


2019 Federal Election – *what’s proposed for workplace relations?*



The Australian Labour Party

The Greens

The Coalition

	<p>Boosting Wages Since 2015 Australia has been experiencing the slowest sustained rate of wage growth since the end of the Second World War. Multiple factors have contributed to this phenomenon including the decline of private sector enterprise agreement making, workforce casualisation, the gender wage gap, and the increasing use of fragmented business structures (such as franchising, labour hire and the gig economy). A range of measures including addressing minimum terms and conditions of employment, tightening sham contracting provisions to ensure employees receive their correct entitlements, and revitalising collective bargaining mechanisms to enable employees to effectively negotiate above award pay and conditions, must be undertaken to address wage stagnation.</p>		
<p><u>Penalty rates</u> Legislate to restore cuts to Sunday and public holiday penalty rates within 100 days.</p> <p><u>Living wage</u> Ensure the minimum wage is a living wage. Proposed amendments to the Fair Work Act will see the living wage determined by a two-step process. The Fair Work Commission will firstly determine what the living wage should be considering submissions from community organisations, business representatives, unions and the social wage (taxes and transfers).</p>	<p><u>Minimum wage and penalty rates</u> Legislate to lift the minimum wage to 60% of the median wage. Protect penalty rates.</p> <p><u>Agreement making</u> Remove the right to terminate agreements as a bargaining tactic.</p> <p><u>Equal pay, equal work</u> ‘Gig economy’ and labour hire workers must receive the same minimum pay, conditions and protections as other employees.</p>	<p><u>Income tax cuts</u> Deliver the largest personal income tax relief in a decade, with tax relief of up to \$1,080 for single income families earning up to \$126,000. For a dual income family that’s up to \$2,160 back in families’ pockets in a few weeks’ time.</p> <p><u>Cost of living</u> Reducing taxes. Increasing accessibility and affordability of child care. More affordable, reliable electricity. More affordable health care. Banning excess credit card surcharges.</p>	

<p>Secondly the FWC will consider the time frame over which the increase should be phased in, taking into account the capacity of businesses to pay, and the potential impact on employment, inflation and the broader economy.</p> <p><u>Same job, same pay</u></p> <p>Legislate to ensure that workers employed through a labour hire company will receive the same pay and conditions as people employed directly. Labor has committed to engage all stakeholders in consultation on the legislative scheme and transitional arrangements.</p> <p>This policy will not affect small businesses using labour hire companies to source workers on a temporary basis or to deliver specialist skills.</p> <p><u>Agreement making</u></p> <p>Legislate to ensure agreements are agreed by the actual workers who will be covered by them.</p> <p>Legislate to prevent employers using agreement termination to cut wages and conditions.</p> <p>Industry level bargaining, possibly limited to low-paid industries</p> <p>Further measures aimed at addressing wage theft, gender pay equality, casualisation and sham contracting will assist in boosting wages.</p>		<p>Helping first home buyers.</p>
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Quality Jobs

'Work is part of everyone's daily life and is crucial to a person's dignity, well-being and development as a human being. Economic development should include the creation of jobs and working conditions in which people can work in freedom, safety and dignity'.

With increasing numbers of Australian workers reporting underemployment, precarious forms of work on the rise and the misuse of the 'casual' worker category (60% of all casuals have been in their current job for over a year and 17% for more than five years) action must be taken to ensure Australian workers are engaged in quality work.

Australia needs an objective statutory definition of casual employment to ensure employees are not misclassified and denied the security of ongoing employment and the benefit of their lawful entitlements. Sham contracting provisions must be strengthened to ensure that workers are not incorrectly engaged as independent contractors. The AIER has previously called for a statutory definition of employment, drawing on the definition contained in the Superannuation Guarantee Act.

Casual employment

Give long-term casuals the right to request permanent part-time or full-time employment after 12 months and provide workers with a right to challenge an employer who unreasonably refuses such a request.

Introduce a clear statutory definition of 'casual' work to avoid confusion and ensure workers receive full entitlements.

Labour hire

Introduce a national labour hire licensing scheme to protect workers from exploitation, providing an important floor of standards. All labour hire companies will need to be licensed. Companies that are based overseas and supply labour to Australian firms, either directly or through other companies, will also have to be licensed to do business here.

Sham Contracting

Changing the legal test for sham contracting to ensure that workers in the 'gig economy' are paid properly.

Presumption of employment

Secure employment is increasingly unobtainable, with employers allowed to hire workers as indefinite casuals or on rolling contracts without any obligation to provide long term job security. Change is needed to tackle rising job insecurity and to ensure casuals and independent contractors are not used to undermine job security. There should be a legislated presumption in favour of ongoing employment.

Future of Work Commission

Establish a specialised, independent Future of Work Commission. The Commission will examine the impacts of technological innovation and develop long-term strategies for jobs. It will find ways to overcome the threat of insecure work, casualisation and automation, as well as the new opportunities technological advancement creates. It will model a four day work week without loss of pay, and explore the prospect of introducing an Australian Universal Basic Income

Job creation

Create another 1.25 million jobs over the next five years, including 250,000 new jobs for young Australians.



Gender Matters

Australia’s gender pay gap currently sits around [14.1% with women earning on average \\$239.80 per week less than men](#). Factors contributing to the gap include women performing a disproportionate share of unpaid caring and domestic work, historic undervaluation of female dominated industries and greater time out of the workforce impacting career progression, as well as the accumulation of superannuation and retirement savings.

Gender pay equality must be established as an object of the Fair Work Act. Achieving gender pay equity requires [improved transparency](#) around gender pay issues. The Fair Work Act goes some way to address the undervaluation of female industries by providing for equal remuneration orders (ERO), however when applied the requirement for a male comparator has made ERO’s difficult to obtain. Historical underpayment in such industries can only be effectively addressed through the removal of the male comparator requirement.

Addressing the gender pay gap

Change the Fair Work Act to make it clear that establishing undervaluation of female dominated industries does not require a male comparator.

Make gender pay equity an object of the Fair Work Act.

Establish a statutory Equal Remuneration Principle, to guide the Fair Work Commission’s consideration of whether feminised industries are paid fairly.

Establish a new Pay Equity Panel within the Commission led by a new Presidential Member with specific expertise in gender pay equity.

Fund the Commission to establish a Pay Equity Unit that will provide expert research support during equal remuneration matters, and more generally.

Early childcare professionals

Fund pay increases of 20 per cent to early childhood educators over 8 years.

Improved transparency

Legislate so companies with more than 1,000 employees have to report their gender pay gap publicly.

Addressing the gender pay gap

Set gender pay equality as an objective of awards and the Fair Work Act.

Ensure appropriate classification and pay for work in traditionally low paid industries where the majority of workers are women and/or migrants.

Improved transparency

Legislate to ban ‘pay gag clauses’ in employment contracts, which stop workers in the private sector from discussing their pay rates, and serve to disguise the gender pay gap.

Increase the Workplace Gender Equality Agency (WGEA) ability to gather data, undertake wages and conditions audits and develop sector specific guidelines for improving gender equality at work. WGEA coverage to include the public sector.

Flexibility

Introduced the Fair Work Amendment (Better Work/Life Balance) Bill to give workers the right to request flexible working arrangements from the start of their contract rather than after 12 months, which is the current requirement. All employees with caring responsibilities will have a right to request flexible work arrangements,

Flexible parental leave


Increase flexibility in accessing Government-funded Parental Leave Pay. Enabling families to split their Government-funded Parental Leave Pay into blocks of leave, allowing them to work more flexibly at times that suit.

Extending the work test rules so more women are eligible for Government-funded Parental Leave Pay.

Domestic violence leave

Minimum standard of 5 days unpaid family and domestic violence leave.

<p>Change the Fair Work Act to prohibit pay secrecy clauses and give employees the right to disclose (or not disclose) their pay.</p> <p>Require the Workplace Gender Equality Agency (WGEA) to publish a list that shows whether a company with more than 1,000 employees has undertaken a gender pay gap audit and report the result to its board.</p> <p><u>Superannuation</u></p> <p>Ensure recipients of Commonwealth <i>Paid Parental Leave</i> and <i>Dad and Partner Pay</i> continue to receive super contributions.</p> <p>Phase out the \$450 minimum monthly income threshold for eligibility for the superannuation guarantee.</p> <p>Make it easier for employers to make extra payments into a woman’s superannuation fund.</p> <p>Improve transparency by committing to consider and publish the impact that any future changes to super would have on women.</p> <p><u>Domestic Violence Leave</u></p> <p>Legislate for 10 days paid domestic violence leave to be included in the NES.</p>	<p>which an employer can only refuse on reasonable business grounds.</p> <p><u>Investigate value of unpaid care</u></p> <p>Task the Productivity Commission with investigating how best to value unpaid caring work, whether for full-time carers or those only temporarily out of the workforce.</p> <p>The Productivity Commission would undertake an independent investigation into the workplace and social security reforms needed to value unpaid caring work over the medium and long-term, including considering universal basic income for carers, and the payment of superannuation to carers (“caring credits”).</p> <p><u>Superannuation</u></p> <p>Legislate to remove the minimum threshold for compulsory employer contributions of \$450 a month.</p> <p>Ensure that superannuation contributions are paid on the Paid Parental Leave Scheme.</p> <p>Replace the existing flat rate of tax, which advantages the extremely wealthy with progressive tax rates similar to how income tax works. The extra tax revenue raised to fund doubling the payments made into low income earners’ retirement accounts – the Low Income Superannuation Tax Offset.</p> <p>Legislation to amend the Sex Discrimination Act 1984 to put beyond doubt that companies are able to make higher superannuation payments for their female employees when they wish to do so.</p>	
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	<p><u>Extend paid parental leave</u></p> <p>Extend the current paid parental leave arrangements to six months, paid at 100% of the primary carer’s regular wage (mother or father) capped at \$100,000 per annum.</p> <p><u>Domestic Violence Leave</u></p> <p>Legislate to ensure all workers are entitled to 10 days paid family and domestic violence leave, so that no woman has to choose between getting paid and being safe.</p>	
	<p>Skilled migration</p> <p>The suppression of wages for skilled temporary migrants not only impacts real wage outcomes for those workers but also serves to apply downward pressure on Australian wages generally. With the Temporary Skilled Migration Income Threshold (TSMIT) frozen since 2013 action needs to be taken to ensure wages for skilled migrants are in line with Australian industry wages. Such measures, as well as issues with the current labour market testing model and efforts to subvert the TSMIT are discussed by Joanna Howe in <i>The Wages Crisis in Australia</i>.</p>	
<p><u>Protecting local workers</u></p> <p>Protect Australian wages including by:</p> <ul style="list-style-type: none"> Lifting the Temporary Skilled Migration Income Threshold (TSMIT) to \$65,000 with annual indexing. This will ensure it is not cheaper to bring in an overseas worker than pay a local worker. Closing loopholes that allow employers to artificially inflate salaries in order to meet the TSMIT – such as providing substandard accommodation and inflated or excessive overtime hours. <p>Prevent worker exploitation including by:</p> <ul style="list-style-type: none"> Targeting exploitative employers, and increasing funding for a joint agency taskforce. Extending the Fair Work Ombudsman’s regulatory powers to the inspection of workplaces and investigation of employer breaches of work visa provisions. 	<p><u>Primacy of local labour law</u></p> <p>Loopholes in free trade agreements allow employers to circumvent local labour laws, which leads to the systemic exploitation of temporary visa workers and local workers being denied job opportunities and training. Australia must stop signing up to these unfair trade deals.</p> <p>To overcome any labour shortages, skills training of local workers should be the priority. Jobs should be advertised locally first. Temporary working visas should be restricted and used only to fill genuine skill shortages or where international collaboration is important (such as research). Temporary visa holders should not be automatically locked out of the permanent migration program. The system regulating the use of guest workers should be negotiated between unions, employer organisations and the federal government.</p>	<p><u>Regional opportunities</u></p> <p>Attracting skilled migrants to our shores who will help alleviate the impact of the ageing of Australia’s population, fill labour and skills shortages, and add to our diverse society.</p> <p>Enhancing the migration program’s focus on skills, with the number of Employer Sponsored skilled visas increasing from 35,528 grants in 2017-18 to 39,000 places in 2019-20.</p>

<p>Requiring employers to provide their workers with a copy of the relevant collective agreement, award or labour agreement.</p> <p>Providing protections for migrant workers who are being exploited to come forward without fear of immediate deportation.</p> <p>Develop local solutions to skills shortages including by:</p> <ul style="list-style-type: none"> Establishing an independent Australian Skills Authority to restrict temporary work visas to jobs where there is a genuine skills shortage. Introducing the Australian Jobs Test to prevent labour agreements from being entered into unless they support or create jobs for Australian workers. <p>Maintain Australian skills standards including by:</p> <ul style="list-style-type: none"> Cracking down on unqualified and underqualified temporary workers by strengthening enforcement of skills assessment and occupational licencing requirements. Strengthening the current skills assessment processes by ensuring offshore assessment and testing of overseas workers is by a Trades Recognition Australia approved Registered Training Organisation before being granted a visa. 	<p>Established Australian rates of pay should be guaranteed.</p>	
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Enforcement

Access to justice is essential if Australian labour law and minimum conditions are to be effectively enforced. A move toward granting the Fair Work Commission broader powers of conciliation and arbitration for a range of workplace issues would result in a more timely and cost effective access to justice.

Workplace relations system
Deliver effective, low-cost, informal and prompt resolution of disputes through the Fair Work Commission, the Fair Work Ombudsman and small claims procedures in the courts.

Independent and enforceable labour law
Appointments to the Fair Work Commission should comprise an equal number of union and employer representatives.
It must also be easy and cheap to enforce labour laws, meaning the current system of enforcement must be overhauled.
Abolish the ABCC and ROC
Abolish the Australian Building and Construction Commission (ABCC) and the Registered Organisations Commission (ROC) and reinstate the Road Safety Remuneration Tribunal (or equivalent).

Union accountability
Maintain the Australian Building and Construction Commission.
Maintain the Registered Organisations Commission.
Introduced Protecting Vulnerable Workers laws.