

#### Chair: Brian Howe AO Deputy Chair: Paul Munro

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# Independent Inquiry into Insecure Work in Australia

#### Written submission cover sheet

Please ensure this cover sheet is included or attached to submissions made in response to the Terms of Reference. Before submitting your submission please read the Inquiry's web site - <a href="http://securejobs.org.au/independent-inquiry-into-insecure-work-in-australia/">http://securejobs.org.au/independent-inquiry-into-insecure-work-in-australia/</a> - which has important details on the closing date; publication of submissions; confidential information; and privacy.

#### **PUBLICATION DETAILS**

The Inquiry intends to publish submissions on its website, but reserves the right not to publish any submission, or part of a submission. If you wish to make a submission to the Inquiry, you must include your full name, address, and contact details. The 'name for publication' below will be used to label submissions. Generally this should be the same as the name of the individual, group or organisation making the submission.

Name 1	for ident	tifying s	submission
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Association of Professional Engineers, Scientists and Managers, Australia (APESMA)

#### CONFIDENTIAL INFORMATION

All submissions will be treated as non-confidential information and may be published on the website and in the inquiry's report along with your name, unless specifically requested. If you regard your submission as being confidential, clearly mark so below. If your submission is marked as confidential, it will not be published and your name will not be published online or in any reports of the Panel, although the Panel or the staff assisting the Panel may still contact you for the purposes of the Inquiry. You can read our privacy statement at http://securejobs.org.au/independent-inquiry-into-insecure-work-in-australia/privacy/

Do you wish for your submission to remain confidential?

Yes

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The personal information you supply in your submission will be used for the purposes of conducting the Inquiry including the preparation of reports. You may be contacted by the Panel or the staff assisting the Panel for the purposes of the Inquiry. Unless your submission to the Inquiry is marked as confidential, it will be published on the website along with your name. In addition, unless your submission is marked as confidential, your name may be mentioned in references to your submission by the Panel including in any reports it publishes.

#### **CONTACT PERSON**

### Organisation name (if relevant) Association APESMA Translators and Interpreters Group

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14<sup>th</sup> December, 2011

Independent Inquiry into Insecure Work in Australia Level 6 365 Queen Street Melbourne Vic. 3000

Dear Sir/Madam,

Re: APESMA Submission to Independent Inquiry into Insecure Work in Australia on behalf of Translators and Interpreters

Please find attached a copy of APESMA's submission on behalf of our Translators and Interpreters Group. The status of this submission is at this stage confidential with our work with this group in its very early/preparatory phase. We have set a threshold of 100 members before we initiate our campaign and are currently working on achieving that level of membership following an approach by a group in Victoria with concerns about the industry and their pay and conditions.

Our intention is initially to build our numbers in Victoria and establish relationships with key stakeholders with a view to advocating on a range of issues for Translators and Interpreters. We hope that the long-term industry-based campaign we are planning will bring about the changes needed to create a sustainable profession which meets both the needs of the community and those of the Translators and Interpreters themselves. We are currently undertaking an industry survey to establish the key issues and concerns of the profession with a view to launching a report and our campaign in the first half of 2012. I would be happy to send you a copy of the report as soon as it's available (expected to be the first week in March 2012). With this timeframe in mind, it is not timely as yet for us to provide you with information that can be made public and we ask that this submission remain confidential.

You are welcome to view our website which again is in its early stages - at <a href="http://www.apesma.com.au/groups/translators-and-interpreters/">http://www.apesma.com.au/groups/translators-and-interpreters/</a>. In particular, I draw your attention to our campaign goals which were recently endorsed by our Committee: <a href="http://www.apesma.com.au/groups/translators-and-interpreters/Campaign-goals---final-version-approved-by-Committee.pdf">http://www.apesma.com.au/groups/translators-and-interpreters/Campaign-goals---final-version-approved-by-Committee.pdf</a>.

There is broadranging anecdotal evidence to suggest that the Translating and Interpreting industry is characterised by insecure work and we are currently coming to terms with the complexities which arise as a consequence for the industry as well as for the Translating and Interpreting practitioners themselves.

Yours faithfully,

Leslie Adams

Director APESMA Victorian Branch

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# The Victorian Translating and Interpreting Industry

Submission by the Association of Professional Engineers, Scientists and Managers, Australia (APESMA) to the Independent Inquiry into Insecure Work in Australia on behalf of the Victorian Translators and Interpreters Group

CONFIDENTIAL

December 2011

# The Victorian Translating and Interpreting Industry

"ensuring the values of equal treatment and protection from discrimination are upheld fundamentally relies on creating a Translating and Interpreting Industry which can meet not only the needs of the community but those of the Translators and Interpreters themselves . . . "

#### Introduction

According to 2006 Census figures, in 2006 1,007,436 Victorians spoke a language other than English at home representing more than 20 per cent of the State's population. 151,470 spoke English "not well" or not at all and this represents over 3 per cent of the state's total population.

Translating and interpreting services are central to access and equity for these individuals who face language barriers to full participation in the community. The availability of well-trained Translating and Interpreting professionals who can provide high-quality reliable service is fundamental to protecting their right to equal treatment and protection from discrimination.

But in a very real sense, ensuring the values of equal treatment and protection from discrimination are upheld fundamentally relies on creating a Translating and Interpreting Industry which can meet not only the needs of the community but those of the Translators and Interpreters themselves.

Since the late 1980s when many of the services were contracted out by public sector agencies, Translators and Interpreters have largely been engaged as independent contractors. In that time, they have experienced a reduction in their pay and conditions in real terms. The industry is characterised by insecure work and low rates of pay and there are serious concerns emerging about a decline in the quality of services with a number of recent court cases aborted due to issues related to the quality of interpreting services.<sup>1</sup>

The recent On-Call decision<sup>2</sup> has created much uncertainty around contractor/employee status and many Translators and Interpreters are unsure about their rights and obligations. A range of professional issues also potentially compromise the sustainability of the profession.

APESMA thanks you for the opportunity to have an input into investigating the extent and impact of insecure work on the Translating and Interpreting industry. We welcome this Inquiry to encourage a focus on the issues, and consider it critical that we play an active and considered role in identifying and responding to the challenges which the industry currently faces.

Chris Walton APESMA CEO

366 (13 April 2011)

Refer to <a href="http://www.abc.net.au/radionational/programs/lawreport/courtroom-interpreters/3713316">http://www.abc.net.au/radionational/programs/lawreport/courtroom-interpreters/3713316</a>
 On Call Interpreters and Translators Agency Pty Ltd v Commissioner of Taxation (no 3) [2011] FCA

## Operating through insecure work arrangements

APESMA accepts that contracting is a normal part of modern business arrangements that can provide flexibility and efficiency in resource allocation. We are of the view however that the use of contracting arrangements in the Translating and Interpreting industry since services were largely privatised in the late 1980s have created an industry marked by insecure work and the decline of pay and conditions of Translators and Interpreters in real terms.

#### Method of engagement/work pattern

The 2004 Ozolins survey<sup>3</sup> indicated that an overwhelming 95 per cent of Victorian Interpreters surveyed operated as freelancers. As a group Translators and Interpreters experience a range of difficulties common to those in insecure work. This Submission sets out some of these difficulties.

#### Dissatisfaction with structures and arrangements

The Ozolins survey found widespread dissatisfaction in the industry with 39 per cent of Interpreters surveyed somewhat or mostly dissatisfied with the state of the profession. 5 40 per cent of respondents indicated that they were somewhat or very dissatisfied with their level of income.6

The greatest levels of dissatisfaction arose in relation to rates of pay and working conditions. As set out in Table 1 below, pay-related work issues ranked highest with 64 per cent of respondents indicating they were dissatisfied with Income, expenses and the decline of fees, followed by working conditions including pressure, insecurity and lack of benefits which were a concern to 42 per cent of respondents.7 Treatment by agencies was also a significant source of dissatisfaction with 17 per cent of respondents indicating they had concerns in this area.

Table 1 - Reasons for dissatisfaction	n
Income, expenses, decline of fees	64%
Working conditions - pressures, insecurity, lack of benefits	42%
Lack of awareness and respect as a profession	35%
Field problems - market distortions, course problems, NAATI problems, career prospects, poor quality	21%
Treatment by agencies, job allocation, uncaring, bottom line	17%
Profession problems - unrepresented, no rights or solidarity, no forum for discussion, no peer support	15%
Control - anyone can be an interpreter, lack of regulation, unqualified discipline, use of paraprofessionals, undifferentiated pay, poor professional standards	15%
Internal problems - too many interpreters, complacency of practitioners, unfair competition	5%

#### Rates of pay not keeping pace with inflation

Between 2001 and 2006, while the consumer price index (CPI) went up by 15.3%, translator incomes overall increased by only 3.7% and interpreter incomes fell back by 1.5%. In other words, over this period the movement in translator incomes lagged the CPI by 11.6% and the movement in interpreter incomes lagged the CPI by 16.8%. The figures are set out in Table 2 below:

<sup>3</sup> Ozolins, U. (2004) Survey of Interpreting Practitioners: a survey of interpreting practitioners in Melbourne, Australia undertaken as part of the VITS LanguageLink Good Corporate Citizenship program

Ozolins 2004 p.24

<sup>&</sup>lt;sup>5</sup> Ozolins 2004 p.38

<sup>6</sup> Ozolins 2004 p.37

<sup>7</sup> Ozolins 2004 p.62

Table 2 - Failure of Tra	nslator and Interpre	ter incomes to kee	p pace with cost of living <sup>8</sup>
T&	l income movements	between 1996 and 2	2006**
Census year	1996	2001	2006
Translator income	\$21,366	\$26,331	\$27,306
Movement since previous census		+23.2%	+3.7%
Interpreter	\$17,763	\$21,580	\$21,251
Movement since previous census		+21.5%	-1.5%
CPI* movement		+11.7%	+15.3%

<sup>\*</sup> CPI All Groups Weighted Average of Eight Capital Cities - June quarter

#### Liability for costs/expenses incurred

With services outsourced and Translators and Interpreters almost always working via an intermediary, responsibility for expenses - formerly covered by employers or not incurred because Translators and Interpreters were directly employed - are paid by the Translators and Interpreters themselves. Translators and Interpreters report that after covering expenses including Blackberries (which is how they receive their bookings), internet service provider (to support the use of Blackberries), street directory, petrol and travel time, their hourly rates are less than they were 10 years ago.

#### Little or no offset for income insecurity - notice and periods of engagement

Short notice periods, little or no regulation around minimum periods of engagement and inadequate cancellation fees provide little offset for the income insecurity which characterises the industry.

#### Multiple job-holding

There is evidence that Translators and Interpreters hold more than one job and receive income from multiple sources. The Ozolins survey detailed that around 37 per cent of respondents earned less than 50 per cent of their total income from their Interpreting job as set out in Table 3 below:

Table 3 - Proportion of total income coming from Interpreting job		
100%	43%	
75-99%	22%	
50-74%	16%	
20-49%	12%	
Less than 20%	9%	

#### Lower levels of retirement income

The recent On-Call decision has highlighted the fact that until the decision, agencies were failing to comply with their Superannuation Guarantee obligations. Relative to groups whose engagement is not dominated by contractor arrangements, it is likely that Translators and Interpreters would have comparatively low retirement savings.

### Misclassification of employees as contractors and employment entitlements

The On-Call decision suggests that there may be a significant number of contractors who, when assessed against the common law test of employment, may more appropriately be classified as employees. This has implications for access to employment entitlements such as annual leave, sick leave and as discussed above, superannuation, and as discussed below, for workers compensation and professional indemnity cover.

#### Risk shifting

Because of the lack of clarity around employee/contractor status, there is also a lack of clarity around who is liable in the two critical areas of workers compensation and professional indemnity cover. While agencies divert this risk/liability to the contractors, there is a limited understanding of the need to obtain the relevant cover by the Translators and Interpreters themselves.

<sup>8</sup> Extracted from AUSIT Submission to Pay Equity Inquiry 2008

<sup>&</sup>lt;sup>9</sup> Ozolins 2004 p.10 (Note: these figures are as they appear in the report even though their sum is greater than 100)

#### Potentially unfair contract terms

Anecdotal evidence suggests that there is little or no opportunity for independent contractors to negotiate their terms. Contracts appear to be largely offered on a "take it or leave it" basis and can include unfair terms. The contracts offer neither income security nor protection against unfair dismissal even where the Translator or Interpreter has been providing services on an ongoing basis.

#### Differential access to professional development

Where Translators and Interpreters are engaged as independent contractors, responsibility for upskilling is diverted back to the contractors themselves. It is widely acknowledged that where individuals operate through non-standard work arrangements, responsibility for the cost of professional development rests with them. <sup>10</sup> This operates as a disincentive for upgrading skills and/or keeping skills up-to-date and maintaining or improving service quality.

#### Conclusion

In closing, APESMA simply puts on record the Campaign Goals endorsed by the Victorian Translators and Interpreters Group at its Committee meeting of 23<sup>rd</sup> November, 2011.

In cooperation with industry stakeholders and the Translators and Interpreters themselves, APESMA looks forward to bringing about the positive change needed to address the issues set out in this Submission.

# Campaign goals endorsed by the Victorian Translators and Interpreters Group at its Committee meeting of 23 November, 2011

- 1. For the general community to value the work undertaken by Translators and Interpreters
- An industry-based approach to addressing the fundamental issues and challenges for Translators and Interpreters
- To work within the established framework and processes of industrial law to provide protection and improved pay and conditions for Translators and Interpreters
- 4. To ensure agencies support the work of Translators and Interpreters in a fair and appropriate
- 5. To ensure that government is an informed purchaser of Translating and Interpreting services
- 6. To address the issue of deprofessionalisation
- 7. To reinforce professional identity of Translators and Interpreters
- To ensure the skills of Translators and Interpreters are up-to-date by access to continuing professional development
- 9. To provide support and mentoring for those entering the profession
- 10. To provide clarity around employee/contractor status
- 11. To ensure a sustainable profession which can meet the needs of the community

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<sup>&</sup>lt;sup>10</sup> Hall, R., T. Bretherton, et al. (2000). <u>It's Not my Problem: the growth of non-standard work and its impact on vocational education and training in Australia.</u>, National Centre for Vocational Education Research and Australian National Training Authority.