



AUSTRALIAN HOTELS ASSOCIATION

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Media Release

Workplace Relations Productivity Inquiry

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The Australian Hotels Association (AHA) and Accommodation Association of Australia (AAoA) have made a joint submission in response to the Productivity Commission's Inquiry into Workplace Relations.

Industrial relations and economic data indicate that Australia's labour productivity requires significant improvement. "Despite most regulations having worthwhile objectives, many are developed without sufficient regard to productivity and consideration about how objectives could be achieved in more cost effective ways" commented AHA National CEO Stephen Ferguson.

Businesses that require a large proportion of labour to operate will be heavily influenced by the degree of workplace relations regulation. Current regulations are inconsistent with the demand for services 24/7 in today's society. The majority of customer demand for hospitality falls outside the 9am to 5pm Monday to Friday period on which the current industrial system is based.

Mr Ferguson said that "Governments have the ability to influence the productivity of businesses via three policy channels. These include incentives that foster domestic & foreign competition, capabilities that promote human resources and knowledge systems, institutions and infrastructure and flexibilities that allow businesses to make necessary changes to realise productive potential".

The submission provides a number of recommendations having regard to the key policy areas under flexibilities policy concerned with the degree of regulation in areas such as penalty rates, public holidays and part-time/casual employee arrangements.

In simple terms increased flexibility at a workplace level will bring about increased productivity. A renewed focus on flexibility and fairness in the Australian workplace relations system will very likely have a positive effect on labour productivity and the Australian economy.

For media comment please contact AHA National CEO Stephen Ferguson on 0412 654 000.