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Our ref: TB/AG:150921-PCWRF

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The Productivity Commission  
By email: [workplace.relations@pc.gov.au](mailto:workplace.relations@pc.gov.au)

Dear Commission members,

**Re: Workplace relations framework draft report**

Thank you for the opportunity to comment upon the workplace relations framework draft report.

Though there are many aspects of the report to which we could respond, we intend to confine our comments to the issue of job insecurity. We believe that the commission should, in meeting the requirement in the terms of reference to consider “protections” for workers, consider how to respond to job insecurity. We are concerned the commission’s draft report understates the significance of this issue.

The commission’s draft report states:

*“The prevalence of independent contracting has remained an important source of labour and has been stable over the last decade. Security of work appears to have changed relatively little in recent years. While the proportion of casual jobs increased throughout the 1990s, this trend tapered off during the 2000s, particularly for women. Most people working in casual jobs move into permanent jobs in later stages of their lives.”*

It further states:

*“Security of work appears to have changed relatively little in recent years. – Increases in rates of casual employment have tapered off during the 2000s, the prevalence of independent contracting has been stable and average job tenures have not declined.”*

We are gravely concerned that the commission seems to be understating the significance of job insecurity. Our concerns arise because, inter alia:

- Casualisation rose sharply from the 1980s to the early 2000s.
- The commission’s “Self-Employed Contractors in Australia: incidence and characteristics” observed “the share of self-employed contractors in total employment grew at least 15% over the two decades to 1998.”
- The commission’s “The Growth of Labour Hire Employment in Australia” indicates labour hire grew at 15.7% per year from 1990 to 2002.

In other words, concerns about insecurity are not necessarily mitigated by the proposition that the prevalence of inherently insecure forms of engagement may have been constant over the past decade (or

thereabouts). The commission might therefore consider in greater detail how the workplace relations framework ought to respond to the increased, and possibly now entrenched, prevalence of insecure forms of engagement.

As the draft report acknowledges, insecurity can extend to insecurity of the amount of work and insecurity of incomes. These are matters of great concern. The commission might consider in greater detail how the workplace relations framework might respond to these challenges, as well as how this framework relates to other regimes which affect insecurity.

The commission should also consider, in the context of assessing protections for workers:

- whether persons engaged in insecure work have less bargaining power than persons with greater job security; and
- whether that affects their capacity to bargain collectively and/or individually; and
- whether the rise of insecure forms of engagement is connected with the slowing of wages growth presently being experienced in Australia.

We thank you again for the opportunity to provide the foregoing comments. If you require any further information please do not hesitate to contact us.

Yours sincerely

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