

Wednesday, 15 November 2023

Platform workers to lose \$110 million due to Closing Loopholes Bill delay

Digital platform workers are set to lose up to \$110 million in additional pay because of the likely three-month delay in passing the Closing Loopholes Bill, according to a new ACTU analysis of recent ABS data.

ABS data released on Monday showed that just over 135,000 workers now work for digital platforms, 80,000 of them are either involved in food transport or personal transport, and 11,700 involved in aged care or disability support.

The Closing Loopholes Bill would set minimum standards for workers on digital labour platforms, including on pay. Paying these workers the equivalent of the minimum wage in their industries would boost their pay by up to \$5.39 per hour, or up to \$95 a week, according to a new ACTU analysis.

That urgently needed pay rise has now been delayed by least three months after Peter Dutton and the opposition teamed up to push back any vote on the Bill until at least February. Overall, platform workers will miss out on an estimated \$110 million in pay because of their actions.

The ABS survey data released on Monday provides new data on platform workers for the first time. It also found that more than half of platform workers (55%) report working unpaid hours, a chronic issue in the sector.

The top reason people take on platform work is for the pay (54%), while barely 13% of people said they did the work for the flexibility of hours.

Uber, Doordash and Menulog have all engaged constructively with the Government to improve the Closing Loopholes Bill.

The Bill seeks to address chronic safety issues in an industry that has seen 15 delivery drivers die on the roads since 2017, with the most recent death occurring last Thursday.

The Closing Loopholes Bill would make a major contribution to road safety by addressing chronic overwork and underpay for delivery and rideshare workers and workers in road transport.

Quotes attributable to ACTU Sally McManus:

“Each day that goes by costs gig workers money they cannot afford to be without.

“Peter Dutton and the Coalition are doing the bidding of their big business mates by stopping legislation that will make a real difference to workers who don’t even have the most basic of rights.

“This legislation will give many gig workers a much-needed boost in their pockets and the safety they need on the roads”

ENDS

Media Contact: Gareth Hathway 0499 878 782

Notes to editors

ACTU Analysis of cost to platform workers of three-month delay of Closing Loopholes Bill

	% of platform workers (1)	No of workers (2)	Hourly wage gap (3)	Cost of 3-month delay (4)
Food delivery	35%	47,427	\$ 3.09	\$ 33,720,836.14
Rideshare	27%	36,586	\$ 3.95	\$ 33,253,140.77
Caring for people	9%	12,195	\$ 5.39	\$ 15,125,268.25
Other (5)	29%	39,296	\$ 3.09	\$ 27,940,121.37
TOTAL	100.00%	135,505	TOTAL COST	\$ 110,039,366.52

(1) Taken from ABS Working Arrangements, 13 November 2023 release.

(2) Total employed figure taken from ABS Labour Force (September 2023).

(3) Wage gap taken from Explanatory Memorandum to Fair Work Amendment (Closing Loopholes Bill) Act 2023, Annexure A, pp 64-65

(4) Using average weekly hours of platform workers of 17.7, ABS Working Arrangements.

(5) "Other" includes a wide range of other types of platform work including home maintenance, events and hospitality. Give the variable pay rates for this category, the analysis takes the lowest pay gap from the other categories.