

## **LEGISLATIVE COUNCIL SELECT COMMITTEE**

### **INQUIRY INTO GROWING TASMANIA'S ECONOMY**

#### **INTRODUCTION**

The Shop Distributive and Allied Employees Association (SDA ) is Australia's largest trade union with approximately 220,000 members. The majority of these members are young people and women. Registered in 1908, the SDA has coverage of areas including retail, fast food, warehouse, drug and cosmetic manufacturing and distribution, hairdressing, pharmacies and modelling.

The Tasmanian Branch of the SDA, although affiliated to the National body, operates under its own entity and has a membership of approximately 6,000 in the State under coverage of all areas stated above, except for drug and cosmetic manufacturing and distribution. The SDA Tasmanian Branch is the largest private sector union in the State.

As a Union, representing workers, primarily in Retail, Fast Food and Distribution, welcomes the opportunity to have an input into this inquiry and does not shy away from its fundamental purpose of delivering workplace fairness and justice to both employers and employees.

The SDA requests, due to restraints of time, that a list of key points are delivered in this submission and that an opportunity be made available to present an oral submission, or speak to the key points listed, in front of the Select Committee.

#### **KEY POINTS:**

##### **Role of the Union.**

The main purpose for the union is to represent the voice of the often voiceless-employees who, by virtue of their status within the workplace, are not afforded the ability to ensure their working conditions are fair and just.

Ensuring a guaranteed safety net of fair, relevant and enforceable minimum terms and conditions for working Tasmanians that are flexible for businesses which promote productivity and economic growth throughout regional Tasmania.

##### **Workplace Relations System.**

Workers outside of the Public Sector in Tasmania, are covered by the Fair Work Act and has a direct impact not only on employees in Tasmania but millions of Australians as well. A fair, strong, robust and comprehensive system benefits all aspects of society and meets Australian obligations under international law.

It is therefore important to view the system not just from an economic point of view but also from a broader social point of view. To view it from an economic perspective is to ignore the immeasurable effect it has upon the lives of Tasmanians and its ability to affect the social fabric of the State.

##### **Productivity.**

In recent months Tasmania's unemployment figures have declined and are falling in line with national figures where the Australian economy has been increasing for 23 consecutive quarters, despite the downturn in the mining boom.

Productivity of enterprises is a key feature of enterprise negotiations of which the SDA is part.

There is no evidence that movement in wages has led to reduced productivity.

### **Flexibility.**

For members of the SDA, the ability to access flexible working arrangements and family friendly conditions of employment, particularly when working in industries such as retail which operate across all days and most hours of the week, is essential in balancing work and family responsibilities.

The workplace needs to be structured in a way that provides women with an equal opportunity to work and ensure lifetime economic security.

Research has shown that women are an 'untapped productivity potential' leading to an estimated growth in an estimated growth of 'billions ' per year in Australia's GDP of which Tasmania would be part of.

### **Penalty Rates.**

Penalty Rates for working unsociable hours and weekends have formed part of Tasmanian workplace relations for almost 100 years.

In a contemporary context, the central rationale for payment of penalty rates for work performed in unsociable hours, such as on evenings, nights and weekends is to compensate employees for the disabilities to which workers who work such hours are subject. At the most general level, those disabilities concern the way in which the performance of work at such times interferes with the personal, social and family life of workers.

In forums or tribunals, the arguments put forward that deregulation of Shop Trading Hours, of itself justifies the elimination or decrease of penalty rates, have consistently been rejected.

The removal or reduction of penalty rates is not supported in any way by the SDA for a number of reasons including, that the majority of workers in Tasmania working within the lowest paid industries are predominantly female, young and employed on a casual or part-time basis.

The ability of low paid individuals should be recognised and lowering their weekly wage by removing penalties lessens their spending power, not only on essentials but other spending that maintains a local economy and/or grows it as such.

### **Regional Tasmania.**

As an island state, it is regionally sectioned in three parts. The South, North and North West and identifying particular aspects in growing the economy in each of these regions requires targeting the specific sectors that vary in each of the sectors.

For example, the North West, in recent times has been hit hard by the decline in manufacturing jobs placing greater emphasis for the agriculture and tourism sectors to step up in maintaining job participation.

The South of the State appears to be meeting the challenge of economic growth with significant infrastructure measures in place and in particular the increased building industry figures.

Greater infrastructure opportunities are required in the Launceston and surrounding areas. With increases to the building and construction industries ensures greater spending across other industries such as hospitality retail and fast food.

In closure, I would welcome the opportunity to elaborate further on the above matters verbally upon the Inquiry accepting such form of submission.

Paul Griffin  
General Secretary,

Shop Distributive & Allied Employees Association  
Tasmanian Branch