

Friday 19 May, 2017

ACTU welcomes plan to reform Fair Work Act

The Australian Council of Trade Unions (ACTU) welcomes the commitment given today by shadow workplace relations minister Brendan O'Connor that Labor would seek to stop employers simply tearing up enterprise bargaining agreements (EBAs) to cut workers' pay and conditions.

Employers are using loopholes in the Fair Work Act (FWA) to force workers onto lower pay and conditions.

Some of these tactics include applying to the Fair Work Commission to have expired agreements terminated or using EBAs that were not intended for the workforce they are covering.

Also of grave concern are big corporations delaying bargaining of new agreements so they can avoid paying higher rates of pay and penalty rates to staff.

This is both unfair to the workers involved and against the national interest when this week's wage growth figures from ABS demonstrate that real wages have actually declined overall.

Quotes attributable to ACTU Secretary Sally McManus:

"The Fair Work Act is not protecting the best interests of workers and needs to be reformed; this commitment from Labor is an important step in that direction."

"The cancelling of enterprise agreements has caused severe hardship to many working people and their families who have had a sudden and unacceptable cut in their wages.

"The fact that employers can now threaten to abolish agreements and drop workers' pay by up to 40 per cent has radically strengthened their power at the bargaining table. Our system should never allow this and action is urgently needed to stop it."

"Cases like Aurizon have shown that it is all too easy for a company to simply walk away from negotiations and tear up an agreement if it doesn't get its way. The floodgates have opened since that decision and another 846 Agreements have since been terminated in this way."

"We should strive for a system which ensures that employers and employees are on a fair and equal footing during bargaining otherwise it cannot be called a Fair Work Act."

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