

SUBMISSION

Workplace Relations Framework Inquiry

Michelle Finger

on behalf of

Steven & Michelle Finger

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Dear Committee Members,

Firstly thank you for conducting this much-needed inquiry, and for the opportunity to submit to it. Our family run a small cattle grazing business over 2 properties, all near Clermont QLD. We also have a side-business of timber harvesting (rosewood for fence posts) and rural fence construction.

"Have existing workplace regulations ever stopped you from doing something you would reasonably like to do?"

Yes.

- 1) As an employer, we would like to give a local Australian a full-time job.
However, we feel that under the current arrangements - it is far too complicated, and exposes our business to too much risk - to warrant employing anybody on a full-time basis. As a result we employ on a casual arrangement only.
- 2)a) As an employer, we have also wanted to employ a mature-aged (30s) person, who we felt would be very capable, but who was inexperienced in our particular industry. He unfairly missed out on the job purely because a younger person also applied, and because of their age they received the job as they are cheaper to TRAIN.
- b) I also have family who are very able-bodied, hard-working and dedicated employees in their 50s who are looking to semi-retire from their currently laborious work. However they have been similarly refused many positions simply because the positions are for 'juniors' only (because juniors are cheaper to train).
- c) Then we know of any extremely capable young man - better than most adults, with a level of maturity & experience beyond his years due to his upbringing - who is getting paid less than he is worth simply because of his physical age.

The 'Junior' wage system is unfair. It is discriminatory based purely upon age, and not on relevant experience. It makes it hard for employers to give a job to a mature person looking to make a start in a new industry, because anyone who is completely new to a position is not very productive and paying full rate during the training period is too expensive.

A BETTER SYSTEM would be for any new employee, regardless of age, to start off on 50% of the standard rate (as 16 year olds do now) for the first week, steadily increasing to 100% after 6 months in the position. The usefulness of employee is often restricted until they can hold a open driver's licence (again, regardless of age) so this should be accommodated for.

- 3) See also paragraph on Penalty Rates below. On many occasions, we would have liked to give staff members the weekend work that they desire, but are instead unable to offer them ANY work on these days because we can't afford the over-time pay rate. This is a loose-loose for both the business and the employee.

"Who would you go to for help if you had a workplace issue or needed information about an issue?"

When looking to hire our first employee, I wanted to do things right. So I actively sought advice on wages, how to calculate and write a payslip, employer obligations, employee obligations, etc. I was absolutely dismayed by the lack of help or encouragement available to become an employer. There is nothing useful out there that I could find to help people become employers. This is a disgrace.

Employing people should be encouraged at every opportunity.

"Fair Work Australia" is a complete joke. "How to sue your boss Australia" would be a more accurate title for this organisation. There is NOTHING 'fair' about it. I trawled through the internet, but could not find anything particularly useful. I tried phoning 'Fair Work Australia' ... and the operator was completely shocked. I explained that I was a small business operator about to employ our first staff member and I was looking for some help and advice on how to do this correctly I was met with a very stunned "I'm sorry, but we don't do that sort of thing, we only give assistance to employees who feel they have been grievanced by their employers"... Disgusting! To be 'fair' it has to be a two-way street. Please take a look at the 'Fair Work Information Statement' that employers are supposed to issue to new staff members. This document is entirely about employee's rights and entitlements and who can help them if they feel they have been wronged ... if it was 'fair' it would also list their RESPONSIBILITIES to their employer and the employer's rights.

The whole system is entirely one-sided. If it was 'fair': there would be equally accessible, free, help for employers to wade through the enormously complicated award system and help them to understand their obligations, help in working out how to go about employing people: how to compose pay slips and deal with staff tax and super etc, and where to seek help/advice if they are having problems with a staff member.

AgForce were able to provide some assistance, and they put me in contact with a work place relations lawyer who set us on the right path ... for a fee.

Minimum wages

The minimum wage is far too high. Australia has a situation where business who have work that needs to be done cannot afford to employ people - so the business struggles to survive, whilst the people that it COULD be employing sit at home and get paid a dole that the government cannot afford. Completely crazy.

A better idea would be for businesses to have access to cheaper base-level employees at say half the normal rate, and have the government pick up the other half. These jobs could be limited to 32 hours per week to ensure the person has plenty of opportunity to search for a better paying job, and flexibility would be important (so that they can attend interviews etc).

This would be a win for the business who are struggling with their work load but unable to hire someone at the full rate, it would be a win for the government as it would dramatically slash dole payments, and it would be a win for the individual as it would give them an opportunity to gain more skills and experience, hence making them more eligible for a full-paid position. It would also help relieve the self-esteem and depression issues that come with being unemployed.

This could be a voluntary arrangement for both parties, and the part-pay-part-dole employment could be limited to 12 months with the one employer to prevent exploitation. If a person is proving to be a productive employee, then the business will want to hire them on full pay to avoid losing them. Or if they allow that person to move on and begin training a new person, this is still of benefit to the community. (In my experience, as both a employee and an employer, useful training is only obtained on-the-job, and programs run by training organisations are not relevant nor adequate).

I am certain that if I was unemployed, I would rather do something productive & useful with my time, and gain some new skills and experiences, whilst I looked for a better job ... rather than sit around and do nothing. I am certain that there are plenty others out there like myself, who would be eager to do something and at least get a start, but they are denied the opportunity because the minimum wage is too unaffordable for small businesses - so they either scale back their operations to a work load that they can handle themselves, or they find a machine, temporary contractor, or back packer, to fill the gaps.

Awards

The awards are far too complicated.

Penalty Rates

"Penalty" rates is a terrible, negative term. Who is being penalised? For what? Why not just call it "over-time pay" or anything more accurate, and less derogatory?

Our business has often been in the position where we have plenty of work that needs doing, and would like our staff member to do some extra work on a weekend - and they have WANTED this work - but instead we have had to send them home, against their will - and pay them nothing - for the weekend because we cannot afford to pay over-time wages. This is a lose-lose situation for both the business and the employee.

If a business is REQUIRING a staff member to work over-time, then they should be paid an additional rate. However, a business should be able to OFFER a staff member occasional additional work, at the standard rate, if the employee CHOOSES to accept it.

Unfair Dismissal

Employers should not need a reason to cease someone's employment if they are not happy with them. It is unreasonable to force people to associate with, and give their money to, someone that they do not wish to. The person has a right to be informed of WHY their employment has ceased. Personality clashes are a valid reason to cease employment.

No business is going to cease the employment of a productive individual.

"Keep"

I refer to point 28.3 of the Pastoral Award. "Keep" needs to provide the comfortable standard of living expected in modern Australia: nutritious food 3+ meals per day, privacy, cleanliness, good bed, hot water, air-conditioning, access to TV, phone and internet services.

However, a mere \$113.12 per week does not even begin to cover such expenses, particularly in remote or regional areas.

"How much 'red tape' is involved in complying with requirements?"

To much. To reduce unemployment, the process of employing people needs to be made much simpler. The paper/computer work involved with employing staff is a major burden to the offices of small businesses, who often do not have a dedicated office manager to deal with such tasks.

The awards and leave systems could be greatly simplified.

I do not believe that business should have to juggle the private taxation and superannuation concerns of individuals. This is a 'nanny-state' mentality. Employers should pay a simple straight wage, and individuals should be in charge of their own affairs. This burden is a large part of the reason why casual and contractor employment under an individual's own ABN is so popular.

I do not agree with paid leave. I'm not suggesting to take this money away from employees - add it on top of their regular rate of pay - but many business owners resent having to pay someone while they are not at work. Let individuals be responsible for themselves and save up for their own holidays.

Many self-employed small business owners do not get the luxury of holidays.

Similarly to over-time, employees should have the free option of holidays ... but they should not be FORCED to take leave if they would prefer to remain at work.

Work Experience / Trial Period Scams

Eager young people are vulnerable to exploitation by dishonest employers. When fresh out of UNI, I was promised a job at a Veterinary Surgery. I was told that I had the position. I re-located over 500km, sat down with my new employer and filled out my tax file declaration form, signed up to rent an apartment and did four weeks work ... after which time I was told that my 'work experience' time had come to an end, and it was time to give someone else ago. The tax department later returned my form because the employer never signed it. I found out that there had been a whole succession of young women who had been told that they had the same job, to then found themselves moved on after a few weeks with only little cash in hand or no pay at all (veterinary nursing is a very popular career choice with young women, so there are always more ready to take your place). Unfortunately at the time I was too young and inexperienced to have the courage to make a complaint. Young people need protection.

Thank you for conducting this much-needed inquiry, and for the opportunity to submit to it.
Regards,

Michelle Finger.