

## **Question on Notice**

**No. 1042**

**Asked Friday, 9 June 2006**

**MRS MILLER ASKED THE MINISTER FOR EMPLOYMENT, TRAINING AND INDUSTRIAL RELATIONS AND MINISTER FOR SPORT (MR BARTON)—**

**QUESTION –**

- (1) Will he provide information about unfair practices that are likely to occur under the Howard Government's workplace relations legislation?
- (2) How will this legislation impact upon workers and job seekers in the Bundamba Electorate?

**ANSWER –**

In the short time since Work Choices legislation has come into operation, workers and their families have become painfully aware of its effect with numerous unfair dismissal cases being reported to the Department of Industrial Relations (DIR).

The Fair Go Advisory Service and Wageline Services of my department have taken hundreds of calls from employees affected by the new federal Work Choices legislation. The following examples of unfair practices that have occurred are an unfortunate reality for some Queensland workers and their families already.

Examples include, an employee dismissed on 5 April 2006 after almost 10 years of service as an office manager in a south side Brisbane suburb. The employer cited misconduct as the reason and refused to pay long service leave. A few weeks prior to the dismissal, the employee's boss allegedly told staff that under the new laws, he could 'sack people if he didn't like them'.

In another incident, a male sales representative from the Gold Coast was dismissed following an injury he received on the job on 24 March 2006. He was instructed by his doctor to take time off work to allow his injury to heal. On 27 March 2006, the day the new laws took affect, he returned his company vehicle and submitted Work Cover documents. Later that evening he received an email from his employer terminating his employment, and received a follow-up letter a week later.

Then there was an employee who was dismissed after 25 years service with a multinational employer. The employer cited redundancy as the reason. This is all an employer has to do under Work Choices - say the employee has been dismissed for operational reasons. This leaves the worker with no avenue to claim unfair dismissal, regardless of the size of the business as it is the employee who must prove there was no economic reason and that it was an unfair termination.

One call was from a female live-in manager of a motel in Mission Beach. She reported that when a maintenance employee left the business, the owner told the manager to take over the maintenance role or finish up.

This is the harsh reality of Work Choices for Queensland workers. If you work for a company with 100 employees or fewer, you can be sacked on the spot without reason and without any right of appeal.

With this very real threat now hanging over their heads, workers have no job security and it leaves them open to exploitation by unscrupulous employers, taking advantage of Work Choices to cut wages and conditions. This behaviour is unjust and threatens the livelihood of hardworking Queenslanders.

Some more examples of unfair dismissals reported to DIR include (as at 30 May 2006):

- Gold Coast manager with 2 ½ years service dismissed with no warnings, for reasons that weren't made clear;
- An employee in Toowoomba was told the business he was in was being restructured and he was dismissed for no reason;
- A man with over six years service sacked by Beenleigh firm for refusing to perform unsafe work with fibreglass;
- A Morningside man with 14 months' service with a printing firm called at home by the employer and dismissed without reason;
- Long-term casuals at plastic factory at Salisbury sacked without any reason or notice given; and
- An employer in the vehicle industry hired new staff on Australian Workplace Agreements (AWAs) before sacking existing staff.

Under the workplace relations legislation, employers will be able to offer workers or job seekers a job or promotion on the condition that they accept and sign an AWA. While technically employees won't be able to be 'forced' onto an AWA in their current job, there will be nothing to prevent their employer threatening them with dismissal if they don't move onto an AWA.

Cases reported to DIR where the threat of dismissal has been used to force employees to take cuts in wages and conditions include:

- A Brisbane casual employee was told to sign his new AWA or not only would he be out of work, but would not receive pay for the week;
- A man with 13 years service made redundant (without redundancy pay) after refusing to sign an alternative employment contract which took him from a full-time employee to a three day casual employee;
- A Rockhampton employee was presented with a new employment contract and told if he didn't sign he could look for work elsewhere;
- A woman with 16 years service had her employment status changed from full-time to casual with her employer stating that her customer service skills were not up to standard; and
- A hairdressing employer keen to change employment status of staff from full-time to casual to avoid public holiday payments over Easter.

The Queensland Government is reviewing such reports on a case-by-case basis. Where appropriate, cases will be referred to relevant federal Government agencies for action or to community organisations for additional assistance to help employees fight for their rights.

This is the kind of workplace that is encouraged by these draconian federal laws, an American-style workplace where employers are able to 'fire at will' if they choose. As a result workers will be left with reduced wages and conditions and an uncertain future with no job security.

The federal Government's new Work Choices legislation represents a major change in the industrial relations landscape, and will have a significant impact on many Queensland workers and job seekers, for many years to come.

From the examples given these changes clearly demonstrate the federal law's capacity to reduce pay, conditions and protection for workers and their families. Whilst increasing the cost and complexity for employers and causing irreparable harm to employment and family relationships for all Australians. The changes will force a majority of workplaces into a flawed system that will not be simpler, fairer or more productive.

Unfortunately the removal of existing award conditions appears to be the motivating factor behind employers opting for AWAs as the following data shows. The federal Employment Advocate has revealed to a Senate estimates hearing that every single individual workplace agreement, from a sample of 250 AWAs filed in the month after Work Choices was introduced, removed at least one so-called 'protected' award condition.

Over 60% removed penalty rates, more than 50% took away shift allowances, 40% dropped public holidays. Sixteen per cent of agreements went all the way and removed every single protected award condition.

The loss of these conditions – we are talking about fundamental standards such as overtime, shift allowances, leave loadings, penalty rates – has a direct impact on the take home pay of ordinary working Australians.

We get an even clearer picture if those percentage figures announced by the Employment Advocate are applied to the total number of AWAs filed in the first month of Work Choices. In real terms this means that in just one month:

- 6,263 workers had at least one award condition taken away;
- 1,002 workers had every single protected award condition taken away;
- 4,008 workers lost their leave loading;
- 3,946 workers lost their penalty rates;
- 3,257 workers lost their shift loadings; and
- 376 workers were given an annual leave entitlement that did not even meet the minimum legal standard of 4 weeks a year.

This is what happens when you rip fairness out of the system, and take away the no disadvantage test that protects workers' wages and conditions.

Since starting operation in December, DIR's Fair Go Advisory Service has received hundreds of calls about the confusion around the new Work Choices laws - from both employers and employees - and about unfair treatment of workers by employers. The Queensland Government is doing all it can to support employees and encourages your constituents to contact the hotline to report unfair practices and obtain up to date information regarding these new laws.