

MEDIA RELEASE

Wednesday 30 March 2022



Federal Budget overlooks the safety and security of workers

While there are some wins for workers in the 2022 Federal Budget, there are many more opportunities lost. It's time for real and meaningful long-term measures supporting appropriate, safe and secure employment for all workers in Australia.

In this year's Budget, there are clear efforts to support women's employment, with the decision to enhance the Paid Parental Leave scheme to create a single scheme of up to 20 weeks per household, to be used flexibly between eligible working parents – a great initiative to better improve retention of women in the workforce. However, there are some concerns about the additional household income eligibility test which may still prove to be a barrier for some working parents to access the scheme. More detail is needed on these changes.

While we are sure that the \$153.5m allocation to support employment initiatives and \$1.3b for apprentices will be successful in supporting particularly vulnerable people to find jobs, we also urge the Government to consider what happens after a person gets a job. JobWatch has frontline insights into what can go wrong in employment – from unilateral changes to contract terms and underpayments, to discrimination, harassment, bullying, unfair dismissals and more. Supporting employment must include funding for legal support for what happens once they are in a job or have lost that job.

What the Budget fails to do is support the large majority of vulnerable workers with policies and budgetary measures that not only create but also maintain secure employment in safe workplaces.

We are particularly concerned about the forecast decrease in funding for community legal services from 2024. Community legal services are a critical component of Australia's justice system – providing free and confidential legal information and representation to vulnerable people who may not trust government institutions, or do not have the capacity to afford paid legal services or self-represent on their matter. Demand for community legal services only continues to grow, and funding must be directly proportionate to demand.

To truly make a measurable and positive impact on the lives of all Australian workers, there must be a further policy and budgetary commitment to:

- **raising wages to address cost of living**, especially in underpaid critical frontline services such as healthcare, aged care and childcare – once-off tax offsets or bonus payments will not address the long-term needs of these sectors
- **reducing insecure work arrangements**, including policy and regulatory measures to reduce the proportion of casual staff and use of labour hire staffing and fixed term contracts
- **improving workplace safety**, through fully implementing all recommendations of the Respect@Work report, and increasing funding for WorkSafe regulators
- **improving access to justice**, including further funding for pro-bono legal services like JobWatch to address the employment law needs of more vulnerable workers

Overall, we need to see increased commitment to promoting rights for workers who are currently underemployed, underpaid, unsafe or in other exploitative or insecure situations at work, with a strong commitment to ongoing wage growth in line with the growing cost of living.

On a further note, we are interested in the comment in the Budget papers on the Government's intention to "consult on amendments to redundancy payment calculation methods under the National Employment Standards in the *Fair Work Act 2009* to ensure that redundancy payments more fairly reflect average working hours over the course of a person's employment". While we don't yet know what this will look like, JobWatch has supported many clients over the course of the pandemic who were made redundant and left worse off because of how their redundancy payment was calculated.

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Georgie* is one example – she had been working for her employer for seven years on a permanent full-time basis, earning \$32/hr. When the pandemic hit and business demand dropped, she agreed with her employer to temporarily drop down to 20 hours a week, earning \$25/hr. When she was made redundant shortly after, her redundancy payment was calculated on 20 hours a week at \$25/hr instead of her original 40 hours a week at \$32/hr. Georgie received \$2,000 in redundancy pay, instead of the \$5,120 that she would have been entitled to if the redundancy payment had taken her years of service as a full-timer on higher rates of pay into account.

Whatever the amendments to the redundancy payment calculation methods end up being, they must be designed in a way to improve protections and payouts for workers, leaving them better off overall. JobWatch is keen to consult with the Government on these proposed amendments, sharing our keen understanding of the impact of redundancy on workers.

**not her real name*

Available for interview

- Zana Bytheway, Executive Director, JobWatch

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About JobWatch

JobWatch is an independent, not-for-profit employment rights community legal centre. We operate out of Victoria and provide assistance to Victorian, Queensland and Tasmanian workers about their rights at work. Some of our functions include:

- A free and confidential Telephone Information Service for Victorian, Queensland and Tasmanian workers.
- Community legal education, including training, seminars and the production of a variety of publications on employment law and workers' rights.
- Representation and assistance for disadvantaged workers through a legal casework practice.
- Campaign and law reform activity with a view to promoting workplace justice and equity for all workers.

For more information: www.jobwatch.org.au