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Employer push to cut penalty rates before Christmas

An attempt by employers to cut penalty rates for millions of Australian workers has kicked off just before Christmas, said the ACTU.

ACTU President Ged Kearney said employer groups have outlined the industries they will target under a review of the award system at a hearing in the Fair Work Commission.

“If employer groups have their way, this could be the last year millions of Australian workers will be paid existing penalty rates for working weekends, late nights and public holidays - including Christmas,” said Ms Kearney.

Workers at risk of losing their current penalty rates under the Fair Work Commission review of modern awards include retail, hospitality, pharmacy, hair and beauty, fast food, dry cleaning and laundry, as well as amusement and events.

Ms Kearney said the irony should not be lost that the case to cut penalty rates has begun right before the busy Christmas period when many Australians have no choice but to work on public holidays.

“While many of us are winding down to enjoy the holidays, millions of Australian workers will give up this special time with family and friends to work. They work weekends, nights and other unsociable hours and should be paid for that.

The move comes as the Abbott Government announced on Friday the terms of reference for a Productivity Commission review into the Fair Work Act, which covers all workplace laws.

Ms Kearney said wages, conditions and penalty rates are under attack on two fronts.

“The employers are going after them in the Fair Work Commission while the Abbott Government is using the Productivity Commission to do the same.”

Ms Kearney said despite the claims by employer groups, there is no evidence linking productivity or employment levels with penalty rates, a finding confirmed by the Fair Work Commission.

“The business community justifies its push to get rid of penalty rates by saying they are making it unaffordable to hire workers. The truth is that the share of business income going to wages in several key sectors has been falling in recent years,”

Total wages share in food and accommodation was 78 per cent in 2013-14, down from a peak of 87 per cent in 1997-98.

In retail, the wages share has fallen from a peak of 79 per cent in 1997-98 to just 73 per cent in 2013-14.

Ms Kearney also urged workers to check their pay rates and entitlements for the Christmas and New Year period.

“Workers can go to www.checkyourpay.org.au or call our Australian Unions helpline on 1300 4 UNION (1300 486 466) to get expert advice on what you should be paid – and what you should do if your pay is incorrect.”

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