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| **SUBMISSION NUMBER:** | | |  | | | | | | | | |
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| **FURTHER INQUIRY NEEDED:** | | | Yes | | | | | **MEDIA POTENTIAL:** | | xYes (strong) | |
|  | | | x No | | | | |  | | No | |
| **BRIEF SUMMARY:** | | | | | | | | | | | |
| The Australia Institute is an independent public policy think tank based in Canberra that carries out research on a boad range of economic, social and environmental issues.  Its submission is titled: *Casual Labour: A stepping stone to something better or part of an underclass?*  The submission outlines some of the characteristics of casual workers and their experiences, and discusses some policies that may assist. It deliberately steers away from industrial/labour law solutions, and concentrates on contributions that government policies other than industrial relations can make to improving the situation of insecure workers; specifically skills, superannuation and their lack of power in the workforce. Policies need to embrace the total experience of these second class citizens suffering long-term hardship in the labour market.  The Australia Institute suggests that a large proportion of people in casual work are switching frequently between poor quality jobs and unemployment. Historical evidence shows that higher labour market ‘flexibility’ does not automatically mean lower unemployment.  A growing number of casuals are people who experience long-term hardship in the labour market. The only “true” casuals are:   * People genuinely working for short periods, up to three months is suggested. * Or workers on genuine irregular work arrangements such as those who work on a relief basis.   There should be enhanced rights to casual conversion and other reforms should address the disadvantages casuals experience in skills, superannuation, risk and power.  On skills, The Australia Institute contends that whatever benefits some business interests think go with flexibility, the casualisation of the workforce is inconsistent with a skilled workforce and high productivity growth. More emphasis must be put into improving the skills and training of casual workers to allow them avenues to more permanent work.  On superannuation, casualness of low paid workers, and greater likelihood of casuals to be in the black economy means their retirement savings are unlikely to be anything near adequate. More effort must be put into reducing opportunities for employers to evade their responsibilities.  Casuals bear the brunt of the transfer of enterprise risk by employers. Casual loadings are not adequate compensation for the extra risk they accept and the lack of entitlements they receive.  There is a clear power imbalance, supported by statistics (eg. casuals who want to work longer or more hours), in that the high proportion of casual employees does not represent preference by employees, but rather their lack of power in workplace relationships.  The submission discusses the concept of “job guarantee” programs and policies, whereby the state should provide a job to anyone able tow ork and so entrench employment as a right on par with other civil and poltical rights. The job guarantee would include basic award rights. This would put a floor under working conditions elsewhere in the economy, as employers would find it hard to attract workers if they did not offer equivalent award conditons. This concept would face resistance from employers. | | | | | | | | | | | |
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| Key words: | | | Casualisation, flexibility, exploitation | | | | | | | | |
|  | | |  | | | | | | | | |
| Key concepts: | | | Insecure work, skills and learning, personal and societal health and wellbeing | | | | | | | | |
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| Statistics/Incidences: | | | Contains a comprehensive summary of previously published statistics, mainly from the ABS, on the characteristics and earnings of casual workers, and their relationship to unemployment. | | | | | | | | |
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| Identified Case Studies: | | | N/A | | | | | | | | |
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| |  |  | | --- | --- | | Engagement of solutions:  (what’s worked and what’s not) | N/A |   Recommendations: | | | | | | | | | | | |
| Apart from “true casuals” (discussed above) all other employees should have access to the protections, rights, entitlements and obligations associated with ongoing or fixed-term employment.  Barriers that trap people in casual work, such as poor availability of public transport in much of urban Australia or lack of decent childcare, need to be overcome.  Skills: Governments should address the skills of casual workers and provide education and training programs to maintain and updgrade skills, to help them find quality jobs rather than remain confined to casual conditions, low quality work and interrupted work histories. A new training levy iniative would be useful, as would competency certificates.  Superannuation: a Tax Office crackdown on employers who are delinquent in their super contributions would drive employers to do the right thing. There must be a tightening up on cash-in-hand payments that are prevalent in the informal workforce. Employers must be required to do better documentation of their workforce.  Power in the workplace: best achieved through full employment, which will enhance workers’ bargaining power. Compulsory standardised workplace surveys of employee satisfaction could be used to “out” bad employers.  Job guarantee: concept should be explored as a key element in labour market policies, in good economic times and bad. | | | | | | | | | | | |
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| Has the organisation requested any part of this submission to remain confidential? | | | | | | | Yes | | | | |
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| **Please ensure this cover sheet is attached to all written submissions. This cover sheet will be submitted to the Inquiry Panel Members and kept as a record of all written submission for archival purposes.** | | | | | | | | | | | |