

WORKPLACE RELATIONS AMENDMENT (TRANSITION TO FORWARD WITH FAIRNESS) BILL 2008

Second Reading

[Mrs HULL](#) (Riverina) (11.22 a.m.)—I rise today to speak on the [Workplace Relations Amendment \(Transition to Forward with Fairness\) Bill 2008](#). I welcome the member for Braddon back into the House. When the member for Braddon was last in the parliament in opposition you could always rely on him to be keen to put as much negative spin on things as he possibly could. I see that his form has not failed him whilst he has been out of the parliament. So welcome back.

Although we are supporting the bill before the House today, an amendment will be moved by the opposition that I believe deserves consideration. The government is looking to make a number of changes to the framework for workplace agreements to enable the commencement of a process of what it believes to be award modernisation. Some of us might think modernisation may have happened in the last parliament. The bill sets out Labor's proposed new system, which is built on a strong safety net of 10 National Employment Standards for all employees. I certainly agree with and applaud the government for that. The bill also has within it a simple, modern award system that appropriately protects award-covered employees while allowing greater flexibility, we are told, for higher income employees.

The Labor government has decided that Australian workplace agreements will not be made after the commencement date of the bill. Most people would now know, because AWAs have been in place for so long—in fact, they were introduced in 1996—that an AWA is an individual written agreement between an employee and an employer that sets out negotiated terms and conditions of employment. An AWA is sometimes undertaken with an advocate, sometimes with a union delegate or sometimes with a husband, wife, mother, father or whatever. An AWA sets out the agreement made between an employer and an employee and, in the main, it benefits both parties. In this bill there will be transitional arrangements providing for AWAs and collective agreements made before the commencement date of the bill to continue in operation under the most current rules. I am thankful that that is to be put in place. Individual transitional employment arrangements, ITEAs, will be put in place to cover off this period. They will have a nominal expiry date of no later than 31 December 2009. From 1 January 2010, Labor's new National Employment Standards and its modern, simple awards will be in operation and there will be a need for an individual statutory employment agreement. I support the ITEAs because they provide security for workers and businesses and those people who in good faith embrace, support and enjoy being on an AWA. In my experience, the majority of people who have embraced AWAs have enjoyed the conditions that they negotiated. I support the ITEAs for giving the workers on AWAs the certainty of their transition. The opposition amendment, however, goes further by extending the nominal expiry date of an ITEA from 31 December 2009 to five years from the date of approval and it most certainly deserves support.

It is assumed by the new government that all workers on AWAs are unhappy. That is simply not a correct assumption. It is simply unfair to force something on people who are entirely happy with the negotiations that they undertook in good faith and that they waited for so long to be put in place. If they live in a place that has a lack of childcare services and support, an AWA gives the worker an opportunity to negotiate flexible working hours so that their children can be with their partner, husband, wife or a childminder. The flexibility of that workplace agreement gives them the opportunity to be able to structure their workplace

environment and working hours around a myriad issues. They may want to do another degree. They may want to undertake further tertiary education. An AWA gives them the flexibility to be able to encompass that degree within their general working capacity. The employer is getting out of the employee what it requires and the employee is being responsible to the employer, and this most certainly has worked in many instances across my electorate.

I have stood firm on AWAs since their introduction, because so many young people in particular have approached me about getting greater flexibility and opportunities in the workplace. Gone are the days when we made laws because we were a Christian type of nation and we made laws that allowed for Christian worship and family activity on Sundays. We used to make a workplace shut down on Saturday afternoon and not open again until Monday morning. These were the last bases of power, awards and issues in an antiquated system that simply was not reflecting the changes in the workplace that had taken place over many, many years.

During the last election I did not step back from the industrial relations change that the government had undertaken. It was part of the government's policy, and I saw an enormous amount of support for it coming from my electorate. Yes, there was voter concern, primarily because it was very hard to explain the awards in a nutshell. I honestly believe that I am correct in stating that, prior to the changes to industrial relations that the former government made, there would have been very few people in the workplace who understood what their pay was made up of. They would have had no idea what discussions had taken place to constitute the award that they were working under, how their award was made up or how employers had reached decisions about the remuneration that they were receiving. And yet, when the new industrial relations system was put in place, it was determined that everything was on the table and that everything was transparent—as it was. Yet it was so confusing. I put a challenge out to the Australian people and the current government to provide me with evidence that the average person under a retail award knows how that award was made up. You go for a job, you get pay put in front of you and you either accept the pay or you do not. There is no breakdown of how that pay was determined or what sorts of discussions led to the pay in front of you. Of course, we are going back into that system where the employee is totally in the dark.

During the election last year a 39-year-old father of two children specifically said to me: 'Since I entered the workforce I have been involved in EBAs with banks, financial institutions and major multinational institutions, including a Woolworths supermarket, and I have never once understood what constituted my award rate. I was merely given notification of my pay by a union, and I was given no opportunity to negotiate or enter into any discussion on that. It was simply provided to me. I had no knowledge of how the figure was determined.' There is the view that, before industrial changes made by the last government, everybody understood what made up their pay packet each week, and that simply is not the case. Again, in the future very few people will understand how their pays are made up.

Whilst the Australian people told the former government last year at the election that they did not support Work Choices—and the now opposition has heard that message and agreed that Work Choices is no longer a part of the policy of the coalition in opposition and will not be the policy in the future, for debate or discussion—I do want to concentrate on AWAs. It was construed all the way through the process that AWAs were an integral part of Work Choices, which is simply not the case, and they have been blamed for far too many things, I

believe. There were employees in the Riverina who have supported and embraced AWAs, as I have indicated, and individual agreements. In the Riverina electorate in May 2007 there were over 1,500 people on AWAs, and right up until the election that figure was growing; people were entering into them every day.

I remember one business operator in the wine industry told me that all of their employees were now on AWAs. When AWAs came into being, the owner of this very large wine business approached me and asked: 'Will we be forced to put people on AWAs? We don't really want to do this.' I said, 'You don't have to if you don't want to.' But, in fact, they ended up being forced into it by default because their employees went to them en masse seeking AWAs. They recognised that harvesting in vineyards required a variance of times and that during vintage it was extraordinarily difficult to meet the hours. Yet they could do those hours in busy periods and negotiate in their AWAs to do other things in slower times. Before, they were not able to do that. They had to meet vintage times and their general working hours strictly. In fact, the only person that stood out was the union organiser on those premises; he did not go on an AWA. But by the time of the election he had seen how people on AWAs were earning much more money, had much more flexible workplace arrangements and could do the things that they wanted to do and had approached the owner of the winery and sought to be put on an AWA. He could see the benefits. AWAs have been criticised and very rarely understood. Nobody is prepared to get up and tell it like it was. I went to the last election strongly supporting Work Choices and AWAs—and let me say that not all of the people in my electorate opposed AWAs. In fact, from March 2006 to May 2007 there were 465 new AWAs signed, and prior to that the total stood at about 1,100 AWAs.

The Labor government has stated that AWAs have been used to undermine the award safety net, another least-used industrial instrument in Australian workplaces. Fewer than 10 per cent of Australian employees had AWAs, yet AWAs have been blamed for undermining a system right across the nation. People take a lot of poetic licence in their allegations in this House. It is absolutely the truth that, in the main, workers on AWAs earn, on average, twice as much as those on awards.

I heard the electorates right across Australia saying they were not happy with Work Choices, they were not happy with disruption in their workplace and they were concerned with and confused by what was happening. I was never happy with the government's advertising prior to the last election. It was not effective. The unions had a fairly big television ad campaign as well. There was a big advertising spend during the election on confusion and misinformation. The Liberal Party spent \$14.3 million and the Labor Party spent \$13.9 million. But there were added benefits for the Labor Party. The ACTU spent over \$10 million supporting the new policies of the then opposition and opposing the policy of the then government. That included more than \$8 million spent on television and radio advertising. Collectively, 41 other unions spent over \$10.8 million on the campaign to prop up Labor's propaganda exercise and strategy and decrying the former government's policies. The Nationals spent a meagre \$1.3 million and, along with that, there was the major spend on the advertising that the government commissioned.

So you can understand why people were so confused. Their heads were spinning. They did not know which way to turn, what to do or who to believe. In fact, the situation we have is the result of enormous confusion. I honestly do not blame the Australian public for not knowing what to do and moving in the decisive way they did. That is one of those issues that we could have handled

much better. But I want to support those people on AWAs through a transition period. I support an extension of the ITEAs to genuinely enable people to get flexible working arrangements. This will assist families, parents, carers, mature-age workers, people with disabilities and others to engage in the paid workforce and maintain their attachment to the labour market whilst being able to attend to their general duties and other influencing factors in their lives. Indeed, I also support the employers, who, in the main, have done a sensational job of keeping employment high, moving forward with the times, embracing change and ensuring that, in most cases, families were looked after.