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## **\$14 billion of weekend penalty rates at risk if Fair Work decision spreads**

Penalty rates for weekend work add over \$14 billion to the incomes of Australian workers each year, new analysis from the Centre for Future Work at the Australia Institute confirms.

The new paper, *Tip of the Iceberg: Weekend Work and Penalty Pay in 108 Australian Industries*, shows how important weekend penalty rates are for workers across the economy.

The modelling confirms that if the penalty rate cuts spread to other sectors the economic impacts for working people will be severe.

After retail and hospitality, the hospital, aged care and medical services workers do the most weekend work, making them extremely vulnerable to potential future cuts.

Legal advice obtained by the ACTU earlier this year highlighted the potential for the Fair Work Commission's ruling to spill into other sectors – and some employers in other industries are already demanding that their penalty rates be cut, too. If these cuts spread, the impact on workers' incomes will be enormous.

Employers have long tried to abolish the principle of higher pay for working anti-social hours, and the Turnbull Government's support for the penalty rate cuts shores it up for them.

Read the full report:

[http://www.futurework.org.au/weekend\\_work\\_and\\_penalty\\_pay\\_in\\_108\\_industries](http://www.futurework.org.au/weekend_work_and_penalty_pay_in_108_industries)

### **Key Findings from the CFW Report:**

- 27.6% of Australian employees are on the job on any typical weekend (and more than that work occasional weekends). That is roughly 2.75 million people on the job on any weekend, in industries as diverse as construction, transportation, public services, residential care and hospitals.
- Paying higher wages for work on Saturdays and Sundays generates at least \$14 billion per year in additional wages.
- Weekends are still incredibly important to Australians, and weekend work is associated with significant social, personal and health costs.
- Extra pay for working on Saturdays and Sundays makes up over 2.5% of the total wages paid to employees in Australia.
- It would take five years of annual wage gains (at current growth rates) to make up for the loss of Saturday and Sunday penalties.

The following quotes are attributable to ACTU President Ged Kearney:

“Penalty pay for weekend work adds \$14 billion per year to the pay packets of Australian workers. By deeply cutting that income, the Fair Work Commission will create real hardship for many workers – and there’s no evidence of any upside in job-creation.”

“By refusing to stop the cuts, Prime Minister Malcolm Turnbull has waged a war with workers and we will stop at nothing to ensure their pay packets are protected.”

“Even workers who are covered by enterprise agreements are at risk of wage cuts because of the penalty rates cuts to Award wages.”

“The report states people covered by enterprise agreements benefit when Award penalty rates are higher and this decision will create downward pressure on agreement wages.”

“We are deeply concerned that unless the penalty rates cuts are stopped they will spread to other industries in other sectors. This modeling shows that this would be disastrous for Australians workers.”

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<b>Ten Sectors With Most Weekend Employees</b>	
<b>Industry</b>	<b>Number of Employees Working On Weekend (Thousands)</b>
Food and Beverage Services	406.0
Other Store-Based Retailing	261.4
Food Retailing	210.0
<b>Hospitals</b>	<b>120.2</b>
<b>Residential Care Services</b>	<b>102.4</b>
<b>Medical and Other Health Care Services</b>	<b>93.2</b>
Construction Services	84.7
Personal and Other Services	74.7
Public Order, Safety and Regulatory Services	71.6
Professional, Scientific and Technical Services (Excl. Computer System Design & Related Services)	67.9
<b>Top Ten Sectors Total</b>	<b>1492.2</b>
<b>All Sectors Total</b>	<b>2745.2</b>
Source: Table 2, “Tip of the Iceberg: Penalty Rates and Weekend Work in 108 Australian Industries”, by Jim Stanford, Centre for Future Work, <a href="http://futurework.org.au">futurework.org.au</a>	

<b>Ten Sectors With Greatest Weekend Penalty Incomes</b>		
<b>Industry</b>	<b>Estimated Extra Pay for Work on Saturdays and Sundays (\$m)</b>	<b>Share Lost Directly via Award Wages<sup>1</sup> (%)</b>
Food and Beverage Services	\$1,427	42.7%
Other Store-Based Retailing	\$1,139	34.5%
Food Retailing	\$1,014	34.5%
<b>Residential Care Services</b>	<b>\$658</b>	<b>28.8%</b>
Construction Services	\$545	19.7%
<b>Hospitals</b>	<b>\$524</b>	<b>28.8%</b>
Public Order, Safety and Regulatory Services	\$464	18.1%
Road Transportation	\$442	13.4%
<b>Social Assistance Services</b>	<b>\$413</b>	<b>28.8%</b>
Professional, Scientific and Technical Services (Excl. Computer & Related)	\$392	9.3%
<b>Top Ten Sectors Total</b>	<b>\$7,018</b>	<b>29.9%</b>
<b>All Sectors Total</b>	<b>\$14,039</b>	<b>24.8%</b>
Source: Table 5, "Tip of the Iceberg: Penalty Rates and Weekend Work in 108 Australian Industries", by Jim Stanford, Centre for Future Work, futurework.org.au		
1. Assumed equal to proportion of employees covered under award.		

Media contact: Antonia Acott 0418 793 885 or ACTU Media 03 9664 7315

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