

TRANSCRIPT

LEGISLATIVE ASSEMBLY ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into sustainable employment for disadvantaged jobseekers

Melbourne—Wednesday, 4 September 2019

MEMBERS

Mr John Eren—Chair

Mr Gary Blackwood—Deputy Chair

Ms Juliana Addison

Ms Sarah Connolly

Mr Brad Rowswell

Ms Steph Ryan

Ms Kat Theophanous

WITNESS

Dr Carina Garland, Assistant Secretary, Victorian Trades Hall Council.

The CHAIR: Good morning. Welcome to the public hearing for the Legislative Assembly Economy and Infrastructure Committee's Inquiry into sustainable employment for disadvantaged jobseekers.

All evidence taken by this Committee is protected by parliamentary privilege, therefore you are protected against any action for what you say here today. But if you go outside and repeat the same things, including on social media, those comments may not be protected by this privilege. All evidence given today is being recorded by Hansard and also being broadcast live on Parliament's website. Rebroadcast of the hearings is only permitted in accordance with Legislative Assembly standing order 234.

You will be provided with a proof version of the transcript for you to check. Verified transcripts, PowerPoint presentations and handouts will be placed on the Committee's website as soon as possible. I understand you are going to make a 5-minute presentation, and then we will proceed to ask questions.

Dr GARLAND: Yes. Great. Thank you so much for the opportunity to present today. Victorian Trades Hall Council and the NUW, who also made the submission—it was a joint submission—believe that every worker should have a job they can count on. So every worker, regardless of whether they are young, a migrant, a woman, are disadvantaged in any other way, should be able to access sustainable and secure employment. We also believe that one job should be enough for any worker. I think our submission did go to the question of underemployment and what the State can do to address that because we know that underemployment at the moment, particularly for marginalised groups of workers, is rising and is a really big problem in the economy.

Victorian Trades Hall Council was founded in 1856, and we are the peak body for unions in Victoria. We think that this is a very important Inquiry. This Inquiry highlights that workers who belong to marginalised groups are more likely to be unemployed or not have secure work and we need to have targeted interventions. I think there are a number of things that the State can do in relation to those targeted interventions.

I think that this Inquiry also pinpoints a broader problem with the relationship between economic insecurity and joblessness and indeed precarious work. Once a disadvantaged jobseeker obtains a job they are more likely to be exploited in that job, so we need to have good, sustainable jobs and we need to ensure that other things happen as well in terms of what the State can do in terms of legislation, such as strong wage theft laws and a strong approach to workplace health and safety. We welcome the Government's announcements around wage theft legislation and industrial manslaughter on those fronts. Thank you.

The CHAIR: You mentioned underemployment. What policies do you think the State Government should have in relation to trying to alleviate that problem?

Dr GARLAND: I think there are a number of things that the State Government can do. Already we have seen the State Government invest in the Big Build with infrastructure projects that have been able to create jobs for people who may not otherwise have been able to access them, particularly in regional areas. So that work should continue. But it is really important that the jobs that are created by the State Government through infrastructure spend, and through social procurement as well, are secure jobs. So we know that there is a lot of contract and casual work at the moment in the economy, and I think that the State Government has a really important role to play to ensure that there is some requirement when engaging contractors in these Big Build jobs, or indeed employing people directly or indirectly as an employer—as the State Government is an employer—there should be some kind of requirement that those jobs are secure jobs and sustainable jobs, and that those jobs target particular cohorts of workers such as young workers, such as workers in regional areas, such as other marginalised groups like migrant and women workers, and of course Aboriginal and Torres Strait Islander workers.

I think there are also some levers in industrial policy that the State Government has which we think are quite exciting levers. I think there is a real opportunity in renewable energy, for instance, for the Victorian Government to drive economic growth and job creation and secure job creation. So already we know the State Government are doing a really good job investing in strategies to combat climate change and to create good jobs for people. We would like to see that continue and again target the cohorts of workers that I have indicated already are marginalised.

Ms CONNOLLY: Carina, lots of the submissions have argued that post-placement support for disadvantaged jobseekers is vital to ensure any issues that arise are managed early. What role has your organisation had or could have in post-placement support to ensure workers are treated safely and fairly?

Dr GARLAND: We think there is certainly a greater role that we could play as a union movement. Mentorships would be an approach that we think we could undertake, and those would be mentorships that are coordinated with unions. What that would do is we would then be able to introduce a workplace rights framework that would empower workers so that where they are experiencing insecure work and would like to see that addressed or they have concerns about workplace health and safety, they have people who are experts and who are able to also back them in. It is very difficult for any worker, but particularly marginalised and disadvantaged workers, to stand up to an employer by themselves. So for them to have the support of not only a mentor but a union behind them in order to do that would mean that they have more power and that they would feel more confident being able to speak up for the problems that they might be experiencing, and therefore we could keep them in those jobs and ensure that any placement is a sustainable one.

Ms ADDISON: Carina, I am interested in recommendation 13 in the report, which talks about using EBA clauses to implement casual conversion to permanent jobs. When we talk about the Big Build—and I am thinking of the GovHub in Ballarat and a number of other projects that we are doing—these are projects that have an end date. How do we create sustainable employment if the job ends?

Dr GARLAND: I think this is a really big question for government. I think that we have got a couple of issues in terms of ‘This is your goal, but step back’ when we are thinking about casual conversions and EBAs and who is engaged on projects. Insecure work is quite complex, unfortunately, so we have casual workers who can be directly employed obviously and are often covered by EBAs in some way, but we also—and the Government knows this, because you have introduced labour hire licensing—have a lot of workers who are engaged indirectly by employers as casuals, and they are often not covered by EBAs. So I just want to make that distinction straightaway, because I think it is important in the context of this Inquiry in particular that we acknowledge that not all casual workers are actually equal and not all casual workers actually have the same rights, and that is a big problem.

I think, first of all, it would be great to see everyone that is employed on these projects be employed directly in the first instance, whether they are on contract or not, because that does offer a level of security that, even though it is not ideal, those workers who are employed more indirectly and through labour hire agencies do not have. So I just want, as an aside, to give that context straightaway.

I think that when it comes to planning projects the Government, in terms of industry policies, needs to be forward thinking beyond the infrastructure builds in terms of how you then transition workers into secure jobs and into sustainable work. There is obviously investment in people developing the skills to build things, so I think through consulting with unions the Government needs to come up with plans before introducing some of these programs to engage people in work that go beyond the lifespan of a project.

Ms ADDISON: Very good. Yesterday we had one of our witnesses talk about businesses that might have up to 70% of people as casuals on the books, and the evidence he provided was that he thought that that was too high—that we need a level of casuals in a small or medium enterprise or a small business to flex up and flex down but 70% was far too high. Do you have a view on that?

Dr GARLAND: I sure do. I think that 70% of course is too high, but across the economy 40% of people are in some kind of insecure work. Look, everyone should have the right to access a secure job if they want one, and we know that most people in insecure work do want a secure job. The ACTU have done research that speaks to that fact as well as to the evidence we have just anecdotally from speaking to unions and workers ourselves. It is very difficult to plan a life if you do not have a secure job. It is very difficult to participate in your community, to make commitments, to be part of the local footy club, to help your kids with their homework if you do not know how you can plan your time and when the next shift is coming. It is very difficult. We know the economy relies on us spending money in our local communities. It is very difficult to make those decisions if you do not know how much you are going to be earning week to week. So obviously 70% of people not being able to have that level of agency in their lives is terrible. It has become too easy for employers to shift risk onto employees, and that is why we have such a high level of casualisation and insecure

work in this country. That is a federal issue really, the *Fair Work Act*, that has really created, unintentionally, loopholes for employers, so that it is actually better for them to engage people indirectly and casually than as direct permanent employees, because that then reduces the obligations they have to those employees. But it does shift the risk down to individual workers and at the same time makes it more difficult for those workers to belong to their unions, because, as I have noted before, we have a situation where we actually have people more and more engaged through labour hire companies, which are not subject to the same kinds of regulations and obligations with the host employer under the *Fair Work Act*.

Ms THEOPHANOUS: Carina, I am interested in the particular barriers for women getting back into the workforce after having kids. Often the proposed solution to that is this idea of flexible work, but then it seems to me that flexible work is sort of a nice term for often it just being insecure work or casual work. Can you comment perhaps on that particular barrier for women coming back into the workforce and needing flexibility but also security?

Dr GARLAND: That is right. So I think that is really key: that the work is not just flexible as a standing term for precariousness, but that there is a possibility to balance flexibility with security to accommodate the sorts of things that often parents, women coming back into work, will need to do. I think that is a particularly significant issue for single parents who are coming back into work after having children. It is not just an issue around returning to work after having children; there are other barriers that women face around, for instance, returning to work while or having left a family violence situation, so often while experiencing it or having left that. So it is really great that the Government has done such an enormous lot of work in addressing family violence in Victoria, but that also has an impact on women's capacity to commit to particular patterns of work.

So I think that it should not be impossible for there to be a balance between flexibility and security, and that for women that are experiencing family violence it is really great that the Victorian Government has already committed to 20 days of paid family and domestic violence leave for Government workers, but this should be extended across the workforce, making sure that access to that leave, if it is possible to make that, a mandatory component of social procurement—to embed that into those contracts and arrangements. When we have spoken to women workers in the context of our Women's Rights at Work campaign, we found that when we have asked women, 'How well do your working hours fit in with your family or social commitments outside of work on a scale of 0 to 10, where 0 is not at all and 10 is very well?', 38% of women provided a ranking of 5 or below. So a lot of women—it is almost four in 10—are saying that it is really not working for them; work is not working for them.

Mr ROWSWELL: Carina, you mentioned in your opening statement something which was deeply concerning to me and I suggest perhaps deeply concerning to the Committee as well. You said once disadvantaged jobseekers get a job they are more likely to be exploited. If you have any hard data around that that you could furnish the Committee with, not necessarily now, I think the Committee would be grateful to receive that, because if that is an issue which you have observed, then it is something that I think would be valuable for us to consider.

Just on another point in relation to underemployment, how do you define 'underemployment'? Have you got a hard definition for that?

Dr GARLAND: Underemployment is a difficult term because it will mean different things to different people. The way we understand it is really people that are not getting the hours that they need to sustain a life. There is not actually enough data to really, I think, provide a greater understanding of what that means for people. Perhaps something that the State Government could do is help to get a better picture of what the experience is of workers in Victoria experiencing underemployment. We understand insecure work, which is people in casual or contract work, and that is affecting four in 10 workers, which I would suggest is a quite significant number. But in terms of the workers who would like more hours, there has not been a lot of work done on that front, but we know that for young workers, for instance, we would suggest in terms of people's productivity in the labour market it is about 20% for young workers in underemployment, which means that they are not getting full-time hours and are not being utilised.

Mr ROWSWELL: The reason I ask that question, and this is my old chestnut, Chair, if I may, is we had evidence from the department of jobs yesterday in relation to the Jobs Victoria program and they measure

success by a disadvantaged employee having 26 weeks continuous work at a minimum of 15 hours per week. Is that something that you would consider underemployment, or would that depend on other circumstances?

Ms ADDISON: Brad, can I jump in here, through the Chair, and say that in a summary from your report it says that an underemployed worker works 17 hours per week on average and is most likely to work as a sales worker or a labourer in a small business. It is really interesting that you are drawing that out.

Mr ROWSWELL: Perhaps the answer is yes.

Dr GARLAND: Honestly, I think that understanding underemployment requires speaking to workers in terms of how they would define it in terms of the hours that they need and the security they need to be able to sustain life.

Mr ROWSWELL: Thank you.

Dr GARLAND: In relation to that evidence, though, around marginalised workers, we can absolutely provide you with something there. I think with the wage theft inquiries that are taking place at the moment—and I note that one of the Members, Chair, has participated in some of those hearings already—I am sure there has been some pretty compelling evidence there about the exploitation experienced by marginalised workers.

Ms CONNOLLY: My understanding is that is why the Migrant Workers Centre, Brad, was set up, because workers were being exploited, particularly those from disadvantaged backgrounds and those from CALD communities. Do you want to talk to us about why that was set up and some of the work that is being done to help protect disadvantaged workers in the workplace, or migrant workers, and also some of the things that you think the State Government could be doing to help protect those workers and ensure that they have sustainable employment?

Dr GARLAND: Absolutely. The Migrant Workers Centre at Trades Hall is just over a year old now, and it was established because there was a need for it really in terms of having a place where workers could access information in language and also understand what could be done to address some of the experiences they might have had at work that left them experiencing wage theft, unsafe workplaces and a range of different, pretty horrible things such as sexual harassment and assault at work. The National Union of Workers, that has been doing a lot of work in this space with migrant workers in their horticulture sector in particular and in poultry processing, has recently undertaken a survey and has found that migrant workers on average are paid \$14.80 an hour, which I am sure the Committee knows is well below the minimum wage. That is a pretty disturbing fact. Not only are people working for \$14.80 an hour but they are often working around 12 hours a day. Employers are making illegal deductions for things like accommodation on farms, for transportation for mills, which often then leave workers even more out of pocket in terms of what they should be earning.

Without unions being involved in a lot of these sectors, I do not think it is a stretch to say that workers would be worse off. We have seen that workers have been able to get some of their money back, and in recent research that has been undertaken by some New South Wales academics we have seen that migrant workers who do end up getting money back after experiencing wage theft have a much greater chance of success in doing so if they are members of unions. So clearly the union movement has a really big role to play in assisting workers organise collectively and get the money back that they are owed. The Migrant Workers Centre has thankfully been able to be part of that too, and we have been able to recover money for workers who have been horribly exploited and underpaid at work.

This is not a problem that is going to go away quickly, though. It will require federal intervention as well as state intervention, and I think the wage theft legislation will provide a really important intervention at a state level. The legislation needs to be strong, though, and it needs to be enforced. Obviously wage theft, not paying workers lawfully, is already not supposed to be happening, but clearly it is too easy for employers to get away with it. So the wage theft legislation in Victoria needs to be a really effective deterrent. There need to be prosecutions. There needs to be strong enforcement. If those settings are right, then I think that can be really effective in addressing some of the issues that marginalised workers face, and so can working alongside the Labour Hire Licensing Authority, which is in its early days, but hopefully that will also be a really big part of

not only addressing the exploitation that workers are experiencing but also promoting sustainable employment when host employers and others perhaps realise it might be easier just to employ people securely and directly.

The CHAIR: Can I ask about traineeships? Your submission recommends the Government incorporate traineeships into public works programs. Can you give some examples of where that could be successful in terms of the cohorts that we are after in relation to this Inquiry?

Dr GARLAND: Yes, absolutely. We have looked to our friends in WA for some examples of where things have been done particularly well. The City of Armadale in Western Australia has introduced a program where they target at-risk young people—so focusing on young workers as a cohort here—early on to prevent them from being caught up in the justice system. What that does is it is placing them with government projects in building construction and maintenance, and there is a quota system in place there. Just under 12%—11.5% of the workforce—needs to consist of young apprentices and trainees. Now, what is really important in these programs is that when people are placed there is a structure around them and that we engage with setting up pathways for these young people beyond just the project and offer support for them too—so by implementing things like counselling, connecting participants in those traineeship programs to service providers and even things like sports programs and youth work support so that people have the level of resources invested in them that they need to actually successfully get through that program.

I think it is about more than just offering a traineeship in itself and offering the opportunity. People are not going to succeed and these opportunities are not going to be sustainable if the marginalised groups that we are engaging with do not have the support that they need to make the most of that opportunity.

Ms THEOPHANOUS: So, Carina, in terms of the practicality of that example, are the extra services, the structures that are around that employee, delivered through the employer or through a case manager? How does it work exactly?

Dr GARLAND: I will have to take that one on notice in terms of the detail, because I think it is a combination of those things. I will get that information to you.

The CHAIR: Do other states and territories apply that same policy? Is there any other state that does that?

Dr GARLAND: Again I would have to take that one on notice.

The CHAIR: Okay. Thank you.

Ms ADDISON: Carina, we are almost out of time, but I am very interested in access to work for Aboriginal and Torres Strait Islander members of our community. Do you have any examples of programs or policies that have encouraged employers or made jobs more accessible for these members of the community?

Dr GARLAND: Unfortunately we have not done a lot of work in this space. I can tell you about some of the things that do not work. We think that some of the federal programs like the Community Development Program do not work for Aboriginal and Torres Strait Islander workers.

Ms THEOPHANOUS: Why?

Dr GARLAND: Well, receiving as little as \$11.60 an hour for work does not really promote, I think, good opportunities for people. It is discriminatory. The workers are not covered by the *Fair Work Act* or any occupational health and safety protections, nor are they entitled to any leave, and that program exists in a context where workers have 70 times the financial penalties imposed upon them as other people that are on Work for the Dole programs. So the systemic racism and disadvantage for Aboriginal and Torres Strait Islander jobseekers is really evidenced, I think, in that program.

Mr BLACKWOOD: Can I just take you to the gendered violence aspect of what you have put before us?

Dr GARLAND: Yes, sure. Yes, of course.

Mr BLACKWOOD: How do you think we can increase public awareness around that particular issue?

Dr GARLAND: Well, I think we are at a pretty interesting point in that conversation around family violence as a country. I think there is a greater awareness now around the need for governments to make active interventions in family violence and that it is not just an issue that happens in the home. It affects the whole community and it affects workplaces. I think understanding that family violence is a workplace health and safety issue as much as anything else is really important, so perhaps there are campaigns that can be run through the government to better educate employers and the public around this—that family violence does affect workers at work. This is just a very small but practical thing that can be done.

Mr BLACKWOOD: I guess I was more aiming at actually gendered violence in the workplace.

Dr GARLAND: In the workplace? Right.

Mr BLACKWOOD: Yes.

Dr GARLAND: Again, I think seeing gendered violence in the workplace through that framework of workplace health and safety is really important, and recognising that it is something that is unsafe for women at work. But it is not just the responsibility of women to be standing up and speaking out about that kind of behaviour. It is the responsibility of everyone in the workplace and should be seen by workplace health and safety representatives as well as WorkSafe as a really serious health and safety problem.

The CHAIR: Thank you. Any further questions? Thank you very much.

Witness withdrew.