### Submission

to

## Senate Standing Committee on Education, Employment and Workplace Relations

# Inquiry into the Workplace Relations Amendment (Transition to Forward with Fairness) Bill 2008

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#### Introduction

- 1. The Australian Services Union [ASU] is one of Australia's largest Unions, representing approximately 120,000 employees.
- 2. The ASU was created in 1993. It brought together three large unions the Federated Clerks Union, the Municipal Officers Association and the Municipal Employees Union, as well as a number of smaller organisations representing social welfare workers, information technology workers and transport employees.
- 3. Today, the ASU's members work in a wide variety of industries and occupations and especially in the following industries and occupations:
  - Local government (both blue and white collar employment)
  - Social and community services
  - Transport, including passenger air and rail transport, road, rail and air freight transport
  - o Clerical and administrative employees in commerce and industry generally
  - Call centres
  - o Electricity generation, transmission and distribution
  - Water industry
  - Higher education (Queensland and SA)
- 4. The ASU has members in every State and Territory of Australia, as well as in most regional centres as well.
- 5. The ASU has, during its existence, established on behalf of its members an array of federal and state awards and agreements providing terms and conditions of employment. In the Federal system, the ASU maintains about 200 underpinning awards, supplemented by hundreds of enterprise bargaining agreements. The same has applied in State IR systems.
- 6. The ASU has welcomed the opportunities presented to union members to bargain collectively with their employers for appropriate terms and conditions of employment and has fully participated in this system, despite limitations on the ability of unions

to bargain on equal terms with employers introduced particularly by the WorkChoices amendments in 2006/07.

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- 7. The ASU has been strongly opposed to the previous Government's WorkChoices legislation and has made previous Submissions to the Senate on its concerns with the unjust nature of the current laws which have worked to the substantial detriment of unionists, non union employees and their families.
- 8. These unjust laws were rejected by the Australian people at the November 2007 election and the ASU strongly supports the present Government's proposal to scrap the WorkChoices legislation and to replace it with a fairer system.
- 9. The ASU has participated in the development of the ACTU submission to the Committee and strongly supports that Submission and its recommendations.
- 10. In particular, the ASU welcomes the provisions of the Bill scrapping statutory individual contracts [AWAs]. Employees generally will welcome the abolition of these unfair and unequal "bargains" which the previous Government allowed employers to impose on employees, particularly at the point of engagement but through other means as well.
- 11. It is clear to the ASU and its members that employees acting alone can never match the bargaining power of employers and individual agreements will result in the imposition of unfair terms and conditions of employment on individual employees. Individual contracts presented as a "take it or leave it "condition of employment never allowed for genuine or good faith bargaining on just terms.
- 12. Since 1996, the Union has dealt with many situations where members were being forced to accept unreasonable terms and conditions of employment via individual contracts.
- 13. Unfortunately, this situation continues until the present day. Members of the Union employed at Qantas Valet Parking are today being presented with individual contracts by a new contractor which strip terms and conditions of employment that these employees have enjoyed under the terms of their employment with the previous contractor.

- 14. These employees are being forced to accept these conditions of employment for five years or have no job. The ASU submits that there can be no clearer example of the absolute unfairness of individual statutory contracts than the prospects facing these ASU members today. Qantas Valet employees will still be employed on substandard and unfair terms and conditions of employment in 2013, long after other employees are working under a new and fairer industrial relations regime due to commence in 2010.
- 15. The situation at Qantas Valet Parking is exacerbated by the fact that there has been no transmission of business for these employees, despite the outgoing contractor being willing to agree to such a transmission. Thus employees are left completely at the mercy of the new contractor, become new employee and subject to new qualifying periods of employment, etc., as well as being faced with the offer of completely new individual contracts of employment.
- 16. The final arrangements surrounding the change of Contractor, and therefore the industrial avenues open to the new contractor, were determined before employees and their unions had any consultation with either the outgoing Contractor or the new Contractor. These issues highlight the precarious effects of contracting out and the adverse impact on employees under the current legislation.
- 17. The ASU submits that the abolition of individual statutory contracts should be made retrospective to the 1<sup>st</sup> December 2007 and that employers should not be allowed to exploit the period between the election and the passage of the current Bill to continue to force employees onto unfair individual contracts.

#### Conclusion

- 18. Subject the proposed amendment above and the terms of the ACTU Submission to the Committee, the ASU supports the passage of the Bill as soon as possible.
- 19. The Union looks forward to continuing to act collectively on behalf of its members to establish terms and condition of employment which are fair and reasonable, which provide decent terms and conditions of employment and which suit the needs of enterprises and the economy as a whole.
- 20. The Union believes that this is only achievable in a system which provides for and encourages collective action by employees actively participating in the determination of their specific wages and conditions of employment against a backdrop of a fair safety net of socially determined employment standards.