



Speech by

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CASUAL EMPLOYMENT

Mr ROBERTS (Nudgee—ALP) (11.59 a.m.): More than a quarter of Queensland's work force is employed on a casual basis. Some estimates place the figure as high as one third. This has significant social and economic implications for our State and our nation. In this speech, I want to outline the extent of the occurrence of casualisation, discuss some of the social and economic impacts and also canvass options for addressing this growing phenomenon. Casual employment has a proper and legitimate place in our industrial landscape. It is a convenient form of employment that suits many employees and employers. However, in recent years, its proportion of the total work force has grown dramatically. Current research indicates the number of casual workers expressed as a proportion of total workers in Australia has increased from around 13% in 1982 to 25% in 1997. One study places the proportion in Queensland as being around 31%.

Casual employment of males has more than doubled in the past 10 years. However, despite this increase, casual work is still more heavily concentrated among females, with around 38% of employed females being employed on a casual basis. Between 1988 and 1998 almost 70% of net growth in the number of employees in Australia was in casual employment. Over the same decade, full-time employment numbers increased by only 7%. These are significant numbers which, in my view, indicate a need to properly analyse the impacts such a dramatic change in traditional employment patterns are having on our society and economy.

Traditional full-time employment has been the means by which families have prospered and where individuals have gained the opportunity to meaningfully participate in economic activity. Stability in employment has been a factor which has played a key role in stimulating other economic activity of individuals such as major purchases of houses, cars, holidays, education and health services. Increasingly, more and more people within our community are unable to participate in such economic activity due to their precarious employment situation, with casual employment being a major player in this regard, as well as unemployment.

The growth in casual employment fits neatly within the increasingly competitive environment now established within most aspects of economic life. To succeed economically, our system requires individuals and enterprises to be competitive. Those who cannot compete often fall behind and are forced to rely upon an increasingly diminishing social security system for their sustenance. The pros and cons of a competitive versus a cooperative and more interventionist economic model are too complex and contentious for the short time available to me today. Suffice it to say, I believe that the growth in casual employment is but one undesirable consequence of an economic system that relies too heavily on the virtues of competition as opposed to a model with a stronger emphasis on cooperation and intervention.

But what are the real costs of an excessive use of casual employment and what can or should be done to address the matter? Casual employment was traditionally a means of topping up the work force to perform one-off tasks or to meet an increase in demand. Recent trends indicate that it has now transcended this to one of being a preferred choice of employers, particularly in some industries. The dramatic growth in casual employment and the impacts it is having on communities has, in my view, lifted its status beyond that of just another industrial issue to be resolved by industrial tribunals. Given its impacts on the community and the economy in general, it should be the subject of closer Government scrutiny.

Casual employment is the most precarious of all employment patterns. Employees can be hired and fired at will, with no notice and generally no ongoing entitlements. Job insecurity has flourished

since the slash and burn era of the late 1980s and early 1990s. In many respects, the insecurity created by downsizing is now being replaced by insecurity caused by the widespread use of casual employment. Excessive job insecurity is one of the scourges of modern times. It is insidious and eats away at an individual's self-esteem and sense of worth. It has flow-on effects on not just the health of the individual but also relationships and families.

In terms of the cost of all this, our health and social security systems wear the burden of social security payments and hospital and other health costs and families and individuals pick up the social and emotional costs. I believe that an analysis of the real costs of the overuse of casual employment will reveal that the costs to the community as a whole will outweigh the benefits accruing to industry. To reiterate my earlier point, for many individuals casual work is a convenient means of earning or supplementing their income. The lack of commitment to an employer, and vice versa, is a flexibility which suits the circumstances of many. However, for a growing number of individuals, casual work is becoming the only means by which they can access an income to enable them to participate within our economic system, albeit at a reduced level.

The irregularity or uncertainty of receiving a regular pay packet has enormous implications in everyday life. Banks are reluctant to lend to such employees, irrespective of the length of their engagement. Casual workers are also reluctant to make longer term financial commitments, which has a flow-on detrimental impact on local economies. Casual workers are also less likely to engage in structured training related to their employment or be seeking avenues for skill enhancement to progress through career paths which are becoming a feature of modern dynamic enterprises. Most casual labour is employed on the basis of simply providing a set of skills or performing a set task for a set period of time. The large growth in the proportion of casual employment must have a detrimental effect on the development of our skills base as a State and a nation.

So what are the solutions to this growing employment inequity? Should we allow the growth in casualisation to proceed unhindered or should we develop a broader policy response which recognises the significant impacts this issue is having on our communities? I suggest the latter. There are some who suggest that our industrial relations legislation is responsible for the rapid growth of casual employment. I reject this totally, as similar rates of growth are evident in other States and also internationally where more deregulated industrial systems exist. Our current industrial relations system has mechanisms to regulate the engagement of individuals on a casual basis. Provisions in awards provide for additional payments to compensate for the loss of general entitlements to sick leave, holiday leave, notice periods, etc. Our Industrial Relations Act has also recently extended long service leave and family leave entitlements to casuals in certain circumstances. The latter measures seem to indicate some acknowledgment that casual employment on a longer term basis has become a feature in our economy. However, our awards and legislation do not address the fundamental problems that arise from the practice.

One of the interesting observations that can be made about the extent of casualisation in certain industries is that it is generally lower in unionised sectors. Unions have traditionally opposed employment practices which disadvantage workers. I believe that history will judge the union movement well in its trenchant opposition to the widespread abuse of casual employment provisions. The declining levels of union membership in some industries may be an explanation for a part of the growth in casual employment. In effect, declining unionisation has removed an obstacle for employers to impose more casual work placements in their labour force. Additionally, most awards do not, nor indeed does our industrial legislation, place any restriction on the proportion of employees at an enterprise that can be employed in this way.

The solution to this issue can only be determined after gaining a full understanding of the extent and the implications of the problem. The first step towards that is to have the parties acknowledge that a problem exists. Unfortunately, the practices within some industries suggest that, far from being seen as a problem, the availability of large pools of people willing to accept casual employment is viewed as a positive force in our market economy. Our first hurdle, therefore, is to highlight the costs of this phenomenon and then encourage the relevant parties to discuss appropriate solutions. There are good reasons for Governments to take an active interest in this issue, not the least being the significant economic and social costs which can arise from job insecurity and under employment.

In its pre-election New Directions Statement, the Labor Party identified working time reform as a significant issue worthy of further examination by Government. Specific reference was made to the increasing number of casual workers who are wanting more work. In that document, Labor committed itself to establishing a process to investigate working time issues, including casualisation, and to put forward modern, progressive options to address them. I applaud this proposal and encourage the Government to implement it as soon as practicable. I believe that a proper resolution of this matter is achievable through cooperation with employers, unions and Government. It is a significant social and economic issue which deserves an appropriate policy response from Government. It is in the public interest for us to address it as soon as possible.