

Go Home On Time Day
Address by ACTU President Ged Kearney to the National Press Club
Canberra, 21 November 2012

***** EMBARGOED TO 1pm – CHECK AGAINST DELIVERY*****

Thank you for the invitation to once again address the National Press Club.

I always welcome the opportunity to use this forum to speak to the Australian public about the agenda of the Australian union movement.

It is a particular pleasure to be sharing the stage today with Kate Carnell from *beyondblue*. I have always believed that the strength of the union movement can be enhanced by collaboration with the community sector in areas where we have a common interest.

And of course, today is *Go Home On Time Day*.

Go Home On Time Day is an initiative of The Australia Institute that is now in its fourth year, and the ACTU has been a supporter of the event since its inception.

What I like about *Go Home On Time Day* is that it talks about a serious issue in a fun way.

Nothing annoys me more than hearing employers complain about the work ethic of Australians. Because the reality is that Australians work some of the longest hours in the developed world, including an estimated average of more than four hours of unpaid overtime every week.

The Australia Institute estimates that Australians work more than two billion hours of unpaid overtime a year, which equates to \$72 billion worth of foregone wages. Spread that out over the workforce, and we find the average full-time Australian worker does almost six weeks work for free each year.

These findings are mirrored by the results of last year's Working Australia Census by the ACTU, which had 42,000 participants.

Three out of five respondents told us that they regularly worked more hours than set out in their employment agreement, and close to half of them received no extra compensation for that overtime.

One in 10 were supposed to receive time off in lieu but were unable to take it because of workload pressures.

Disturbingly, large numbers said a lack of staff and an excess workload forced them to work extra hours, or that it was just the culture to work extra hours.

And the Working Australia Census also found that work often intrudes into people's lives in other ways. More than a third of respondents said they would be contacted outside of work hours at least once a week.

We all love our tablets and smart phones, but they are making it harder for us to switch off.

Go Home On Time Day is a reminder of the unfair impact on our work-life balance caused by excessive hours.

* * *

When we think about what makes a decent job, one of the basics is the right to fair and predictable pay and hours of work.

People want to be able to plan their lives, as well as their work.

The ability to accurately predict the number, and pattern, of hours that will be worked in a given week is important to an individual's ability to schedule their other activities, including caring responsibilities.

And unpredictable hours inevitably lead to an unpredictable income.

I want to talk for a few minutes about the relationship between insecure work and unpredictable hours.

Today, the Australia Institute has released a report, *An Unhealthy Obsession*, which reveals that a quarter of respondents describe their hours of work as either somewhat uncertain or unpredictable.

Unsurprisingly, workers without permanent work reported much higher levels of uncertainty than permanent employees, both day-to-day and weekly.

There was a close correlation between the unpredictability of hours and an insecure form of employment like casual, contract or labour hire jobs.

Unpredictable hours and insecure work have consequences on the ability to meet family commitments and maintain personal relationships, and income fluctuations make it harder to secure loans and stable accommodation.

It is here that I want to draw a link to the productivity debate that was raised again by the business lobby in the past few days.

I believe that the growth in demand for casual, contract or labour hire employees is a sign that managers have dropped the ball.

If a business cannot predict its staffing requirements for the next month, you have to ask what else it can't predict. Can it predict its sales? Can it predict how much stock it needs on hand?

Asking the workforce to dip into their family time to make up for bad management is unacceptable.

When unions say we want a real debate about productivity, we always nominate management skills and systems as an area badly in need of reform.

When business groups ask for even more flexibility, what they are really saying is that they don't want to pay penalty rates or overtime for asking their employees to sacrifice their personal and family lives.

Countless examples of what I'm talking about were uncovered by the Independent Inquiry into Insecure Work earlier this year, commissioned by the ACTU and chaired by former Deputy Prime Minister Brian Howe.

I would like to share one with you. The inquiry received a submission from a casual wards assistant at a hospital here in the ACT called Joel.

Joel said that casual staff were regarded by management as on-tap to fill gaps in the workforce at short notice.

“They want all casuals to be available 24/7 without exceptions, or risk not being called,” he told the inquiry.

“I have no control over my work and simply just have to wait for a call to go to work at the last minute.

“This unknowing causes significant financial stress, which seems stupid when 99% of the time there is work available due to annual leave, ADO’s, sick leave, etc. which could be filled in by one or two extra full-time positions.

“Some weeks I will not work at all, and then sometimes I will not stop working for two weeks straight... You never know if you are going to have enough to pay bills, and you need to prepare for the fact that you may not have any work for the next month.”

Businesses need to accept that a secure job is far from an impediment to productivity. In many respects, it is a vital pre-condition.

If workers are being paid well, with a reasonable degree of job security and predictable hours, with skills that are being developed and recognised and put to good use in the workplace, if they are consulted and fully involved in any change processes occurring in the workplace then you are far more likely to have a productive and engaged workforce.

The phenomenon of overtime is directly related to insecure work in two ways.

Workers with non-permanent jobs will frequently put their hand up for extra hours to boost their incomes because they never know when the tap will run dry. Casual workers in this situation often do not receive additional penalties for working overtime.

But job insecurity also feeds unpaid overtime performed by permanent workers. The threat of insecure work can lead them to overwork to “keep in the good books” of their employer. They dare not say no to an extra shift or a few extra hours lest it indicates a lack of commitment to the job. In this subtle way, employers exploit insecure work.

There is also a flipside to unpredictable hours. The latest labour force statistics show that 867,100 Australian workers are underemployed, or 7.2% of the workforce.

They want to work more hours.

So, on the one hand we have a couple of million workers regularly working more than four hours of unpaid overtime a week; and on the other we have hundreds of thousands who are unable to earn what they need because they can’t get enough hours of work.

This is symptomatic of an economy built on insecure work.

Unpredictable hours are just one facet of the crisis of insecure work in Australia.

Those 40% of the workforce in casual, labour hire, or various forms of contract jobs often do not have any paid leave entitlements, like annual leave, paid sick leave, overtime, penalty rates or long service leave.

They miss out on quality skills and training, and career opportunities.

They have no voice in their workplace and no say about how, where and when they work.

And all too often, they are exposed to greater health and safety risks than permanent workers.

The rise of insecure work is the product of a long-term trend where the protections workers relied on from workplace laws and higher union density have been reduced, and the risks and costs once born by business have been shifted onto employees.

Employers have enjoyed a period of unparalleled success in attacking our industrial relations architecture and introducing “flexible” arrangements into workplaces at the expense of rights, fairness and proper protections.

For workers, the end result of this has been an increase in precarious or insecure work to the extent that Australia now “boasts” the second highest rate of insecure work in the OECD – lagging only behind Spain.

Their actual lived experience of concepts like “reform” and “flexibility” simply mean lower pay and less job security.

While we all dream of being able to change our working hours to fit more things in, or better balance childcare arrangements where both parents work, this is rarely what business actually means when they use the word ‘flexibility’.

For low-income people in particular, flexibility means working when the employer needs them, and often at very short notice.

This is the very situation *Go Home On Time Day* is shedding light upon.

It is now several months since the *Lives On Hold* report from the Howe Inquiry was released.

Insecure work has long been a concern of the union movement, but we are now seeing a seismic shift in public understanding that the conditions of work cannot be separated from the broader economic debate.

The issue of insecure work is one that resonates throughout the community.

Everywhere I go, workers are excited to hear that their unions are talking about insecure work and putting it on the table as a key issue.

The findings and recommendations of the Howe Inquiry will be an important part of what unions ask for as solutions to the problem of insecure work.

We know that we cannot simply propose a return to the way the economy used to work because technology has changed so many things, but nor should business expect to return to a time where they held all the power in the workplace.

Unions will argue for more than the changes to the *Fair Work Act* or our social security system, that the Howe Inquiry called for.

Delivering decent, secure jobs for all can't be done by changes to the way we regulate the labour market alone – although the time is right for some changes such as a long-overdue expansion in the right to request flexible working arrangements, or a new approach to regulating 'joint employment' arrangements that have grown through the use of labour hire or sham contracting.

And it can't be delivered by unions on our own.

It requires a commitment from all corners of Australian society – Government, business, the community sector, and our leading policy thinkers.

It is fitting that I am giving this address today alongside Kate Carnell from *beyondblue* – a high-profile national community organisation – because today, I am pleased to announce an important next step in our campaign for secure jobs.

Next March, the ACTU will convene a national Community Summit on Insecure Work just down the road from here, in Old Parliament House.

At that summit, we will be setting out the union movement's vision for an economy that delivers secure jobs.

That vision will be our answer to the question: "how do we make the economy and society we live in better for everyone?"

We need a national conversation – a debate in fact – about how we can maintain an economy that provides a decent standard of living and work/life balance in the Asian century.

While that's a debate that we will play a part in – indeed that we will lead – it's important that's it's a genuine debate.

That's why we won't just be inviting our partners from the community sector and key thinkers from the academic and research communities to join us in that debate.

We'll also be inviting business leaders for a national conversation about how Australia can provide more decent, secure jobs for working people.

We've heard a lot in the last week about the need for collaboration and consensus in the debate about productivity and the economy.

As I said, unions believe that the high road to productivity is through more collaboration in the workplace, better management, and genuine investment in the skills and capacity of Australia's people.

We've heard other voices in the past week – some with a similar vision, some less so.

Some don't want to discuss it at all. Especially in an election year.

But I've got news for them. This is a debate that Australia shouldn't be afraid of having – indeed it is a debate that Australia needs to have.

And the working people of Australia and their unions will be making sure it's a debate that we do have next year, especially in the lead up to a federal election.

We are putting both parties on notice that secure work is an issue that working people care deeply about.

While I encourage everyone to go home on time today, and reflect about what is important in life outside of work, tomorrow, I want our politicians, business leaders and policy makers to go to work early, and start thinking about how we can tackle this great challenge for Australia's workforce.

The union movement certainly will.

Thank you.

Media contact:
Ben Ruse ph 0409 510 879