

Tuesday, December 18, 2012

Business push to slash penalty rates must be resisted

The ACTU has warned against an employer push to reduce or remove weekend penalty rates in Awards and cut the take home pay of over 500,000 low-paid workers.

Fair Work Australia will today hear submissions in Melbourne from employer groups who want to remove or reduce penalty rates in awards for workers in retail, hospitality, tourism and other industries.

ACTU President Ged Kearney said that employers were launching a co-ordinated attack on penalty rates in the lead up to next year's Federal Election.

"Twenty different submissions have been made to Fair Work Australia to cut penalty rates with little or no regard for the effect on workers," Ms Kearney said.

"More workers than ever will be required to work on Christmas Day, Boxing Day and New Year's Day in the next fortnight. The penalty rates they get may not be there next year.

"If these employer applications succeed, 500,000 low-paid workers will be out of pocket by anything up to \$105 for a 6 hour shift on a Sunday.

"The financial pressures on working Australians are as great today as they have ever been. Penalty rates have existed for decades to compensate award-reliant workers for the effects that working unsociable hours have on health, family and social life.

"They are a fair recognition of what workers are required to sacrifice to keep businesses running on week-ends and public holidays.

"For low-paid workers, penalty rates can be the extra money that allows them to pay rent and bills.

"There is no evidence reducing penalty rates will create new jobs, and plenty of evidence it will hurt low-paid workers," Ms Kearney said.

Among the employer submissions:

- The National Retail Association and the Australian Industry Group have called for penalty rates in the fast food industry to be removed altogether on weekends;
- Employer associations representing major retailers have applied to reduce Sunday penalties from double-time to time-and-a half;
- The Hair and Beauty Industry Association has applied to remove penalty rates on weekends altogether for hairdressers;
- The Accommodation Association of Australia has sought to reduce penalties for hospitality workers on Sundays, and for casual workers on Saturdays; and
- The Restaurant and Catering Association want penalty rates only apply in restaurants after an employee has worked 6 consecutive days – which would enable restaurants to avoid paying penalty rates by altering roster arrangements.

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