

As a business owner and employer in the service industry, I do not oppose increases to the base wage. Employees should be fairly compensated for their work. However, I believe the broader employment system should also promote productivity, simplicity, and sustainability for both employees and employers.

Australia's labour market is becoming increasingly dependent on regulation and entitlement accumulation rather than productivity outcomes. Payroll administration is overly complex, taxation levels are high, and the growing burden of employment entitlements places significant pressure on businesses, particularly small and medium-sized enterprises.

My primary concern is the accumulation of personal and sick leave. In my view, employees should continue to receive 10 days of personal leave per year, but unused leave should not accumulate indefinitely. Instead, the entitlement should reset annually.

The current system creates substantial liabilities for employers and can contribute to misuse. Many businesses experience significant absenteeism, particularly around public holidays and long weekends. The term "the great Australian sickie" exists because the practice is widely recognised. While genuine illness must always be protected, the ongoing accumulation of large personal leave balances can undermine workforce productivity and increase costs for employers.

Reforming personal leave so that it remains available when genuinely needed, but does not accumulate year after year, would create a fairer balance between employee protection and business sustainability.

More broadly, payroll taxes and high income taxes can act as barriers to productivity. When the cost of employing people rises and the rewards for additional effort are reduced, both employers and employees have fewer incentives to increase output, take on additional work, or invest in growth.

Australia's workplace relations system should aim to reward productivity, simplify compliance, and maintain fairness for both workers and businesses. Reforming the accumulation of personal leave would be a practical step towards achieving that balance.