 20 years, this morning a chap described a situation where his wife rang the employer and the employer said, "What would you work for?" meaning, "What is the lowest possible wage I can get?" If there was an award for under-20s and no award for over-20s, could that not mean that under-20s might never get a job if some people over 20 were willing to bid really low?

Ms McDERMOTT: Is not the point of the legislation to be able to give the job to the person who will work for the lowest pay? This legislation is just so dishonest and disempowering and it disregards people's rights to a fair day's pay.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I am not disputing that. What I am saying is that if you try to protect one category of workers, whether they be younger workers, older workers or any other group, you effectively put that group out of work and those who will work for the lowest pay will get the job?

Ms McDERMOTT: If you work in a market-driven economy, yes. And if the government does not take some responsibility for that, yes, young people will end up with no jobs. But it should be government's responsibility to work on behalf of all of its citizens, and not leave us at the behest of a market.

The Hon. IAN WEST: Currently, we are being advised that there is only 4.9 per cent unemployment, that there are plenty of jobs out there, and that workers are in a very strong bargaining position. How is the indigenous community faring in this bargaining process?

Ms ABDALLA: I do not think any Aboriginal people, or at least very few, would have the power to bargain. Historically, many Aboriginal people have not been educated as well as others, and in many cases do not have the confidence to advocate for themselves. I worked in an organisation in which every week people were paid different amounts of money for doing the same job, without penalty rates or anything else, but would never question why that was. That went on for a long time. People were happy to have a job, felt empowered that they had a job, but were being ripped off—and that was when they were governed by awards and established conditions! But, even then, people did not advocate for themselves, so they would not do so now.

The Hon. IAN WEST: You mentioned banning AWAs for people under a certain age and setting wages and conditions possibly by an award, which over time will diminish in its currency. But this is not only an issue about wages and conditions. Are there not all sorts of other things that occur in a workplace that demonstrate need to have the ability to negotiate and the need for a person with knowledge to represent you and explain to you your rights? It is not just a question of AWAs and award wages and conditions, is it?

Ms WILLIAMS: I guess that is where unions and occupational health and safety legislation come in—where people have been told that they are responsible for occupational health and safety, and everyone has to speak up. But we still have workplace accidents happening, and people are still not speaking up.

Ms BOSERIO: The fact that unions are restricted in advocating for or supporting the most vulnerable in the workplace takes away their only opportunity for proper advocacy and representation. No young person is going to say, "I'm bringing my mum or my dad in to advocate for me," given that

UNCORRECTED TRANSCRIPT

the parents in some families are unlikely to be able to negotiate. So the safety net provided by the union and the award will be gone.

The Hon. IAN WEST: Even if there were an ideal situation of equality in the bargaining process, and negotiations were taking place where the two parties had equal bargaining power, is there still not, as we have learned from history, the need for an independent umpire to determine an outcome where those two parties, who have equal bargaining power, cannot agree?

Ms BOSERIO: And it needs to be accessible mediation or arbitration. The way that the WorkChoices legislation is now set up, in order to fight any sort of injustice or unlawful acts in the workplace you virtually have to have money behind you to seek redress for any discrimination. Who can afford to take on in particular some of the big business organisations? The courts are not a place for arbitration of issues relating to unfairness in the workplace. The courts are not accessible to the majority.

Ms McDERMOTT: Not now. But previously they were.

Ms BOSERIO: Virtually all avenues of redress for those most in need have been wiped out by this legislation.

Ms WILLIAMS: Perhaps a New South Wales watchdog could be set up for all workers, not just young people.

CHAIR: Some of that will depend on a High Court decision and a few other things. Some of us were talking at lunchtime about the combination effect of the Welfare to Work changes that the Federal Government brought in on 1 July, taken together with the WorkChoices changes. I assume that a lot of the families who come to your centre are all or part of the time on some form of benefit. Do you have any comments on how you see those changes coming in?

Ms McDERMOTT: We have deep fear. We would have deep fear around that because already these are people's lives are quite disrupted, which is why they end up being on benefits. Their lack of negotiation and bargaining power is quite limited. The Welfare to Work is very much about "You have to do this otherwise we will take away your benefits", which means that they will be signing up to jobs for which really people should not be paid the same amount. There will be no choices about "You take this job and the conditions it offers or we'll cut your Centrelink benefit off".

Certainly we have been to the Welfare to Work briefings. There are some small support systems in place, but they are hardly respectful of people. The communities with which we work, particularly the communities out in Cranebrook and the Indigenous community, we fear very much around that, certainly in terms of the extra poverty that that will create when people actually lose their benefits—and they will, because you have to be quite articulate and be on top of everything to be able to engage with Centrelink. The impositions are actually really quite strenuous.

CHAIR: Some people have also suggested to us that people currently on welfare who may be forced in effect to take a job will be undercutting people currently in the work force because you will have a group of people who may be forced to work for less money or poorer conditions. There would be a sort of dog-eat-dog atmosphere.

Ms McDERMOTT: But that is the point of the legislation. I just want to make that clear. I just know that that is the point of the legislation—to bring people, wages and conditions down as low as they can to maximise profits.

[Interruption]

CHAIR: I am sorry, I could not turn on my microphone because another was already on and we have a limit.

Mr HENNESSY: I can only concur. Really, seriously, we cannot hear a word.

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CHAIR: I know. As you probably noticed, we were having some microphone trouble, but we think it is fixed. The witnesses need to speak up, too.

[Interruption]

CHAIR: I do not think my power as Chair, if any, actually extends to that.

Ms McDERMOTT: I think it is disrespectful to those of us who have actually put our time into putting in a submission, which we have done on behalf of our communities, and have appeared today. I would like you to feed that back.

CHAIR: Nevertheless, the transcript will be published. The Committee as a whole sees that and the community as a whole can read it, too, but I guess we will not comment on fellow members of our Committee. Julie, did you want to add anything on the Welfare to Work side of things?

Ms ABDALLA: On the Welfare to Work, one thing that does worry me within our Aboriginal communities is that a lot of grandparents, aunts and uncles actually become carers of young children. That impacts on their jobs if they are working. When that happens, it happens suddenly, and when it happens, no-one is prepared for it. You would need to have a lot of room for negotiation with an employer. We have a lot of Aboriginal families who are actually carers for children and I think that most of the time they are not considered by the Government in different changes in legislation.

I also worry about where those people stand, the people who are actually on a benefit and are caring for grandchildren or nieces or nephews—where they are going to stand when being forced back into the work force. A lot of the children that they are taking on are children with a lot of damage. Fair enough, everyone is saying, "Once your child is six, you need to go back to work", but those children need a lot of work put into them, a lot of nurturing and a lot of repair, and I think that needs to be considered.

CHAIR: And some of the carers are not officially registered as carers.

Ms ABDALLA: Exactly.

CHAIR: So legally, I assume there are some difficulties if someone says, "You have to go to work" for them to say, "Well, I'm actually caring for my grandchildren at the moment."

Ms ABDALLA: Yes.

CHAIR: That is not necessarily a legally recognised obligation.

Ms ABDALLA: Exactly, yes, and I think that is something that needs to be considered.

Ms McDERMOTT: And also as an organisation that actually does work within the community and which already runs family breakfast programs, as I said in my statement, are we next going to have to run soup kitchens for people who have their Centrelink benefits taken off them? People need to be fed and that is a terrible situation to be returning to—the days when people had to come and line up to get bread and soup.

Ms ABDALLA: It is actually going back to the old Centrelink way of breaching people who did not fulfil the requirements. I worked at Centrelink during that stage and the amount of people who had to live on handouts from local organisations was really terrible. People are going back to that same way again.

CHAIR: I remind people that we are running a bit over time. I know there are people who have prepared something very specific in response to the question of what they want to see come out of this inquiry. Perhaps we will have a couple more quick questions and then we will get onto that.

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The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Did you find when you were working for Centrelink that Centrelink had breaching and that there are these things called strikes now—three strikes and you will not get fed?

Ms ABDALLA: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Did you find that people with disabilities, particularly mental illness, had no chance of meeting these conditions, that they would be breached, and then effectively they starved?

Ms ABDALLA: When I worked at Centrelink, there were many, many, many people who were lining up weekly or fortnightly to put an unemployment benefit form in who should never have been on unemployment benefits. They should have been receiving some sort of disability payment and they were never considered. They were just breached and put back to the bottom of the line again, and it was dreadful.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So there was not a recognition that these people were, in realistic terms, not going to find employment?

Ms ABDALLA: That is right.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: And that an employer would not employ them. You were not an employer being harsh, but simply an observer saying that these people would not be able to find employment with a reasonable employer.

Ms ABDALLA: That is right.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Yet there was no mechanism to put them on disability benefits. They were breached, and effectively now with the three strikes, Centrelink would just say, "You can't have any money. You can't have any food." Is that it?

Ms ABDALLA: That is right.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You think that is going to happen far more now?

Ms ABDALLA: I think it will be happening more than it ever did with the breaching, yes.

Ms WILLIAMS: The other thing with Welfare to Work is that the third breach is not decided by the local office. The third breach goes to Canberra and is decided by a bean counter there, and that is one concern we have. The first two breaches will be dealt with locally at local offices, but for the third you will have no-one to challenge it, I guess.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Do you have any idea what information the person in Canberra would have in making this decision, what the appeal mechanism would be, and what the response time of the appeal mechanism would be?

Ms WILLIAMS: I am not 100 per cent sure of that.

Ms ABDALLA: The response times are not good generally in Centrelink, but when you consider—how long does it take to starve?

Ms McDERMOTT: Three days.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: A few days.

Ms ABDALLA: A few days, yes.

CHAIR: What do you want to see come out of this inquiry? You have already said a couple of things and hinted at a couple of things, but give us your wish list.

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Ms McDERMOTT: I suppose ultimately we would like to see the legislation overturned.

Ms ABDALLA: Yes.

Ms McDERMOTT: Because fundamentally—

Ms ABDALLA: It is bad.

Ms McDERMOTT: —it takes away people's lives and conditions that have been fought for during the past 100 years.

CHAIR: But we are a State parliamentary committee, not a Federal parliamentary committee.

Ms McDERMOTT: You are a State parliamentary committee, so what I think you could do would be—or we would like you to track the impact of the changes by, like, setting up and funding monitoring mechanisms with longitudinal studies because there will be far-reaching impacts that the State will actually have to pick up. It will be cost shifted from the Federal Government to the State Government, so there will be far more sorts of programs that will need to be funded through organisations like ours to pick up the pieces of people's lives. We need to research that and that needs to be funded. I see the role of the State Government as being able to monitor the impact, the social impact—there will be an economic impact but the spin-off will become social in its impact on people's lives, whether it is dislocation of families, breakdown of families, volunteering and all those sorts of things.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I can say that I did request that of the Minister and he has said that a longitudinal study has been set up to do as you have suggested.

CHAIR: And the Committee can also address that. What would the rest of you like to see come out of this inquiry?

Ms ABDALLA: I would just like to see different groups of disadvantaged people considered more and see things set up so that, you know, people are protected. It does not matter what culture or what sort of employment they do or where they come from. Everyone should be protected and everyone should be considered.

CHAIR: Laura, you have already mentioned the Youth Action Policy Association [YAPA] recommendations. As I said, we will be talking to them tomorrow.

Ms WILLIAMS: As Maree said, I would like to see the legislation overturned.

Ms ABDALLA: I would like that.

Ms WILLIAMS: If that is not an option, then I guess just a body—I guess it would have to be a State body—set up to advise workers, to provide advocacy for them and advice, once they are caught up in the legislation.

Ms McDERMOTT: To maintain—I mean, there is a web site around fair pay or a fair go, so there are some of those mechanisms, but maintaining that.

Ms WILLIAMS: Even just advertising it to people, that it is available.

Ms McDERMOTT: That the State Industrial Relations Commission remain.

Ms WILLIAMS: Yes.

Ms BOSERIO: We are all after the same thing—the reversal of the legislation—and this Committee does not have that power, obviously. I urge State Parliament to continue to play a supportive role in trying to maintain, though it is difficult, an independent industrial relations system

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at State level. That does not cover, obviously, the Federal awards, but I would urge the State Government to play a supportive and damage-control role wherever possible because I think the future is looking pretty bleak.

The Hon. ROBYN PARKER: Actually, Ms Boserio has answered the question I was going to ask, which was whether you are aware that this is a State Government inquiry using State Government resources with State members of Parliament into Federal legislation. Obviously, you are aware of that—

Ms BOSERIO: Yes.

The Hon. ROBYN PARKER:—and the cost of resources of setting up this inquiry, with very little opportunity for us to do anything about Federal legislation. But you already know that.

CHAIR: We are rather over time for our next witnesses, so thank you all. Maree, were you going to give us some written case studies?

The Hon. IAN WEST: I move:

That the Committee accept the tabled documents.

Motion agreed to.

Documents tabled.

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ADRIAN CATT, Member, A Future for Our Kids, P.O. Box 59 Southlands, Penrith, sworn and examined:

CHAIR: Would you like to make an opening statement?

Mr CATT: Yes. We started our organisation, A Future for Our Kids, only this year in response to concerns we had about a number of issues, one of which was this present legislation that is being discussed here today. We believe that as Australians we have been an extremely lucky group of people just to be borne in this country. We believe that we live in one of the most affluent societies in the world and that each generation, since the foundation of this country, has pretty much inherited a better future than the generation before. However, we believe that that is now under threat, and we believe that the industrial relations WorkChoices legislation is one of the things that are undermining this potential.

We are very concerned about the shape of our country under the Federal Government's new Workplace Relations Amendment Bill 2005 and the impacts it will have on our children. We believe that the WorkChoices legislation is the most significant change in workers' conditions in a lifetime. We also believe that it is one of the most draconian pieces of legislation ever passed in relation to Australian industrial relations. It is yet another negative step in the industrial relations arena and it is another step in reducing workers' and unions' rights, which began in 1996 with the Workplace Relations Bill passed in that year. We believe that this is just the start of the Government's agenda. Had it not been restricted by a hostile Senate, even more draconian changes would have been made prior to it gaining control of the Senate at the last Federal election.

We believe that this WorkChoices legislation will cause a significant number of problems, particularly for young people and children. The reason I became involved in this organisation is that my oldest child, who is 12 years of age, is already getting excited about getting his first job. Obviously that is still a few years away, but I was somewhat dismayed when I heard about the immediate changes with this law coming through, and even more dismayed when I saw the substance of the legislation. The Government has said that this is going to be a bright new era of industrial relations where employees and employers will sit around the table and negotiate conditions. In theory that might be the case, but in reality employers can simply blanket-write AWAs and force people to sign them.

This legislation, as far as I can see, basically puts the former independent umpire in the position of holding a baseball bat over the head of employees. Nobody likes strikes. Workers do not like them, employers do not like them, and governments do not like them. But we believe that the ability of the Government to now fine individual workers for going on strike is draconian and particularly devastating for people on lower wages.

Under the previous system, people have a basic right to an award or to be under an enterprise agreement. No-one could be forced to enter into an AWA. Now we have a ridiculous situation where one company has three groups of people doing the same work on three different rates of pay, the company being Spotlight. We have employees who are still on the conditions they were on prior to the passing of this legislation. We have a second group of employees who have signed an AWA for a 2¢ an hour pay increase, but in exchange for that 2¢ an hour pay increase they have lost all their penalty rates and a lot of the conditions and entitlements they have enjoyed under that position.

Then there is a third particularly unfortunate group of people who have since joined the company. They have been offered an AWA, on a take it or leave it basis, that is exactly the same as the one that has been offered to the current employees, but with one difference: there is no 2¢ an hour pay rise. So we have a situation now where the people in the new store at Mount Druitt are being shown this AWA on a take it or leave it basis. Unfortunately for them, if they are already unemployed and they turn that down, they can get into trouble from Centrelink under the new Welfare to Work Program.

What sort of people are we talking about who are being affected by this? We are talking about the most unfortunate people, the people with the least skills, the people with the lowest wages, the people with the least ability. We are not talking about affluent people with an education. I have a

UNCORRECTED TRANSCRIPT

number of degrees. I am relatively confident that I will be okay under this legislation. I might be hurt a little, but I have skills that I can take with me to another employer. But these people have no choice: these are unskilled or low-skilled workers at Spotlight. If they turn down this offer, they cannot just go somewhere else and get another job. The comments of the Prime Minister on this have been quite deceptive. He said they can just go and get another job. Sometimes they do not have the choice. He has also said that it is better for these people to have a job than to be on the dole. I agree with that, but I do not think it is better for them to be in a job where they are being exploited because they have no choice.

The main problem I have with this legislation is that it is dehumanising. It treats people as an input of production. As far as I am concerned, people are not timber, widgets or accounting software. People have emotions, they have a soul, they have the right to be treated with human dignity, and they have human rights. I find it very concerning that one of the organisations which this country helped to found, the International Labour Organisation, is saying that this is a really bad piece of legislation; they have some serious problems with it. I am very concerned about that.

I have identified some effects of this legislation. I believe, and our organisation believes, that these are only the tip of the iceberg, that as this unfolds more and more effects will become apparent. The most basic one is that we believe this legislation offers employers great flexibility—and that is a great thing—but it is offering employers that flexibility through reducing the rights and conditions of workers.

One of the things we are concerned about is that there will be less family and community time. I am very concerned, for example, that local volunteer organisations in this area, which we rely upon, like the Rural Fire Service, the Volunteer Rescue Association and the SES, under AWAs have great difficulty attending for those duties. They can be forced to work, they can be docked pay, and in some circumstances they can even be sacked, on our understanding of the legislation.

We believe it is not going to be good for families. Every day I see firsthand at my place of employment the effects of disjointed social function through the lack of the family unit. I deal with a lot of juvenile delinquency, and a lot of it is a direct result of parents not having time to spend with their children, either through their own choices or through working extended hours, shift work, and all those sorts of things.

We are very concerned about a real drop in wages and salaries, especially at the lower end of the market. We believe that as a direct result of this legislation we will see more employees being exploited by a small percentage of employers who are totally unscrupulous.

We are also concerned about the effect this legislation will have when it is combined with other legislation and policy. In particular, we are very concerned about the possibility of entire workplaces being replaced by guest workers on 457 visas. We are concerned about that for a number of reasons. We believe that it will undermine the ability of people to get a decent wage, especially at the lower end of the market.

We believe that those coming in on 457 visas are being exploited. My understanding is that there is a \$30,000 minimum salary that needs to be paid to bring those people in, but that also includes any services that they provide these guest workers while they are here, which could include their airfare, accommodation and meals. So there is nothing to stop someone coming over here for 12 months and going home with less than \$5,000 in their pocket for a year's work.

We believe this is leading to racism, for a number of reasons. People who lose their job and are replaced by a foreign worker who is also being exploited do not understand that some bean-counter in Canberra or on the thirty-second floor of a building in town has caused the situation through ignorance. They are more likely to point to the poor person being exploited and say, "That so-and-so has taken my job." I am already becoming aware in my place of work that there is more and more racism. All day, as part of my employment, I talk to people on trains and public transport. I find that the incidence of racism is increasing, and I believe that this legislation will only make it worse.

We believe that this legislation will enable employers to fly in workers from other countries simply as a cost-saving measure. In fact, on *Today Tonight* we had employers boasting that they

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would rather do that than employ a local because, basically, "These people—keep them dumb, keep them stupid. We'll just exploit them. They'll shut up or they'll be sent back home." In a nutshell, they are our concerns.

CHAIR: Would you tell us little bit about your organisation? You said it was formed this year. What sort of membership does the organisation have and what sort of people are involved with it?

Mr CATT: Basically, we are a group of people who, through our association in work and in extracurricular activities outside of work, got together out of sheer frustration. I am not a member of the Labor Party, and as far as I am aware I do not know that any of the people I associate with are members of the Labor Party.

CHAIR: You said you are not a member of the Labor Party?

Mr CATT: No, I am not. Basically, we got together because we were concerned about the future for our kids. One of the things we were concerned about was the environment. We were particularly concerned as a result of the idea of global warming and the warming of the icecaps, carbon, and all those related issues. But also we were worried about things like infrastructure: what national plan there was to develop a better country for the next generation, to provide essential services and the high-skilled jobs that people need to be able to get real wage increases. We were particularly concerned about the state of higher education and vocational training. We formed our group on that basis, as well as the idea of getting decent wages and conditions for people who do not have those skills.

As far as I was concerned, the WorkChoices legislation was the straw that broke the camel's back, so to speak. I had not been politically activate at all before that, and as a direct result of that legislation and my concerns about these other issues, I and a few of my friends and work colleagues and people I have met started this group.

The Hon. ROBYN PARKER: You said you had not been politically active before. Do you consider yourself politically active now?

Mr CATT: On the basis of starting this organisation, yes, I would consider myself to be politically active.

The Hon. ROBYN PARKER: You said your members are not members of the ALP. Are you, or members of your organisation, members of other political parties perhaps?

Mr CATT: I could not answer that. I am not a member of any political party. I could not really speak on behalf of my friends.

[Interruption]

The Hon. ROBYN PARKER: You said you have a number of degrees. What sort of degrees do you have?

Mr CATT: I am a trained schoolteacher. I have a Bachelor of Education from ACU, and I upgraded that from a Bachelor of Teaching. As well, I have almost completed a postgraduate diploma in IT education.

The Hon. ROBYN PARKER: You said that the nature of your employment is such that you meet lots of people and deal with juvenile delinquency issues. What employment are you in?

Mr CATT: I work for RailCorp, in the security division.

The Hon. ROBYN PARKER: You are under a State award?

Mr CATT: Yes, we are under an EBA at the moment.

UNCORRECTED TRANSCRIPT

The Hon. ROBYN PARKER: Your organisation is an incorporated organisation?

Mr CATT: No, it is not. We are just a group of people who have got together.

The Hon. ROBYN PARKER: Who funds your organisation?

Mr CATT: We have not received any funding as yet.

The Hon. ROBYN PARKER: So you are just doing it on your own time today?

Mr CATT: That is right.

The Hon. IAN WEST: Mr Catt, on the issue of skills, one issue that keeps coming up for young people looking for jobs is not only the difficulty of finding jobs but the difficulty of finding a job that provides any apprenticeship training, traineeships or skills. Can you give us any indication of work that is being done in that area, or any responses you have had from young people you have spoken to?

Mr CATT: I have had a chat with quite a few people. As I said, I walk around all day just talking to people. That is what I do. I find there are a lot of disenfranchised young people out there who cannot get a start. They want to get an apprenticeship and they want to go to university, and they just cannot get a start. They cannot afford to go to university. Even if they can get a government-funded place, they are scared about repaying HECS and they are very concerned about constraints that will have on their ability to undertake study. Basically, we are finding that employers are not as willing to train as they used to be. I guess part of the consequence of the issue of user pays is a pushing of the cost of training onto the person undertaking the training, rather than onto the employer.

In my discussions I have come across a trainee radiographer. They have been advised through their union—and in that sense it is not a direct source—that there is nothing to stop their employer passing on the cost of training to the employee as part of an AWA. That is now sitting as a threat or potential threat over that group of people. So we are not in a good situation, as far as I am concerned, with training, and I do not think this WorkChoices legislation will help the situation.

Mr GRAHAM WEST: One issue that seems to be coming through, anecdotally and otherwise, is reciprocal loyalty. If that issue is true, there seems to have been a loss of loyalty from the employer and the reciprocal loss of loyalty from employees. Are you sensing that at all?

Mr CATT: I think that is definitely true. Unfortunately, when you are treated like a widget you tend to act like a widget. A widget is not going to be fussy about what appliance it is put into. Basically, if that is how you are going to run the market, then to expect workplace loyalty is at best absurd and at worst an abuse of human rights.

Mr GRAHAM WEST: So young people are saying you can't get bosses like you used to?

Mr CATT: That is right. There will still be the good employers out there, but increasingly, through market pressure and other reasons, they are becoming harder to find.

The Hon. KAYEE GRIFFIN: Mr Catt, you spoke about guest worker visas. In your opening address you mentioned a guest worker on a pay rate of \$30,000 which included the air fare for the worker to get here, and so. I do not know whether you have been here all day, but in the forum this morning one person spoke about a family who came here on a similar sort of visa and the problems that followed that person losing the job and not having access to a number of other services that would normally be provided for workers. Can you expand on some of the issues about guest worker visas and some of the problems?

Mr CATT: Guest worker visas, as far as I personally am concerned, are an abuse of human rights. I do not have any problem with foreign workers coming here. In fact, I think it is one of the great features of our nation that we are a multicultural society. I think it is fantastic. I love it. I enjoy mucking around with my Punjabi friends, picking up the odd bit of lingo. I enjoy talking with my Greek mates. However, when you are flying people over here and giving them a job, you are basically

UNCORRECTED TRANSCRIPT

keeping them locked up somewhere, or keeping them in very close proximity to the workplace. You are not educating them, you are not teaching them the language, and you are not giving them access to any of the facilities that we have in this country. You are getting them to do a job at a rate of pay that is below what everyone else is receiving, and then you are flying them home again. That is exploitation, pure and simple.

Not only that, but these people tend to have some level of skill. They might be spray painters or whatever. They are being taken from their countries and brought over here, used up and then sent back. They may pick up some skills while they are here—but I have my doubts about that, given the type of work that they are doing—but, basically, they are being removed from their host economy. I do not think that is doing anyone a favour.

To be honest, I am not really up to speed with any specific examples. This is just from my reading of the Act and what it is possible to do, and from my discussions with people that I know—employers, people in unions, my union the RTVU. They have put me onto some other people in another union that have given me some of this information. Also, I have been speaking with some small business owners that I know, and they have some concerns. That is where I got my information. So I cannot give you specific examples. However, as far as I am concerned, I see it as an abuse of human rights to bring someone over here, pay them next to nothing, and then send them home again with just a few thousand dollars in their pocket. That is disgraceful, and there is absolutely nothing to stop that happening.

The Hon. IAN WEST: What would happen if someone, at the end of the twelve-month visa, were injured? Obviously, they would go from their host employer, back to their place or origin, with perhaps a permanent injury. How would the New South Wales Workers Compensation Act cater for those who are no longer in New South Wales but are back in their countries?

Mr CATT: As far as I can see, there is very limited scope for the enforcement of any State law in that situation. I am not a lawyer, and I am certainly not an international lawyer, so I could not answer definitely on that, but I cannot see any scope for compensation of such a person. If there is such scope, they would probably have to fight very hard to get compensation.

CHAIR: Are there any further questions? No. What would you like to see come out of this inquiry?

Mr CATT: Basically, what I would like to see come out of this inquiry cannot be achieved. However, I have decided to come here anyway because my submission to the Senate inquiry was totally ignored. I got no feedback at all. That was my personal response last year. Actually, it was my first political action. I wanted the response of Future for our Kids on the record. I would like to see this legislation overturned, but alternatively I would like an organisation to be set up to monitor its operation. I am pleased to hear that that is going to be the case, and I commend the New South Wales Government for doing that. Basically, the reason I am here is to put on record my views on this matter and to speak about my desire to see this legislation overturned.

CHAIR: Thank you.

(The witness withdrew.)

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ROGER HENNESSY, Member, Retirees Care About Your Rights at Work, 4 Explorers Road, Glenbrook,

DENISE HENNESSY, Member, Retirees Care About Your Rights at Work, 4 Explorers Road, Glenbrook,

SHIRLEY BAINS, Member, Retirees Care About Your Rights at Work, 4 Explorers Road, Glenbrook, and

MARIO (MORRIE) MIFSUD, Member, Retirees Care About Your Rights at Work, 4 Explorers Road, Glenbrook, affirmed and examined:

CHAIR: Who would like to make an opening statement, or do each of you want to say something?

Mrs HENNESSY: First, I would like to thank the inquiry for the opportunity to address it. We made a submission, but I will not read it. We are going to refer to some of the points made in it. We would like to share some of the information on the impacts that we found on the ground. I have invited others from the group to talk about issues, but before introducing them I would make a few overall points.

Our group was formed after John Howard announced his intention to change the industrial relations legislation. WorkChoices is some name, isn't it? Ask the poor lady in the Hunter River about WorkChoices. When I first heard of this new legislation I thought, "Even John Howard could not do this!" Then I thought, "Well, I am all right, I am out of the work force. My children have got jobs." Then I looked at my twin 3-year-old grandchildren and said to myself, "No, they can't do it." Then I thought about my parents, dead now, but how they struggled. I thought about my father being shot at in north Queensland because they wanted to burn the cane before they cut it. Then I thought about myself as a teacher and how we fought for conditions, not only for ourselves but for the kids we taught. Now they have stolen them! It is like saying to you: You have worked and sacrificed to pay for your house, you have improved it, and then they have said, "Go and live in a tent for the good of the economy."

I think WorkChoices only works for the privileged. The Howard Government announced the legislation, provided no details about it at all, and then spent \$55 million advertising it. The Government said the unions were scaremongering when they predicted changes such as no control over hours, loss of overtime, loss of penalty rates, unfair dismissal of workers, and unions facing fines and its members possible gaol terms. Was that scaremongering? Unfortunately, many of those predictions are now fact. So I decided to try to do something about it. I went to a briefing by Unions NSW. I make no apology for going where I thought I could get help. When I heard the briefing I felt, "This is worse than I thought. It's not my Australia."

Do you realise the union organiser has to give 24 hours notice to the employer and not only do that before they are called in, but they have to give the name of the person and what they are being called in for? I mean, it just does not need any imagination under unfair dismissals what is going to happen to that employee. Another shock: They are able to terminate individuals for "operational reasons". The operational reasons can be almost just about anything. Ask the meat workers from Cowra. These are matters that attract media attention, but what about those that do not?

Roger and I have a petition to the Hon. Kim Beazley to support Your Rights at Work. So thinking, "Okay, where can we get signatures for this?", we went down to the local netball park here in Penrith with our Your Rights at Work T-shirts on. They are saying that people do not care, but people grabbed that petition from us and signed it. "Here, give it to me", they said. We got over 300 signatures in about two hours, just Roger and I walking around. There were a few who would not sign it—like "I don't vote. What can anybody do?"—that sort of attitude. Nobody really said, "I'm not going to do it. I believe in it."

We heard some stories. For instance, one woman said to me that her best friend's nephew had lost his job. He was a worker in a St Marys chemical factory. He was 47 and, as she tried to explain to

UNCORRECTED TRANSCRIPT

me, he was so shy he was not game to make a song and dance about it. Another woman told me that her local hairdresser, one of the workers in the local hairdressing salon, had been sacked. There were lots of people who said, "Oh yeah, okay, construction jobs have been lost"—they feel, as Adrian said—"to guest workers". Whether that is true or not, it is what they feel.

We are grandparents. We have taken on the responsibility, at our age, of looking after two 3-year old boys two days a week. I did not think that was how I was going to spend my retirement. It was not the way I expected to, anyway. So two days a week, every week—and I should be looking after them today, by the way, but I got a little bit of time. It takes no imagination to know who will be called upon as mothers and fathers are asked to work at the drop of a hat, and this is all in the name of flexibility for the work force. But you know what I would call it: I just call it unreasonable. Grandparents will have to. What else can they do? I have spoken to people who are looking after their grandchildren and they just shrug and say, "Well, what else can we do?"

Any family impact statement that I have read—and I have tried to read quite a few of them, and this is one that I have read here—says, and I stress, that work insecurity has an impact on family and community. I might tell you that none of this is really very positive. It was compiled or repaired by Dr Don Edgar. If I may, I would like to read his concluding sentence: "These proposed IR changes are a recipe for a more savage workplace, a less caring society, and individualistic, competitive auction room with no collective spirit." Frankly, I do not want that for our Australia.

CHAIR: Could you give us the name of the booklet?

Mrs HENNESSY: Yes. It is called *Family Impact Statement—On 'Work Choices'—A Proposed New Industrial Relations Regime* by Dr Don Edgar. Then of course there is the New Zealand experience where they have had this sort of equivalent to Work Choices for many years. If I may, I would just like to quote a letter from New Zealand that was written in the *Sydney Morning Herald*. I will not read it all because all it talks about is the demoralisation, the Depression, the family breakdowns, the hopelessness, the anger of the young, the crawling around for jobs that are paid at \$6 an hour only to face a queue. The last paragraph states:

Australia was the lucky country. Kiwis flocked there for the financial wellbeing on offer.

We wait with interest to see what and will be the case in 20 years if you allow this to continue.

Welcome to the Third World.

I am sorry, I do not want it.

With that, I would like to introduce my husband, Roger, who also worked on the ground with me.

Mr HENNESSY: Denise has mentioned the New Zealand experience. For a brief moment I would like to speak about a book that was written by a gentleman under the name of Robert Tressell just over 100 years ago. The book was called *The Ragged Trousered Philanthropists* and it follows roughly 12 months in the life of some—I am sorry, am I keeping you awake? It follows the path and the work of these people through a period of 12 months.

The Hon. ROBYN PARKER: Could I interrupt you for a second?

Mr HENNESSY: Sure, certainly.

The Hon. ROBYN PARKER: I point out that, without a quorum, this inquiry, using vast parliamentary resources, could not exist. We are all here as members of State Parliament listening to you in silence.

Mr HENNESSY: Yes.

The Hon. ROBYN PARKER: Therefore, we expect that you give us the same amount of respect.

UNCORRECTED TRANSCRIPT

Mr HENNESSY: Yes.

The Hon. ROBYN PARKER: Because, without a quorum, you will not have a platform.

Mr HENNESSY: Certainly. I would like to thank you for being here with us. It is nice to see that some of your colleagues, or yourself, stuck around to hear it out, even though this inquiry is a waste of time. Is that the quote? I could not quite hear from the back.

CHAIR: It is probably better if you continue with your evidence.

Mr HENNESSY: Certainly.

CHAIR: The Committee can deal with argument when we come to draft our report, I guess.

Mr HENNESSY: I do not intend arguing. Robert Tressell followed the path of these labourers, semi-skilled, skilled workers and employees over the course of a period of about 12 months during which time he painted the picture of abject poverty, disgusting conditions, predators and parasites. It seems to me that these parasites and predators were put to bed when unions were introduced and we got the award system.

Sadly, with the scrapping of the award system and the safety, these predators are about to jump out of the woodwork again. I know from my own experience, working for one of Australia's largest companies not so long ago, the trouble I had achieving certain conditions in black and white in the award. I was told by the employer when I asked for these conditions that I was either being greedy or they did not apply to me. On both occasions I proved eventually, by presenting the appropriate part of the award to the employer, that such was not the case, and I won the day. But I would question whether young kids coming into the work force today, who have to negotiate with these people work conditions, will have the same confidence that I had when I was well over 40 years old, approaching 50, when negotiating with these people.

I would suggest that young people with no experience in the workplace will be intimidated by such people. I do not give much for their chances, quite frankly. I do not think it is very fair that they should be shoved into the situation without a union representative for somebody to help them through this very, very dangerous course of action that they are going through to sign away their rights. My wife mentioned that we have been on the go with a petition that hopefully will in some part do something about changing these very, very unfair laws. Some of the tales of woe that we have heard really are quite terrible, just as we have heard in here today. I am sorry?

CHAIR: Keep going.

Mr HENNESSY: Some of the stories we have heard would do Boris Karloff justice. The best friend the working man ever had has said that no-one will be worse off under these new laws. I would like to question whether anybody has met the man yet who has been sacked and re-employed under better conditions and pay. I know of some who have been sacked and re-employed under worse conditions and pay, but as yet I do not think I have heard of anybody who has been employed under better conditions and pay.

A young girl who lives not too far away from me was telling us how, at the cake shop she worked in, the employer made her sign a document to say that if she packed up working in the shop, she would not work within a radius of 15 kilometres of the particular shop. For a kid with no transport, this means—and I live in the lower Blue Mountains—that you either behave yourself, toe the line, or clear off and work in Seven Hills or Katoomba, which again I do not think is particularly fair. Whilst we were with the petition, as I say, we did hear a lot of tales of woe. I do not intend going into all of them.

Another one was a lady who mentioned to me that her daughter who worked in a hotel had a piece of paper shoved under her face one day while she was pouring beers. The boss said, "Sign this", which of course she did because of naivety and just presuming it was a procedural thing. She had signed away a right, she discovered at the end of the week, to penalty rates and overtime—overtime,

UNCORRECTED TRANSCRIPT

penalty rates and so on—not realising that that document she was signing was to do away with any rights she had. If there is anybody who can tell me that this is fair, I would like them to explain it to me. I would like to point out to the Committee that I am not a member of the Liberal Party, I am not a member of the Democrats, I am not a member of the Greens, and I am not a member of the Labor Party.

Mrs BAINS: I would like to say thank you for having these hearings where I have been astounded at what I have heard this morning. I thought the laws were bad enough. They are a lot more horrible than I had realised. I particularly today want to talk about some of the effects that I think might happen in nursing homes because I am concerned with that. I am President of the New South Wales Retired Teachers Association and I am also a representative of the Combined Pensioners and Superannuants Association on the Federal Aged Care Advisory Committee, which is at present inquiring into the prevention of abuse of older people in nursing homes.

My concerns regarding the Work Choices legislation centre around the employment of staff in aged care and the protection of whistleblowers in aged care. I have been a visitor in many nursing homes. In three instances I have been a long-term visitor to close relatives. I have frequently been disturbed at the quality of service provided in these homes. Media reports of the shocking abuse—we all saw it on our televisions earlier this year—have only added to my concern. Certainly all homes could do with more money, but I am afraid that some homes do not spend government money—that is, taxpayers' money; it is not their money, it is our money—very well.

When profit making is the bottom line, the health and welfare of residents is at risk. In recent years there has been a push by operators of nursing homes to reduce the number of qualified nurses working there and to replace them with inexperienced casual staff. During the Hawke-Keating years, government grants to aged care were tied to the number of qualified nursing staff that were employed. If not enough nurses were employed, the unused money had to be returned. Now there are no such restrictions and operators can spend their grants pretty well as they please. Keeping a basic level of qualified nursing staff is no longer mandatory. Since nurses are more expensive, we have seen big reductions in nursing staff and a proliferation of casual staff—particularly backpackers, would you believe—recent immigrants and teenagers.

I met one teenager whom I had taught when he was in second class and a little boy of seven. He had no sense then, and he had acquired very little as a teenager. He was very happy to see me. He said, "Hello Mrs Bains."; "What are you doing here?"; "Oh, I've got a temporary job until I go into the Navy", and I thought, "Well, that's the best place where you should be—in the Navy". But certainly he should never have been invited to be working around older people because there would not have been at one modicum of sympathy for an older person in him, I should imagine.

That is the kind of people they are taking. If you go there, you will see a lot of people, whom I call backpackers, recent immigrants. They have a lot of people who cannot speak English going in to deal with incompetent, old people who cannot deal with them. What old people need is staff who are permanent, staff they get attached to, staff who are qualified. I think in a lot of nursing homes that is just going by the board.

Nursing home owners are constantly seen to have these unqualified employees administer drugs and medication to residents, and even to give the occasional injection is being asked for. There are no doctors or nurses who would agree that unqualified people should perform these tasks, because the proper administration of drugs, especially to older, more vulnerable people, requires good knowledge of the patient and close observation of the after-effects.

With fewer nurses in homes, there is a likelihood that the operators will have their way and unqualified, inexperienced staff will be asked to administer medication. Consequently we can expect there will be more concerted attempts to reduce qualified staff in nursing homes. The working conditions of nurses kept in employment will be downgraded by a reduction in penalty rates, holidays, et cetera. It would be disastrous if aged care were to lose its qualified staff altogether. Uncertainty in this situation is not a great comfort to anyone with a loved one in a nursing home.

On the matter of whistleblowers, much of the terrible revelations regarding abuse in nursing homes has relied on staff within nursing homes going beyond their employer and reporting abuse to

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the media. How safe will such people be from retaliation, with the new laws in force? Many staff are afraid to take matters beyond the employer now, and abuse is being swept under the carpet. The new laws will provide employees with even less protection. With less knowledgeable, experienced staff working in homes, abuse is less likely to be detected and it is certainly less likely to be reported. That is my fear with the new laws. Thank you.

Mr MIFSUD: Thank you, Madam Chair and Committee members, for giving me and my colleagues the opportunity to tell you what we think of these despicable laws that the Federal Government is attempting to foist upon the unsuspecting—well, not so unsuspecting now—Australian public.

Firstly I would like to say that we have heard this morning that a whole spectrum of the community will be affected by these industrial relations laws. Even I am shocked at the massive spectrum of our community that is being affected, or should be affected, by these laws. Indeed, I offer as evidence to this Committee the increasing incidence of reports on our television sets and radios of fascist employees in our midst. And nobody can deny that. It is happening; it is being reported. When we in the union movement said it was going to happen, we were told a lot of bullstuff, that we were scaremongering, et cetera. Well, it is happening. The reports this morning have established how wide is this grab into the heart and soul of our community, dragging the heart and soul of this Australian community away from us.

The purpose of my attendance today is to bring to your attention the large community of our population that will be affected by these scurrilous laws that the Federal Government is trying to foist upon us. I want to refer to the direct effect of the Federal Government's industrial relations laws on pensioners. I am talking about pensions throughout the age spectrum, not just the age pension. Pensions and social service payments will indubitably be negative if the minimum wage is cut, either in the numerical sense or in the real value sense.

As a cut in the minimum wage is very obviously one of the major intents of the Government's plunge into this grossly unfair system, it is hard not to presage a decline in age pensions and other social service payments, for the following reasons. Pensions are set in line with the consumer price index [CPI], then benchmarked against the male total of average weekly earnings, which I will refer to as the average weekly earnings.

The resulting CPI increase has regularly been closely in line with the existing average weekly earnings. In other words, it has rarely been that the CPI has been less than the average weekly earnings. However, should the average weekly earnings regularly register as substantially lower than the CPI, as would be the case with a declining minimum wage, then there will be pressure to reduce pensions in line with the reduced average weekly earnings.

Given proof that the minimum wage will be, and already is, under attack, the average weekly earnings will without doubt decline numerically, and consequently, as shown above, pensions will follow such a decline. As to evidence that a drastic cut, if not total removal, of the minimum wage is intended as one of the major planks of the industrial relations laws, the intent is clearly perceived by the actual behaviour of employers in the many reported instances of sackings and reemployment of workers at much lesser wages and meaner conditions, which have occurred since promulgation of the Federal Government's industrial relations laws.

There will also be an indirect way in which pensions will be pressurised downwards. The relevant Minister, Mr Andrews, has made a statement that it was the intention to benchmark the minimum wage. Senior Australians well remember when another conservative government, under Mr Menzies, tried to cap the basic wage of that period. This meant that although the basic wage remained static, prices and profits would be allowed to race ahead, creating a decline in the value of the wages in real terms.

This is why I am trying to say to you there is a direct way in which it will be affected and an indirect way in which it will be affected. That is, although you receive the same amount of money, because of this dichotomy the value of each dollar will regress. We pensioners do not live in a bubble; we have to go to the same retailers, the same pharmacies, and the same shops that the rest of the community have to go to.

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We perceive little difference between the capping and benchmarking of the minimum wage. Also, given the Federal Government's complete lack of action to protect the consumer from buccaneering commerce such as banks, insurance and retailers, and the absolute laxity and lack of any discernible activity of any meaningful kind by the ACCC to protect the consumer—witness petrol prices—it becomes obvious that any capping or benchmarking, or whatever other spurious term our Federal Government wishes to use, of the minimum wage with no concurrent control of prices and profits, must produce a grave decline in the real value of wages and therefore the real value of the pension.

Furthermore, the decline of the minimum wage, together with the numerous other working conditions, became very clearly evident in New Zealand as a consequence of the industrial laws, kindred to the current Australian industrial relations laws, which were introduced in the early 1990s into the workplace of the unfortunate citizens of that country. Within months of the introduction of the industrial relations laws in New Zealand, industrial deaths increased exponentially, and injury of a less than death type also increased exponentially. But what horrified me in a major report I heard in a special conference in town was that in New Zealand the children of industrial relations poverty-created families began to show signs of rickets—in a country like New Zealand—entirely blameable on an industrial relations exercise similar to the one the Federal Government is trying to push upon us today.

Although other instances can be found, suffice to say that we tender these undeniable occurrences as proof positive that it is the intention of these scurrilous laws to diminish the remuneration of Australian workers and pensioners. This fact is all the more obnoxious given that these industrial relations laws are intended to be enforced by specially appointed individuals who have in mind more a hatred of the average working Australian than a dedication to the law. Thank you.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Mr Mifsud, it is interesting that you used the average weekly earnings as the benchmark. If the gap between the rich and the poor is growing greatly, may not the average weekly earnings be a poor index of the purchasing power, in the sense that if someone is going up to \$17 million at one end of the spectrum it will pull the average weekly earnings up but most people's earnings will not rise very much? Why did you use that index, or did you just have those figures?

Mr MIFSUD: In my involvement as the president of another organisation of pensioners, I had to follow this matter through with the appropriate bureaucrats in Canberra to find out just how the pension is set. That is what they told me. There is a lot of obfuscation on how it was operated. This person, who is supposed to be at the epicentre of it—and he was the appropriate person—told me that the CPI is applied first and then it is benchmarked against the male average weekly earnings.

Yes, very clearly, the CEOs who are entitled to \$20 million will not be badly affected by this; it is only people like us who are going to cop it in the neck.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: But what I am saying is that the average weekly earnings may not be reflected in the median weekly earnings, which is what the fiftieth percentile person gets. I am making a statistical point, really. The average may not be where most people are.

CHAIR: Nevertheless, the point is fairly clear, if the setting of the pension depends on those calculations, which is Mr Mifsud's point.

Mr MIFSUD: I am not a financial wizard, but I know that if the minimum wage is going to go down the AWE is going to go down. Therefore, when it is used as a benchmark against the CPI—I am sorry about the confusion; that is what they said in Canberra—once that average weekly earning is set as a benchmark against the CPI there would be pressure downwards. That is what this whole thing is about: an auction to the basement. That is what the HR Nicholls Society and the shadowy people who are backing the Federal Government in this matter are looking for.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Do have any figures of industrial deaths and injury in New Zealand?

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Mr MIFSUD: No, I have none. But I refer you to Professor Mitchell of the Newcastle University, who was a very vocal speaker and had very many issues such as this to relate to us, plus a member of the New Zealand group that was out here to talk to us on the issue.

CHAIR: In different ways, you have all expressed your fears and what you have heard so far. Given, as was said earlier, that we are a State parliamentary Committee, what do you think can come out of this inquiry?

Mrs HENNESSY: We want the legislation overturned. We know the State Government does not have the power to do that. However, we would encourage the State Government to look after at least State employees, and to try to win the High Court challenge because that is so important for us. I rang Jackie Kelly and asked about teachers. If the Federal Government takes over control of teachers, how will they be benchmarked? Will they take the highest or lowest wages paid to teachers? She had no idea at all, and I am still waiting for her to get back to me. We want you people to understand the impacts of the WorkChoices legislation. Of course, we would love you to be able to overturn it, but I suppose that is asking a bit much.

The Hon. ROBYN PARKER: That is impossible, really.

CHAIR: Roger, would you like to add anything?

Mr ROGER HENNESSY: I certainly would. Councillor Parker just mentioned it would be impossible to overturn this legislation. But we live in hope. I sincerely hope that members of the Liberal Party present might bring pressure to bear on their Federal colleagues to develop a conscience and perhaps think about the underprivileged in our society—those who cannot go to fancy schools, those who do not have plenty of money, and the single-income families, which do exist out there. The underprivileged do need a hand, and in my opinion it is not fair to say, "It doesn't affect me. Let them get on with it."

The underprivileged did not bring their problems upon themselves. People are not poor by choice. People are not disadvantaged by choice. As my wife mentioned, we have three-year-old grandchildren who do get a bit of help. But there are plenty of kids out there that do not have that help. It is not their fault. You cannot blame young children and the underprivileged for the dire situation that they will find themselves in under this legislation. Please, please, develop a conscience, explain to your colleagues what it is all about, and give the people a fair go. Give them the sort of go you would like to give your own children. That is what I would like to come out of this inquiry.

CHAIR: I think we might leave it at that.

The Hon. ROBYN PARKER: Mr Mifsud, you talked about the New Zealand legislation. It is a Labour government in New Zealand, is it not?

Mr MIFSUD: It was introduced—

The Hon. ROBYN PARKER: It is a Labour Government in New Zealand currently, is it not?

Mr MIFSUD: Yes.

The Hon. ROBYN PARKER: Has it reversed that legislation?

Mr MIFSUD: It is working to reverse it.

The Hon. ROBYN PARKER: This is its third term in government, is it not?

Mr MIFSUD: Quite so. But the destruction that was caused by the government that introduced the legislation—which was the tail end of Piggy Muldoon's government—was such that it affected the economy. It was an economist who said this. It had created such damage to the economy

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of New Zealand that the current government and the people of New Zealand are struggling to revive their economy.

CHAIR: I think it was probably more a rhetorical question. So we probably do not need to go into that. We thank you very much for coming and for giving your evidence.

(The witnesses withdrew)

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JO JACOBSON, Spokesperson, Penrith for Working Families, and

LINDA MARIE EVERINGHAM, Member, Penrith for Working Families, P.O. Box 1063, Penrith, New South Wales, affirmed and examined:

CHAIR: Jo, do you want to start by making a statement?

Ms JACOBSEN: I do. Penrith for Working Families is a group made up of a number of families living in Penrith concerned about the WorkChoices legislation. I never thought I would be here today. I am glad I have not been here all day. It takes something like this to get you to sit up and take notice about what is going on. The more I hear about this, the more I tend to get upset. I would like to take the opportunity to make a brief statement to supplement my parliamentary submission, which I am grateful the Committee accepted. I am really happy that you have come out here today to take our statements. Please feel free to interject at any time for more information or to ask any questions.

Penrith for Working Families started from a discussion of the WorkChoices legislation in the middle of last year. Prior to that, I was not politically active at all. I was politically aware, but like most Australians I had a fairly apathetic attitude, which now has been completely dispelled. I have a two-year-old baby at home, a beautiful husband, and I see families day in and day out as an early childhood teacher. Today I have come from an organisation where I work with forty children a day. I have directed there, which I currently am not doing any more, but I was director there for twelve years, so I have seen a lot of what families experience on a daily basis. So that is a bit about me.

Now that the legislation has been passed the effects of it on working people are starting to become apparent. The twisting of this legislation has been proven with the case in Cowra, where media scrutiny forced a quick, short-term resolution. Four months later, that action has been deemed legal. Therefore, it is all right in Australia to sack and then rehire employees on lesser wages and conditions. I would like to make the separate point that so-called operational reasons can be used by businesses and corporations regardless of the high profit margins that companies and shareholders may receive. The operational reasons used to produce these high profit margins disregard effects on the lives of people like us.

Small business equates to more than 90 per cent in Penrith. I work in a small business. I have always worked in small business since I started in this field 16 years ago. I am aware of small business employees who have voiced their concerns with this legislation. I think their concerns are based on a fair assessment of it. This legislation is difficult to interpret, even for people such as Professor Ron McCallum. He has said he cannot work out this legislation, and he has more than 40 years of experience in the field, so how can a small business owner possibly understand it? This then brings us to their employees, who no longer have the security of unfair dismissal laws or collective bargaining.

WorkChoices is very much an individual bargaining system, and that is not a positive environment for employees to work in. This is particularly so for young employees, apprentices, and low-income and low-skilled workers and particularly, as the New South Wales Government has found out, working women who are worse off under a system of individual bargaining. They are much better off under collective bargaining. This can be seen from the recent pay equity case for childcare workers. I have come from an untrained assistant to currently doing a bachelor of education. The pay equity case has taken years to come through. Under the WorkChoices legislation that would not happen.

I am disgusted to think that we are not rewarded for working hard. I used to be paid \$280 a week to look after and take on responsibility for other people's children. Though the pay equity case is through, some small businesses will not have to pass on the benefits of that decision, and I am concerned that from now on it will operate on a case-by-case basis. So if you have children or grandchildren that you drop off at childcare, spare a thought for the people who look after those children and what sort of remuneration they get. People like me are there for the children. We are not there because of the money. If we were, we would be in another field. Regardless of the political rhetoric, in the real world it is not a level or genuine playing field for women to thrash out their rights

UNCORRECTED TRANSCRIPT

and conditions with their bosses. Couple this with the removal of the independent umpire and the no disadvantage test, and tell me honestly how we can fight the person who has the purse strings.

Penrith for Working Families are deeply concerned with the intangible "what if in the future" questions that this legislation poses for us all, employers and employees. An economic downturn will occur, and it will affect workers the hardest because of a loss of wages and conditions, coupled with the possible loss of jobs. Employers at this time who know the value of their employees pay them the award and their entitlements. As their competitors are now able to use other means to cut down their wage bills, ethical employers may be forced to cut their wages and conditions to get business, even if it goes against their integrity as employers.

I have included the case of Newington College, although it is out of the Penrith area, as an example. This is where professional teachers with vast experience were asked to sign individual contracts. This happened two months ago, and the case has only been taken up because of union intervention. What I am saying is that we are putting ourselves on the line as individuals: our rights to representation by unions are being taken away from us under this legislation. There was also the case in the Newcastle area—which I acknowledge also is out of the Penrith area, but it relates to my point about professional people getting worked over. Nurses showed up for work one day and were told to sign individual contracts, and if they chose not to they were shown the door within five minutes of their arrival. The next nurse would be given the contract to sign. This did not hit the media because there was something else newsworthy going on that day. But these are people's lives, and these are people's jobs. What chance to the youth, the low-skilled and the semi-skilled workers have if our trained and experienced employees are being disadvantaged by this process?

Since the making of the submission we have seen policy changes with the introduction of guest worker visas, which initially related to skilled workers but will now be extended to semi-skilled workers if the legislation passes. Couple those changes with the WorkChoices legislation and you have a cocktail of cheap labour both from overseas and ultimately within Australia as people are forced to compete for employment choices due to their own financial commitments.

An interesting comment was made to me recently by a married parent. She asked, "What chance do I have of finding employment, now that my youngest has started school, with the back-to-work policy being coupled with the WorkChoices legislation?" This is what I mean about things going hand in hand. With women under threat of losing government support if they do not accept positions, combined with the possible unscrupulous use of WorkChoices legislation by employers to ensure bare minimum wages and conditions, what chance does she have of finding a job that pays fairly and provides a proper income and entitlements?

It is interesting to note that charity-based employment agencies have refused to case manage this vulnerable section of our community because of the moral and ethical dilemmas that they face. The cutting of the Job Education and Training Scheme entitlements to less than a twelve-month period is another example. How can we call ourselves a forward-thinking and progressive country if we expect vulnerable, single women to obtain decent skills through university or long-term vocational training, and thereby move into financially conducive and productive work lives, without providing them with the support necessary in the early days to help achieve this?

The Government's argument of these laws, of us moving into a competitive global market, is laughable when you look at the minimum wage of a Chinese worker being equivalent to 90¢ an hour, so I refute that completely. Our concern, as Penrith for Working Families, is this overall pressure being placed on working families by this legislation, on real families in the real world, and that is exactly what we have here in Penrith: a combination of uncertainty and insecurity within the workplace causing an ability for people to speak up with issues such as occupational health and safety; the movement toward prevention of unions from entering or representing workers coupled with the eventual driving down of current wages and conditions; the inability to juggle family demands when a 38-hour week is to be completed over an annual basis, which is laughable when you are looking at seasonal workers and you are looking at retail.

I have a lot of families, particularly in the Penrith area, who have retail jobs. It is one of the high job fields here. At Christmas-time, they will not spend time with their families because their 38-hour week will be accrued, or has to be utilised at Easter, Christmas and all these huge and heavy

UNCORRECTED TRANSCRIPT

trading times. They will not enjoy what we used to see as traditional times of the year to spend with family. The pressures include removal of entitlements, such as penalty and overtime rates, which a lot of our families are forced to include to make up an affordable weekly wage. All of this pressure may ultimately equate to relationship strain, turning into more volatile and violent outcomes in high mortgage belt areas with interest rate increases and petrol prices already placing a huge strain on stretched budgets.

Anecdotal evidence suggests this is already happening within our area for our high mortgage belt areas. As a society we will then be forced to deal with the social implications from this legislation. Penrith for Working Families asks what are we doing in our country with legislation such as this? We believe that Work Choices ultimately aims to individualise the work force, thereby disempowering workers and leaving them to fend for themselves, with minimal or no choice. I would like to conclude my brief by thanking you for the opportunity to make my submission and be present at the inquiry, and lastly, to be given the opportunity to be heard.

CHAIR: Before we ask any questions, would Ms Everingham like to add anything?

Ms EVERINGHAM: Yes. I would just like to add that Jo was giving that statement on behalf of Penrith for Working Families. I am a member of Penrith for Working Families and I just want to outline about families that I work with and myself. Firstly I want to thank you very much for giving us the opportunity to have our say here today and also for the State New South Wales Government for the protection of Crown employees. I am in administration at the hospital. I work with nurses, ambulance officers and police officers, and these are the people whose hourly wage—I cannot believe it—is the same hourly wage that I get paid, and they are out there saving lives.

What makes up the annual wages is their penalty rates and their overtime and their leave loading, et cetera. As I said, I work at the hospital. I am in an administrative position. I am in the emergency section. I am a single parent. I have a 6½-year-old son and a five-year-old daughter. I have worked since my daughter was nine months old. Currently I am on a set roster where I work two weekends a month. It used to be three. I dropped it back to two when my son started school because I wanted to spend some more time. There are certain days throughout the week I work as well. I have a set roster so I am quite fortunate in the fact that, with my set roster, I also have a set roster of babysitters. I have their dad, the grandparents, my sister and family looking after my kids when I am at work.

Because I do get penalty rates, I get paid a higher hourly rate of pay, so I do not have to rely on government benefits as much as someone who does not work or is just on family friendly hours in the day, 10 to 3 or 10 to 2 so they can pick their kids up or whatever, because of the Sunday rates and penalty rates and evening shifts that I work. Just some anecdotal things that I want to also make you aware of are that families that I work with there at the hospital have made comments. With fuel prices, the high cost of living, families are just really struggling. I would expect to be struggling as a single parent, but you have got two-income families saying the same things that I am saying and they are going backwards, you know? You have our local Federal member saying things that people should be buying generically and not eating out to save money. Everyone I know already does that.

In relation to what Denise mentioned when outlining the family impact statement that Don Edgar wrote about family breakdown and family violence and what Jo was saying about our mortgage belt areas and about family violence, there is one huge mortgage belt area that we have in this area. I have friends who were buying a home. They went to a house. The woman answered the door in tears and said, "I had actually cancelled this", and the husband was screaming out in the background. I just think that a couple of interest rate rises and with fuel and interest rates and mortgages, people are falling apart. With Work Choices and with driving wages down, people are just going to be left. There is going to be an underclass. I believe that is already happening anyway, but there will be a definite underclass happening in this country. We have always prided ourselves on being an egalitarian society. Well, it is just not happening any more. People are just struggling.

One more anecdotal thing: I had a specialist appointment for my daughter. I was at the specialist—a very nice man with a Ralph Lauren shirt on. I was thinking, "Him and I wouldn't be talking about the same issues." We started talking. I told him I was a member of Penrith for Working Families, and we were talking about the same things. He was talking about at the doctor level that they

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are bringing in doctors from overseas, where you are having poor communication problems and you are having poor notation problems, and it is having an effect on them. I am talking about skills shortages where my kids are probably not going to get an apprenticeship and how we are having guest workers come in and we both said—like I am not a racist person at all, but if you start saying these things people accuse you of being racist.

Another interesting thing he said was that when he left university, he got a university degree, a medical degree, for nothing. When he left university, he thought, "Who do I owe?" He has worked the hospital system and he said he loved it but he despairs. He wonders where the vision has gone in this country. It was just interesting that he has said that, given the levels that we are here and the level that he is there. He said that you get young doctors these days, they leave university, and it is, "How do I earn money to pay off my debt?", because they are leaving university with HECS and it is \$100,000 they are owing for their degrees. Jo has outlined what Penrith for Working Families is all about. I am one member of Working Families. There are quite a few members just at the hospital. Everyone is talking about the same things.

People are just so worried about the impact that Work Choices is going to have on their families. I mean, there has been so much said here today. I despair about what is going to happen to my children. Sometimes I cannot breathe when I try and struggle with my budget by robbing Peter to pay Paul, and I wonder how my kids are going to cope in 10 years time when they are trying to find a job. Thank you to listening to me today.

CHAIR: Does anyone have any questions?

The Hon. IAN WEST: You have said the lot. You have said it all.

CHAIR: Jo, you stress particularly the role of small business in the Penrith area as an employer.

Ms JACOBSEN: Yes, we do have a high percentage of small business within the area. My previous boss, the previous owner, he does not agree with the legislation. He said for him it is much more work to have to try to work out whether or not he is doing it fairly, whether or not he is doing it equitably. He said it is really just too hard. He would prefer the old system. My current boss, she has maintained our award and conditions at this time, but once again, it can be up for negotiation. I do not feel comfortable negotiating my wages and conditions. As I look at people with AWAs with no maternity leave, I see a lot of women out there having babies by accident, so to have no maternity leave allowance component in your AWA, I just cannot believe it.

People do not realise the conditions they have and how important they are—truly how important they are. I looked at the child care equity case where the girls are only just getting through now what they should have been entitled to years and years ago for the hard work they do and the responsibility that they have. It really saddens me that that will not happen again because there are a lot of other fields. It was not until nurses and teachers became unionised and got together collectively that they started to get decent wages and conditions. With child care, we have just seen the input in that because it is a female dominated industry.

CHAIR: And one where most of the employers are small businesses.

Ms JACOBSEN: That is right.

CHAIR: With under 100 employees.

Ms JACOBSEN: Yes, that is right.

CHAIR: Or, if they are owned by big companies, their structure sets them up to be able to count as small business.

Ms JACOBSEN: Yes, that is right.

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CHAIR: You both talked particularly about the impact on women. I am running through the specific matters mentioned in our terms of reference.

Ms JACOBSEN: Yes.

CHAIR: Would you suggest that the Penrith area in general is likely to be more impacted upon than most other parts of Sydney?

Ms JACOBSEN: I think the term "pram city" has been coined by our Federal member because it is No. 2 in Australia for birth rate behind Liverpool—I cannot remember who the other ones are—because we have so-called affordable housing.

Ms EVERINGHAM: Well, it was.

Ms JACOBSEN: It is affordable depending on how much you have gone into debt for because of the affordable housing. We are fairly close to the city so you could still travel, even though it is a bit of a hike. The impact on women is greater on their families because we do have a lot of working families within the area—a lot. It really does concern me, this anecdotal research that has come out about domestic violence within the home mortgage area. With this happening already, there is a lot of pressure out there. Coupled with this, and as I have pointed out here, team it up with other policies, honestly I do worry. That is why I decided to build this up and to actually get the word out because I think there are a lot of misconceptions out there and I think a lot of misconceptions can be overruled when people put themselves in other people's shoes as well.

Ms EVERINGHAM: Yes, and we have had some anecdotal evidence as well. Some friends whose overtime was cut just not long after Work Choices came in lost \$500 a month. They have now had to refinance their house. She was working full time Monday to Friday, and she has now gone full time with working weekends, et cetera, to get penalty rates to try and pay. This is why we are still on a decent rate. We have penalty rates and we have decent hourly rates of pay. I would hate to think what is going to happen when, you know, in a decade's time wages are being driven down and the economy has a downturn—let's face it, it is way overdue for a downturn—and people start getting cut from the jobs, and not just losing overtime but losing jobs altogether.

CHAIR: What sort of percentage of people that you are talking about are working in Sydney, for instance, or a long way out of Penrith and therefore are adding long travelling time to the hours you are talking about?

Ms EVERINGHAM: I do not know what the figures are, but there are quite a lot of people who are doing the travelling.

Ms JACOBSEN: Yes. My husband leaves at 5.30 and gets home at 10.30 two nights a week because he is studying after working. He will do a 12-hour day. That is just my family, let alone a lot of them travelling into the city, particularly the high mortgage areas, because they need the high income.

Ms EVERINGHAM: They get good jobs in the city.

Ms JACOBSEN: My cousin is married to a gentleman who would lose \$20,000 to \$30,000 if he came out to this area. That is the difference in the pay from the city out to here.

CHAIR: The pay rates?

Ms EVERINGHAM: Yes, the pay rates. The same job would be \$30 grand less a year if you worked out here.

CHAIR: Is there a tendency for the men to work elsewhere and the women to work locally, as a generalisation?

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Ms JACOBSEN: Yes, and also because of family reasons, too. Like, day care generally is only open 10 hours a day, so with travelling time, you are putting in an eight-hour day, so where are you going to try to squeeze in an extra hour each side?

Ms EVERINGHAM: To travel to the city?

Ms JACOBSEN: Yes. So a lot of them do work locally and a lot of them to work part time to supplement their partner's wage.

The Hon. IAN WEST: When the kids get out of the prams and they start to look at jobs, what sort of skills, traineeships or apprenticeships are happening in the area?

Ms JACOBSEN: Our TAFE system has been cut down. You have probably noticed the advertising, because the funding cuts have been pretty huge. My husband has to travel to Ultimo to do his TAFE degree. So I pray what it is like when our kids go through. Our university has been absolutely shattered to smithereens when it comes to funding.

Ms EVERINGHAM: The undergraduate teachers are doing their last undergraduate course. Then they will not be doing teaching at the University of Western Sydney on this campus; they will have to go elsewhere, with the Federal funding cuts. It started as a teaching campus.

Ms JACOBSEN: A lot of the trend, unfortunately, has gone towards private operators and private trainees. As a previous director of a child care centre, I can certainly see the difference between a TAFE course and a private course with on-the-job training.

The Hon. IAN WEST: We have been told that young kids are having no difficulty finding jobs out here. They are going straight into jobs?

Ms EVERINGHAM: You are talking about someone working at a local fruit shop and trying to live on— This is another conversation I had with this person. They are getting 15 hours per week, so they are having to do two or three casual jobs. She lives at home with her mother; she is 23. She tried living out of home, but she cannot afford it. It is all right for those sorts of jobs, where it is casual and you do not get your set hours but only a few hours here and there. But for jobs where you are permanent and you get a regular wage, you go to the city. Those jobs are not out here.

Ms JACOBSEN: Unless you have a good relationship with your parents and you can still live at home, in your big house, because your children are still with you as adults. In another case, they are studying at university. It is a huge company and one of their businesses is in Penrith. They did an AWA. They already cut the penalty loading for the weekend work and they cut the leave loading. In order not to pay meal breaks, they split the shift. So these 19-year-olds who were working on weekends at this shop, to be able to make enough money for texts and just to get them through the university degree, which hopefully they got a HECS place for—if not, they will be left with a huge debt, like me—they are getting absolutely nothing, I think it was an extra 50¢ an hour, and they have lost their penalty rates on weekends and their loadings.

The Hon. IAN WEST: Historically, the skills base for the apprenticeships and traineeships usually came from government jobs, and then those apprentices went out into the private sector and worked for themselves or for a private employer. Are there many traineeships or apprenticeships in the government sector out here, whether it be Federal, State or local government?

Ms JACOBSEN: As I said, a lot of it is retail. That is why we are concerned about the legislation, because a lot of us are retail. A lot of us travel for those jobs you are talking about. They are now having to travel further away to get apprenticeships. You see a lot of them on the trains going here, there and everywhere for work, but there are not many local positions at all in that regard.

CHAIR: Thank you for your written submission and your evidence today.

Ms JACOBSEN: I would like to say, Madam Chair, we really appreciate your coming out to Penrith. We just wish that the Federal Government had done the same before they introduced the WorkChoices legislation.

UNCORRECTED TRANSCRIPT

(The witnesses withdrew)

(The Committee adjourned at 3.35 p.m.)