



Australian Council of Social Service

28 August 2019

Chair
Senate Education and Employment Committee
Parliament House
Canberra ACT 2600
eec.sen@aph.gov.au

Re: Fair Work (Registered Organisations) Amendment (Ensuring Integrity) Bill 2019

This submission addresses proposed changes to the regulation of registered organisations, including unions, which in our view would seriously constrain their ability to represent workers, lift wages, and enforce legally mandated pay and working conditions.

We recommend that the Parliament oppose the Bill.

The context for our concern is stagnating wage growth, underpayment and exploitation of employees in entry level jobs in sectors such as hospitality, agriculture and retail where unionisation is low, and the increasing insecurity of employment in these sectors.

These trends especially and adversely affect people on the lowest incomes, who are more likely to work in entry-level jobs, and to move between casual employment and reliance on unemployment and student payments.

Over the past century, unions have played the key role in winning decent rates of pay, limitations on working hours, job security, annual, sick and parenting leave, and other rights in the workplace.

Over the last two decades, a power imbalance has grown between employers and unions (and by inference, workers). Currently 14% of employees are union members. This power imbalance has undermined basic workplace entitlements, including the widespread underpayment of workers in hospitality, agriculture and retail jobs. These problems cannot be resolved by legislation, or by regulators like the Fair Work Ombudsman, in the absence of unions that can effectively represent those affected.

This power imbalance is contributing to historically-low wages growth that has imposed speed limits on growth in jobs and incomes across the community, and also the trend towards greater pay inequality - including between men and women.

While we do not claim deep expertise in this area, the Human Rights Law Centre (HLRC) warns in its submission that if the Bill is passed, it has the following implications:

- (a) "it gives more people (including the Minister and anyone else who might have a 'sufficient interest') broader powers to interfere in union leadership and remove officials from their position in a union in an extraordinarily wide range of circumstances; and



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- (b) it also gives more people (including the Minister and anyone else who might have a 'sufficient interest') broader powers to interfere in the functioning - and existence - of unions, by giving them a greater say in the decision to cancel a union's registration, place a union into administration and for unions to amalgamate with one another."

The proposed changes strike at the right to freedom of association, and the ability of unions to operate democratically - indeed, to operate at all. For these and other reasons, the Joint Parliamentary Human Rights Committee has raised serious concerns about the Bill.

We note the HLRC's conclusion that:

"The explanatory materials accompanying the proposed law do not articulate compelling reasons why the existing laws are inadequate and why new, broad provisions are necessary and proportionate. If serious crime exists in the trade union movement, the appropriate response is for those people to be dealt with through the existing criminal and industrial laws which already provide adequate protection."

ACOSS agrees, and recommends that the Bill be opposed rather than amended.

Yours sincerely,

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ACOSS