



29 October 2021

Chair
Senate Select Committee on Job Security
Senate Environment and Communications Committee
Department of the Senate | S1.93
jobsecurity.sen@aph.gov.au

Dear Chair,

Inquiry into the impacts of insecure and precarious employment

Thank you for the opportunity to make a submission regarding your inquiry into the impacts of insecure and precarious employment on the economy, wages, social cohesion, and workplace rights and conditions.

The AHA has been a leader in increasing job security. Examples of AHA initiatives and comments on outlook are set out below.

Part-Time flexibility

As part of the 4 yearly review of modern awards, the Fair Work Commission (FWC) granted an application by the AHA to vary the Hospitality Award to introduce a flexible part-time employment provision. The new flexible part-time employment provision commenced from 1 January 2018.

Historically, part time provisions in the Hospitality Award were rigid and inflexible and resulted in employers choosing, or being forced, by way of a casual deeming provision, to employ casual employees rather than part-time employees.

To remedy this issue, and to better facilitate the opportunities for employers and employees to negotiate permanent part-time employment arrangements, the AHA successfully applied to the FWC to incorporate a part-time employment provision in the Hospitality Award. This change strikes a fair balance between a degree of regularity and certainty for employees and flexibility for employers as to the days and times at which a part-time employee's ordinary hours of work may be rostered.

This has flow on benefits for employees. For example, certainty of income assists with applications for bank loans; and certainty of the range of hours that might be worked enables certainty of planning personal obligations.

JobKeeper structure

Very early in the COVID-19 pandemic, the AHA proposed to the Federal Government that financial assistance payments to workers be paid via employers, instead of requiring workers to make applications to Centrelink. The AHA advised this had the key benefits of (1) maintaining the employer/employee relationship, and (2) workers not having to attend Centrelink and bog down that workforce.

The AHA is pleased that these principles came to underpin the rationale of JobKeeper. A key benefit of JobKeeper was that it maintained job security in some form and minimised any loss of dignity from workers being stood down.

JobKeeper flexibilities

On 24 March 2020, with the consent of the United Workers Union (UWU), the AHA successfully applied to the Fair Work Commission for a range of temporary “JobKeeper Flexibilities” to be included on a temporary basis in the Hospitality Award. The application was intended to keep as many workers as possible engaged with their employer, as stand downs were being forced by trading restrictions and lockdowns put in place by state and territory governments. The application proposed changes to the Award so as to provide employers and workers more flexibility in regards to:

- Classification and duties
- Hours of work
- Annual leave
- Place of work

The Federal Government later amended the Fair Work Act so that many more awards and workers (not just hospitality) could be eligible for the type of protections and flexibilities achieved by the AHA and UWU. Those flexibilities in the Fair Work Act expired on 28 March 2021. The Australian Chamber of Commerce and Industry advises that an independent review of the *Fair Work Act* flexibilities showed they had a direct impact on slowing the loss of jobs and decline in wages during the initial COVID-19 economic shock.

Outlook

Issues related to the COVID-19 pandemic continue to cause employers concern and uncertainty in employing people, e.g., NSW Workers Compensation deeming of liability provisions, vaccine status, immunity from discrimination claims and SafeWork prosecutions, FWO guidance, consistency of Public Health Orders.

The uncertainty of stable employment caused by trading restrictions and lockdowns has resulted in workers leaving the hospitality industry and a consequent drastic shortage of workers. However, the current drastic shortage of workers means that plenty of employment opportunities are available in the hospitality sector

Conclusion

The AHA believes it is at the forefront of attempting to increase job security. The AHA is willing to appear at the public hearing and consents to this submission being made public.



STEPHEN FERGUSON
AHA NATIONAL CEO