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9 November 2005

**SUBMISSION TO THE INQUIRY INTO THE PROPOSED WORKPLACE
RELATIONS AMENDMENT (WORKCHOICES) BILL 2005**

I write to urge all members of the Committee to recommend against the proposed changes to workplace laws.

I am 30 years of age. I currently live alone without any dependents and rent my apartment. I am presently studying Business Administration on a part-time basis at TAFE.

I have worked in both the retail and hospitality industries over the last 8 years.

I worked for approximately 2 years on a casual basis in the hospitality industry, in both cafes and restaurants.

More recently I have worked for 5 years at Myer Civic in Canberra. During that time I have been progressively employed on a casual, part-time and full-time basis. My minimum wages and conditions are set down in the **Myer Stores Agreement 2004**.

I work as a cosmetics counter consultant for Estee Lauder at Myer. I am employed by Myer and have my wages jointly paid by Myer and Estee Lauder. I work a 38 hour week averaged over a 4 week cycle. I receive a laundry allowance under the Agreement, as I am required to wear a uniform provided by my employer. I rarely work overtime (occasionally around Christmas or for scan count / stock take) and do not currently work weekends, although my employer has recently raised the prospect of requiring me to work one in every two Sundays. I am currently entitled to a 50% penalty rate if working on a Sunday.

I have been a Delegate for the Shop, Distributive and Allied Employees' Association, New South Wales Branch for the last 2 years. As part of my duties as a Delegate, I do the following:

- I meet all new employees at the commencement of their employment, introduce myself as the Delegate and briefly advise them of their employment rights and obligations under their certified agreement, the

Myer Stores Agreement 2004, including the grievance procedure and their right to approach me at any time with workplace questions;

- I also explain the services and benefits provided by Union membership. Most new employees freely choose to join the Union at this time;
- I provide advice to members seeking assistance and assist them in raising matters of concern with management; and
- I work together with employees and management to resolve workplace disputes.

I believe that I perform an important role in the workplace in educating employees of their rights. In my own experience I have found that I was really quite ignorant of my workplace rights when I commenced work because the Company does not tell you much about them. It has generally been left to the Union at my workplace to provide this information to employees.

On approximately four times over the past 2 years I have attended trade union training held by the SDA. Myer covers my lost wages; and my travel costs are paid by the Union. This training has been essential to both my knowledge and the skills I require to I fulfil all the functions of a Delegate. This includes being a positive influence in the workplace by assisting employees and management to properly apply the terms of the Agreement and working together to resolve issues.

I have also participated in the rollout, explanation and voting on a new certified agreement at my workplace. Last year I worked with SDA Officials to settle a log of claims for members, met with employees at 30 minute paid meetings to thoroughly explain the proposed wages and conditions negotiated between the Union and Company (including providing employees with a written summary of the proposed changes) and assisted in the ballot where all employees were given an opportunity to vote on the Agreement. The process at the store took approximately 3 to 4 weeks to ensure that all staff, including occasional workers (e.g. weekend casuals), were consulted, fully understood the proposal and were able to genuinely consent or oppose the proposed Agreement.

The Agreement was approved with over 90% of staff voting in favour.

This process ensured that all employees at Myer Civic were provided with a comprehensive explanation of the proposal and were able to genuinely indicate their view of the proposal. I am concerned that the 7 day approval process suggested in the proposed legislation will be insufficient for either Unions or employers in the retail industry to properly consult staff, provide a thorough explanation and give everyone an opportunity to genuinely approve the Agreement. The variety in times and numbers of shifts in the industry is likely work against many casual workers who do not work regular shifts or who work at different times each week. These people deserve a fair and reasonable opportunity to consider, understand, take advice from a parent or Union (should he / she wish) and vote upon the Agreement like any other employee. The shortened 7 day approval process will not facilitate this.

I work in a generally cooperative and harmonious workplace. Good working conditions have been negotiated collectively for the benefit of all employees and the Company. I believe I also have a good working relationship with management. This is demonstrated by management's regular agreement to allow Delegates to address Wednesday morning store meetings with staff regarding a range of workplace issues.

We currently enjoy a number of conditions which are threatened by the proposed legislation, including:

- Penalty rates of pay for Sundays, late nights and public holidays;
- Public holidays off with pay;
- 17.5% annual leave loading;
- Overtime rates of pay;
- Rostering conditions protecting maximum and minimum shift lengths, shifts per week / fortnight / four week cycle, breaks between shifts, roster changes;
- Separate 3 days paid carer's / family leave;
- Meal breaks and rest pauses;
- Trade union training leave;
- More generous and flexible parental leave;
- Blood donor leave, bone marrow leave, emergency services leave, natural disaster leave, defence force services leave

I understand that the proposed Fair Pay and Conditions Standard does not guarantee that these conditions (many of which are also current Award standards) will be individually maintained in future agreements. More disturbingly, nor will it guarantee the preservation of their collective value as part of a comprehensive no disadvantage test, which currently operates.

Without rostering conditions, for example, I would find it very difficult to guarantee the time and opportunity to continue my studies. Without rostering conditions, I may be required to work at any time the employer required. If this were inconsistent with TAFE courses I would be required to either leave the job or abandon my studies. This would appear inconsistent with broader public policy to encourage further studies to improve skills and knowledge to step up into a "better job" and, thereby, earn more money. The proposed system appears to discourage this rather than facilitate this.

I am concerned that the proposed capacity to introduce AWAs into my workplace for all new employees during the term of an Agreement, will fundamentally undermine our job security. It will do so in two ways:

- Part-time and casual employees will be forced to directly compete for additional hours of work on the basis of labour costs rather than skills or knowledge, with new AWA employees undercutting longer term

Agreement employees on higher Union negotiated wages and conditions; and

- All employees will indirectly compete with new AWA employees for hours of work such as weekend and overtime work, where penalty rates apply, such that the more favourable rosters will be provided to newer, cheaper AWA employees.

I trust that honourable Senators recognise that both scenarios are unacceptable. The wages of shop assistants are not spectacular; every little bit counts, including our remaining penalties and loadings.

Although it varies from time to time, especially at Christmas when large numbers of additional casuals are employed, there is approximately the following employment breakdown in my workplace:

| Full-time | Part-time | Casual |
|-----------|-----------|--------|
| 20% | 50% | 30% |

The scenario for competition in hours of work and rosters on the basis of wage costs is, therefore, very real for around 80% of my workplace (part-time and casual) under these proposed changes.

The wages comparison of a typical working mother, who is a part-time employee working 20 hours per week, including 4 hours once every second Sunday, and in receipt of a first aid allowance, is as follows:

| Hours of Work | | Myer Stores Agreement 2004 | | Fair Pay and Conditions Standard | |
|--------------------------|-------|----------------------------|-----------------|----------------------------------|---------------------|
| Days | Hours | Rate | Wage | Rate | Wage |
| Ordinary | 16 | \$15.13 | \$242.08 | \$14.68 | \$234.88 |
| Sunday | 4 | \$22.70 | \$90.80 | \$14.68 | \$58.72 |
| | | First Aid Allowance | \$8.80 | First Aid Allowance | - |
| Week 1 Total | | | \$341.68 | | \$293.60 |
| Ordinary | 20 | \$15.13 | \$302.60 | \$14.68 | \$293.60 |
| Sunday | - | - | - | - | - |
| | | First Aid Allowance | \$8.80 | First Aid Allowance | - |
| Week 2 Total | | | \$311.40 | | \$293.60 |
| Superannuation* | | | \$57.19 | | \$52.85 |
| Fortnightly Total | | | \$710.27 | | \$640.05 |
| Difference | | | | | \$70.22 less |

* N.B. Excludes expense related allowances for the purpose of the 9% calculation.

A working mother at Myer Civic described above would be at least \$70.22 per fortnight worse off under the proposed Fair Pay and Conditions Standard.

In addition to this difference in wages, the employer would not have to pay a new AWA employee engaged on the bare minimum Fair Pay and Conditions Standard for any of 11 public holidays each year, which an Agreement employee would be entitled to take off with full pay.

I am also concerned that the dual changes to right of entry and the introduction of a standard Dispute Settlement Procedure ("DSP") will operate to ensure that workplace disputes and grievances are not resolved, impacting on workplace morale and productivity.

In particular, the proposed DSP provides for no arbitration mechanism to finalise disputes where no agreement can be reached through discussions or alternative dispute resolution. Access to court action for breaches of an agreement as an alternative remedy is neither practicable nor realistic for workers on close to the minimum wage.

The proposed minimum DSP also provides an incentive for employers with poor employment practices to continue to operate in that manner, knowing there is never any real likelihood that a complaint will reach the courts.

I am concerned that in the absence of agreement regarding a comprehensive dispute settlement procedure, many retail workers (particularly in non-unionised shops) will be exposed to workplaces where unresolved disputes, grievances and ongoing breaches of their remaining shattered entitlements are par for the course without any realistic redress available. I do not think that this is either good for business or good for workers.

I believe that the proposed changes will lead to the slow degradation of retail workers' wages and conditions over time.

These changes are not necessary, they remove the "fairness" inherent in the existing system and they threaten the future prosperity of the young, the vulnerable and the underprivileged presently working in low income jobs.

I was born in Korea, came to Australia in 1997 and have recently become an Australian citizen. I became a citizen because I fell in love with the Australian lifestyle, its values and openness.

There is a sharp contrast to Korean society. That contrast is most sharp in the manner that Australian society currently treats its workers. My sister works as a graphic designer in Korea. She is salaried and works on the rough equivalent of an Australian Workplace Agreement. Her shifts are often 8:30am to 3:00am (18.5 hours), without the payment of overtime, at the direction of the employer.

Korean workplaces operate on a take-it-or-leave-it basis with employees required to work ridiculous hours. There is no choice and there is no fairness.

I am saddened to see that Australia appears to be taking a similar path and it is very scary. I think that Australia will become a less caring nation and too busy working longer hours for less pay to retain their jobs.

I love the Australian lifestyle and its values and I became a citizen for these reasons. These changes threaten the unique nature of our community.

I appeal to the Committee to recommend against the Bill.

Yours faithfully,
Ms Nicole Kim
9 November 2005