

AUSTRALIAN WORKPLACE AGREEMENTS

Grievance

MR M.P. MURRAY (Collie) [9.56 am]: I rise to voice to the Minister for Consumer and Employment Protection my concerns about the use of Australian workplace agreements to stymie the young people of today in their endeavours to obtain employment and be well paid for that employment. It has been brought to my attention by the parents of some of the young people in my electorate that some of the supermarkets in the Donnybrook area have been offering young people minimum wages of as low as \$5.70 an hour, which includes working on weekends and being on call at all times. Of course the young people in country towns are keen to sign up for any job, because we all know how difficult it is for young people who do not have any experience to get a job. They want a job so that they can take some pride in themselves and work their way up through the system. However, at only \$5.70 an hour it is difficult for them to take the initiative to get up every morning and go to work. This was brought home to me loud and clear recently when my 10-year-old grand-daughter was visiting my home and I gave her \$2 to go to the shop, because she looked at me as though I was a bit of a loser and said -

Mr M.G. House: That was a bit miserable! You should have given her a bit more than \$2!

Mr M.P. MURRAY: Yes. That is what she said. She said, "Pop, \$2 will not buy me an ice-cream; that costs \$2.50."

Mr M.G. House: You do not know how to bargain!

Mr M.P. MURRAY: It is of real concern, particularly in small towns in which jobs for young people are at a premium, that some unscrupulous employers are using the Australian workplace agreements system to keep wages down. Another problem is that over the years AWAs have not been updated with regard to intellectual property. We all know that if we want to know anything about a computer program these days we should ask the young kids. Australian workplace agreements provide that any new idea, invention, improvement or work that could be registered as copyright that the employee creates, develops or helps to develop will be taken to have been made during employment with the company if it relates to the business activities of the company. The young people of today have a great knowledge of computers and information technology programs. They change and update them just as a matter of course. A young person could be exploited by being coerced into showing someone from a company a program that he had installed on his home computer. That program could be marketed in that company's stores Australia-wide and the company could save millions of dollars, yet no recognition would be given to that young person who has these skills and knowledge and he would not be rewarded. That is a major concern. To me, it is another way of demoralising the youth of today and discouraging them from using skills that would allow them to progress through the system and be creative in their jobs. There could be nothing worse than losing the creativity of our young people. The last thing we want is for those young people to lose their creativity and go back on the dole. We hear many stories about how lazy they are. I do not believe any of them are lazy. They might be disappointed at times because, when they go to work, they get paid less than the dole, or that when they do a good job, people rip them off by using the system to take away their rights and ideas and use them as their own. That is of major concern to me and to the parents who have contacted me.

I could go on and on about these young people. However, we must support them, especially in the country towns where it is hard to get a job. In this case, this young bloke wants and desperately needs a job to be able to make ends meet. However, if he signs off on a document that is just dropped on the table and he is told, "Son, sign this and you can have a job", he is concerned about where that will lead him. There is no provision for a pay rise in that document. He could work for three years without a pay rise. He could go from 16 to 19 years of age and still be on \$5.70 an hour. What a disgrace! In some cases, young people might be in a relationship at that age, yet they would be expected to survive on \$5.70 an hour.

The minister should take heed of these concerns in the community. I know the minister has worked very hard on our local industrial relations Bill to try to bring fairness into the system. However, unfortunately, some people are jumping across to the federal system, which does not give rights to workers.

MR J.C. KOBELKE (Nollamara - Minister for Consumer and Employment Protection) [10.02 am]: I thank the member for Collie for bringing this matter to the attention of the House. It certainly causes me concern that there are situations in which very low-paid workers - young and vulnerable people - are exploited by a minority of employers. In the example given by the member, it is hard to know where the exploitation is, but it certainly causes concern. The Department of Consumer and Employment Protection has sought to put in place a system that will ensure that minimum standards are enforced, that we have a level playing field and that people know what is the minimum wage. Employers are expected to pay the minimum wage, and the department will ensure

that it is paid. This not only provides a fair basis of employment and removes exploitation of low-paid and vulnerable workers, but also is important for the employers, because the good employers - the reputable companies - can be undermined if they have a competitor that is simply undercutting the accepted standard in the industry. Therefore, it is of great concern when I come across cases in which it appears that there has been an underpayment of wages and that people are not fulfilling their legal obligations.

The added concern in the case raised by the member for Collie is that this young 16-year-old is supposedly employed under an Australian workplace agreement. Under the Howard Liberal Government, there has been a push to try to get people onto AWAs, to the extent that it has contracted out the approval process from the Employment Advocate. Therefore, a company has an incentive to try to get people onto Australian workplace agreements because it is getting paid for it. The concern is that it is not doing the job for which it is being paid; that is, it is not enforcing minimum standards. I ask the member for Collie to try to get this young person to come forward so that the department can have a closer look at this situation. As the member indicated, real pressure could be put on a 16-year-old who wants to work to simply accept what he is being paid, even if it is below the accepted standards.

The first thing we must establish is whether this AWA has been registered. If it is not registered, this person has a claim to be paid a proper wage. I think the figure the member mentioned was something like \$5.70 an hour. Under the award, the minimum wage from Monday to Friday for a 16-year-old is \$6.46 an hour. If he were a casual, it would be \$7.75 an hour, which is way above what this young person is being paid. Of course, under the provisions of an AWA, when that young person turns 17 or 18, he could be locked into that same rate of \$5.70, even though the standard Monday-to-Friday rate for an 18-year-old is \$9 an hour. Clearly, that opens up the potential for that person to be exploited.

If it is not a registered AWA, this matter can be taken up by the labour relations division of DOCEP, and it will ensure that minimum standards are enforced. On the other hand, if it is a registered AWA, which is the understanding of the member for Collie, there is a major concern, because an AWA is expected to meet a no-disadvantage test against the relevant award. If this young person were employed in the retail industry, as I have already indicated, the minimum wage under the award would be \$6.46 an hour. Therefore, that AWA should not have been registered if that young person is not being paid \$6.46 an hour. If that person is employed under an AWA that provides for a rate of \$5.70 an hour, it shows that as a result of the contracting out by the Howard Liberal Government and its push to get people onto AWAs, it is not enforcing its own law; it is subverting the law of the Commonwealth in its political push to lower wages for disadvantaged and vulnerable people in our community. That is an absolute indictment of the federal Liberal Government if that is what it is about.

This is not the first report I have received. As I have already indicated, in a range of cases in which people are vulnerable, they are very loath to come forward and make a complaint. This is not the first anecdotal report - I do not have the substance of the report - of the supposed use of an AWA which does not meet the no-disadvantage test and which is being used to drive down wages for the lowest paid members of our community. That is absolutely unacceptable to any Government that seeks to uphold standards and tries to ensure that members of the community receive a decent wage for a proper day's work. That is fundamental to good employment, the maintenance of standards and the survival of decent communities. If a company expects young people of 16 years of age to give of their best, to make a commitment to the workplace and to learn the importance of achieving successful outcomes for the company, that company must, in return, provide to those people the wages that they have a right to expect; that is, the standard minimum wages.

In this situation, on the surface it appears that there is a registered AWA that clearly fails to meet the provisions of the commonwealth legislation. If that is the case, the Commonwealth is complicit in the breach of federal law, and that is a very serious issue. To come back to basics, the question is whether young people in this situation would be willing to come forward. In most cases, because they wish to hang on to their job, they would not. That means that those young people are being ripped off and are not being given a fair go. That presents a real danger that young people will form the view that we do not have a fair society and that it is a rip-off system. Therefore, why should they not, in return, engage in rip-offs and unfair and dishonest behaviour?

We must ensure that the Commonwealth Government is willing to uphold the standards established in its own law. If it is not willing to do that, it will reflect that the federal Government is without standards. This is not the first case that has been drawn to my attention. However, it is difficult to get people to make a formal complaint so that the department can look into the matter. I ask the member for Collie to speak to this young person and his family, and if that person is willing to provide us with the specific details, the department will look into the matter. If it is not a registered AWA, there is the potential for this person to make a claim. If it is a registered AWA, it is a matter that I will take up with the federal Government.

The ACTING SPEAKER (Mr A.P. O'Gorman): Grievances noted.