Retail workers are amongst the lowest paid workers in Australia. Driving down their wages to make retailers profitable is counterproductive. The lowest paid workers spend the greatest proportion of their income on goods and services. Reducing their income further will simply erode the pool of money available for purchasing goods and services.

If retailers cannot sustain their opening hours with the staff they have then they have other options:

- Reduce their opening hours to concentrate their custom at other times (this would need to be done via regulation as no retailer will be able to do this unilaterally without adversely affecting and alienating their customers).
- Reduce their staff (this would again have the regressive impact of reducing the pool of funds for people to spend in shops).
- Reduce their profit margins. The ABS figures show that the profit share of income continues to rise.

Penalising the workers in retail to protect retailers profits will not work and will disadvantage some of the poorest paid workers in the country. Why is it always the workers who are expected to bear the brunt of downturns?

Michael McNally 26 August 2011