

**Submission to the Senate
Education and Employment
Legislation Committee:
Fair Work Legislation Amedment
(Secure Jobs, Better Pay) Bill 2022**

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percapita
FIGHTING INEQUALITY IN AUSTRALIA

Introduction

[I]f human life is to be used for the purpose of profit it must not be used to its degradation...it is our duty, as far as we can, in view of the fact that human life is the most valuable asset of any country, to see that that life, if used for the purposes of gain, is not so employed that the health and vitality of the community are lowered.¹

- Henry Higgins, House of Representatives, April 1904

Per Capita welcomes the opportunity to provide this submission to the Senate Education and Employment Legislation Committee's inquiry into the provisions of the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022 (Cth).

Per Capita has considered the Bill and is supportive of its aims.

This submission will focus on the reforms contained in Schedule 1:

- pt 20 - supported bargaining;
- pt 21 - single interest employer authorisations; and
- pt 23 - cooperative workplaces.

It will also consider and address some recent criticism of the Bill.

Background of Australian Industrial Relations Law

The statutory framework for Australia's industrial relations system has always been couched in terms of fairness, from its genesis, throughout every major reform to the Bill currently under consideration.² We believe that an effective industrial relations system, remains consistent with the definition posited by the Committee of Review into Australian Industrial Relations Law and Systems, in their 1985 report ('*Hancock Report*')

An effective industrial relations system as one which is concerned with promoting and encouraging harmony and co-operation between industrial parties while providing mechanisms to resolve the competing interests of employers and workers in an equitable manner and in a way which has regard for the well-being of the community and the achievement of economic prosperity.³

¹ Commonwealth, *Parliamentary Debates*, House of Representatives, 14 April 1904, 1027 (Henry Higgins).

² See, eg, Commonwealth, *Parliamentary Debates*, House of Representatives, 30 July 1903, 2863 (Alfred Deakin); Commonwealth, *Parliamentary Debates*, House of Representatives, 28 October 1993, 2777 (Laurence Brereton); Commonwealth, *Parliamentary Debates*, House of Representatives, 25 November 2008, 11189 (Julia Gilliard).

³ Keith Hancock, *Committee of Review into Australian Industrial Relations Law and Systems* (Report, 1985, vol. 2, AGPS, Canberra) 14 [1.26] ('*Hancock Report*').

As expressed in the *Hancock Report*, Australia’s industrial relations system ‘is a product of history, and to a degree, it is captive to that history’.⁴ Reform cannot, nor should it, be approached on the basis that we can throw out the entire system and start again.⁵

Whilst international comparisons can provide useful insights, it is erroneous to try and transplant regulatory approaches from other jurisdictions into Australian law.⁶ As asserted by Professor Anthony Forsyth, these systems, like ours, ‘are embedded in the specific economic, political and social contexts of their countries of origin.’⁷

In general, Per Capita considers the reforms proposed in this Bill to be consistent with the *Hancock Report’s* definition for an effective industrial relations system, in the Australian context. The reforms contained in it are reasonable, not radical, and do not depart from the core elements which have persisted throughout every iteration of Australia’s industrial relations system.⁸

Criticism from stakeholders and parties

Since late October 2022, this Bill has received significant coverage in the Australian media.⁹ As with many crucial reforms, the media conversation and the legislative process can become enmeshed, as pressure builds externally to take political action internally. As such, Per Capita would like to address and dispel some of the concerns raised in the last three weeks.

Influence of unions

Per Capita firmly rejects all assertions that the government is ‘kowtowing to unions’,¹⁰ ‘enacting a unionising agenda’,¹¹ or introducing this Bill as ‘a reward for the union movement for their silent support over the past three years’.¹² Since the establishment of Australia’s first industrial relations system under the *Conciliation and Arbitration Act 1904* (Cth), unions have played an essential role in supporting the proper functioning of our system.

⁴ Ibid 18 [2.1].

⁵ Ibid.

⁶ Anthony Forsyth, ‘The Transplantability Debate Revisited: Can European Social Partnership Be Exported To Australia’ (2006) 27(3) *Comparative Labor Law & Policy Journal* 305

⁷ Ibid; Anthony Forsyth and Holly Smart, ‘Third Party Intervention Reconsidered: Promoting Cooperative Workplace Relations in the New “Fair Work” System’ (2009) 22 *Australian Journal of Labour Law* 117, 144-5.

⁸ For detailed discussion regarding the ‘core elements’ of Australia’s IR systems since 1904, see, Richard Naughton, *The Shaping of Labour Law Legislation- Underlying Elements of Australia’s Workplace Relations System* (LexisNexis Butterworths Australia, 2017).

⁹ See, eg Paul Karp, ‘Labor Faces Employer Revolt over Changes to Multi-Employer Pay Deals in IR Bill’ *The Guardian* (Online, 20 October 2022) <<https://www.theguardian.com/australia-news/2022/oct/20/labor-faces-employer-revolt-over-changes-to-multi-employer-pay-deals-in-ir-bill>>.

¹⁰ Commonwealth, *Parliamentary Debates*, House of Representatives, 8 November 2022, 52 (Peter Dutton, Leader of the Opposition).

¹¹ Angus Thompson and James Massola, ‘Economy of Scale’: Steggall Accuses Government of Unionising Agenda’ *The Sydney Morning Herald* (Online, 1 November 2022) <<https://www.smh.com.au/politics/federal/economy-of-scale-steggall-accuses-government-of-unionising-agenda-20221031-p5bu8r.html>>.

¹² David Marin-Guzman, Phillip Coorey and Carry LaFrenz, ‘Business Slams Sector-Strike Rights in IR Blitz’ *AFR* (Online, 27 October 2022) <<https://www.afr.com/work-and-careers/workplace/unions-can-strike-across-employers-in-ir-overhaul-but-cfmeu-blocked-20221027-p5btd9>>.

There is an inherent imbalance in the bargaining power between workers and employers, and so unions, as the main vehicle for workers to bargain collectively, have always been necessary towards correcting this imbalance. In the words of former federal parliamentarian and President of the Court of Conciliation and Arbitration, Henry Higgins: '[o]ur Act could not be worked without unions'.¹³

Similarly, this imbalance has long been recognised in economic scholarship, dating back so far as Adam Smith's *Wealth of Nations*, where he notes that 'What are the common wages of labour, depends everywhere upon the contract usually made between those two parties, whose interests are by no means the same. The workmen desire to get as much, the masters to give as little as possible...It is not, however, difficult to foresee which of the two parties must, upon all ordinary occasions, have the advantage in the dispute, and force the other into a compliance with their terms. The masters, being fewer in number, can combine much more easily; and...in all such disputes the masters can hold out much longer'.¹⁴

Reversing the primacy of enterprise bargaining

Per Capita further rejects claims that these proposed reforms represent a reversal of Keating's reforms, which will 'take us back to a "one size fits all" approach last seen in the 1970s'.¹⁵

1. In the Keating government's *Industrial Relations Reform Act 1993* (Cth) ('IRR Act'), the object of the *certified agreement* provisions was 'to encourage the use of agreements, particularly at the workplace or enterprise level'.¹⁶ However, it did not exclude the ability for agreements to be made with multiple employers. This is implicit in s 170MC which required the AIRC to certify agreements if it was satisfied that the 'wages and conditions of employment of the employees covered by the agreement are regulated by one or more awards that bind their employer, or their respective employers'.¹⁷
2. Whilst the *IRR Act* provided the first formal legislative framework for collective bargaining, the system has always been collective in nature. Collective bargaining was a central feature of the traditional system (1904-1993).¹⁸ Workers and businesses could, and did, negotiate in ways which best worked for them; It was not a *one size fits all approach*. Collective bargaining occurred at the enterprise, sector, industry and geographical level, and the making of awards

¹³ Henry Higgins, 'A New Province for Law and Order II' (1919) 32 *Harvard Law Review* 189, 197.

¹⁴ Adam Smith, *An Inquiry Into the Nature and Causes of the Wealth of Nations* (1776) 100-101

<https://www.google.com.au/books/edition/An_Inquiry_Into_the_Nature_and_Causes_of/5hBOAAAAYAAJ?hl=en&gbpv=1&printsec=frontcover>.

¹⁵ David Marin-Guzman, Phillip Coorey and Carry LaFrenz, 'Business Slams Sector-Strike Rights in IR Blitz' *AFR* (Online, 27 October 2022)

¹⁶ *Industrial Relations Reform Act 1993* (Cth) s170LA(1)(b).

¹⁷ *Ibid* s 170MC(1)(a) (emphasis added).

¹⁸ See eg, Duncan Macdonald, Ian Campbell and John Burgess, 'Ten Years of Enterprise Bargaining In Australia: An Introduction' (2001) 12 (1) *Labour & Industry: a Journal of the Social and Economic Relations of Work* 1.

relied heavily on collective bargaining.¹⁹ Additionally, it was extremely common for parties to negotiate *over-award agreements*, using existing awards as a base to negotiate workplace specific conditions. By the time the *IRR Act* was introduced in 1993, 80% of businesses employing 200-500 people had *over-award agreements*.²⁰

3. Many of the Bill's proposed reforms align with the original, and in some cases unmet, goals of the *Fair Work Act 2009 (Cth)* ('*FW Act*'). For example, the original purpose of the low-paid bargaining provisions was to 'facilitate bargaining with multiple employers for employees who are low-paid and those who have not historically had access to the benefits of collective bargaining'.²¹ However, the difficulty in accessing these provisions has resulted in limited take-up by workers and employers, leaving existing provisions unable to achieve their original purpose. The supported bargaining reforms are just one example where the Bill can be understood as merely correcting the gap between the intention and the application of previous legislation.

Rushing the reforms

Per Capita rejects the assertion that the government has rushed these reforms.²² These proposals are not unexpected; many were expressed in the ALP's 2022 election platform.²³ The implication that they have been rushed also ignores a decade's worth of legal, economic and sociological research that has been done on these issues,²⁴ and the many academics, experts and advocates who have spent a decade lobbying government to take action.

Additionally, while workplace relations is an area that affects almost all Australians, so is national security, and we note that significant reforms were passed under the Foreign Intelligence Legislation Amendment Bill 2021 (Cth) in two sitting days without time for scrutiny by the Senate Standing Committee for the Scrutiny of Bills or the Parliamentary Joint Committee on Human Rights. It is our opinion that this is a stalling tactic from opponents and not a genuine concern.

¹⁹ Breen Creighton, 'One Hundred Years of the Conciliation and Arbitration Power: A Province Lost?' (2000) 24(3) *Melbourne University Law Review* 839; Tom Roberts 'Sector- wide bargaining: problems and prospects in the Australian case' (2021) 31(13) *Labour & Industry: A Journal of the Social and Economic Relations of Work* 217.

²⁰ Mark Short, Alison Preston and David Peetz, *The Spread and Impact of Workplace Bargaining: Evidence from the Workplace Bargaining Research Project* (1993) 4-6.

²¹ Explanatory memorandum, Fair Work Bill 2008 (Cth) [169].

²² James Massola and Angus Thompson, 'New IR Laws Drive Wedge between Government and Business over Strike Fears' *The Sydney Morning Herald* (Online, 27 October 2022) < <https://www.smh.com.au/politics/federal/new-ir-laws-drive-wedge-between-government-and-business-over-strike-fears-20221027-p5bte8.html>>; David Marin-Guzman, 'Rushed Hearing for IR Bill Unveils Theatre of the Absurd' *AFR* (Online, 4 November 2022) < <https://www.afr.com/work-and-careers/workplace/rushed-hearing-for-ir-bill-unveils-theatre-of-the-absurd-20221104-p5bvo5>>.

²³ ALP, ALP National Platform: As Adopted at the 2021 Special Platform Conference (Report, March 2021) 25-31.

²⁴ Many of which are cited throughout this paper.

The need for bargaining reform

Current state of enterprise bargaining

Wages and productivity

Decentralised enterprise-based bargaining was thrust into primacy with the passage of the *IRR Act* in 1993. The stated aims of those reforms included moving 100% of employees covered by federal awards onto enterprise agreements and improving productivity for enterprises which, in turn, would guarantee sustainable real wage increases.²⁵

30 years later, working Australians have delivered on improved productivity - it has never been higher. Our economy has just experienced its strongest year-on-year growth in ten years,²⁶ and in the first quarter of 2022, each hour of expended labour produced on average \$110 worth of GDP (representing a 13% growth in the last decade adjusted for inflation).²⁷ However, this has not translated into higher wages. Real wages have not kept up, and over the last year (June 21 -June 22) they have fallen 3.5%.²⁸ These productivity gains have been pocketed as profits, while the worker's share of our national income dropped to a record low in 2022.²⁹

The primary object of the *FW Act* is to 'provide a balanced framework for cooperative and productive workplace relations that promotes national economic prosperity and social inclusion for all Australians'.³⁰ Yet clearly, our national prosperity is not translating to economic security for too many working Australians. Even RBA Governor Phillip Lowe has commented that 'slow wages growth is diminishing our sense of shared prosperity'.³¹

Low agreement coverage

Australia's workplace bargaining system is on the brink of collapse. The number of workers covered by enterprise agreements doesn't come close to delivering on the original system's coverage goals. At the end of June 2022, only 13% of workers were covered by a current enterprise agreement, leaving the rest on expired agreements, *safety net* awards or individual arrangements.³²

Single enterprise bargaining still has its place in our system but, as the Productivity Commission noted in 2015, our system 'needs repair' as it is 'often ill-suited to smaller enterprises'.³³ In short,

²⁵ Paul Keating, 'Speech to the Institute of Directors Luncheon' (Speech, Australian Institute of Company Directors, 21 April 1993).

²⁶ Australian Bureau of Statistics, *Australian National Account: National Income, Expenditure and Product, June 2022* (Catalogue number 5206.0, 7 September 2022).

²⁷ Jim Stanford, 'Is Productivity Really a Magical Fix?' *The University of Sydney* (Online, 26 August 2022) <<https://www.sydney.edu.au/news-opinion/news/2022/08/26/is-productivity-really-a-magical-fix-.html>>

²⁸ Australian Bureau of Statistics, *Wage Price Index, June 2022* (Catalogue number 6345.0, 18 August 2022).

²⁹ Greg Jericho, 'Don't Get Too Excited by Australia's Rebounding Economy – It's a Distorted Snapshot of the True Picture' *The Guardian* (Online, 3 March 2022) <<https://www.theguardian.com/business/grogonomics/2022/mar/03/dont-get-too-excited-by-australias-rebounding-economy-its-a-distorted-snapshot-of-the-true-picture>>.

³⁰ *Fair Work Act 2009* (Cth) s 3 ('FW Act').

³¹ Phillip Lowe, 'Address to Australian Industry Group' (Speech, Melbourne 13 June 2018).

³² Attorney-General's Department, *Trends in Federal Enterprise Bargaining* (Report, June 2022).

³³ Productivity Commission, *Workplace relations framework: Volume 1* (Report 30 November 2015) 2-3.

our current system is no longer fit for purpose, and does not offer a credible path to the shared prosperity that it was designed to ensure.

Benefits of multi-enterprise bargaining

Inclusivity

Key findings from the OECD's 2019 report, *Negotiating Our Way Up*,³⁴ show that the coverage of collective bargaining is high and stable only in countries where multi-employer agreements, at the sector or national level, are negotiated. It also shows that, where collective agreements are made mainly at the firm level, workers in small firms are less likely to be covered due to lack of capacity and resources to participate in bargaining.³⁵

Research from the International Labour Organisation (ILO) indicates that multi-employer bargaining can increase participation in agreement making, as it is the most inclusive form of bargaining. It tends to be more inclusive of workers who are often excluded from bargaining provisions: vulnerable workers, migrant workers and those in small firms.³⁶ Benefits for businesses include savings on the costs and resources required for individual bargains.³⁷

Compliance with Australia's international obligations

As a member State of the ILO Australia has an obligation to respect, promote and to realise fundamental rights that are contained in its core Conventions. Freedom of association and the right to bargain collectively are core labour standards which the ILO has declared non-negotiable.³⁸

The right to strike is recognised as an intrinsic corollary of the right to organise, protected under Article 11 of the *Freedom of Association and Protection of the Right to Organise Convention 1948* (No 87),³⁹ which Australia ratified in 1973. This right is also provided for at Article 8(1)(d) of the *International Covenant on Economic, Social and Cultural Rights*,⁴⁰ ratified by Australia in 1975.

Proposed reforms to existing multi-employer enterprise agreements contained in this Bill, which provide workers with the ability to take industrial action, are necessary for Australia to properly meet these international obligations.⁴¹

³⁴ OECD, *Negotiating Our Way Up Collective Bargaining in a Changing World of Work* (Report, 18 November 2019).

³⁵ Ibid ch 2.

³⁶ ILO, *Labour Relations and Collective Bargaining* (Issue Brief, No 1, February 2017).

³⁷ Ibid.

³⁸ ILO, *Declaration on Fundamental Principles and Rights at Work*, ILO Doc CIT/1998/PR20A (19 June 1998). The Declaration is binding on Australia by virtue of its membership to the ILO; see, also, ILO, *Right to Organise and Collective Bargaining Convention* (ILO Convention 89), opened for signature 1 July 1949, 96 UNTS 257 (entered into force generally 18 July 1951; entered into force for Australia 28 February 1973).

³⁹ ILO, *Convention concerning Freedom of Association and Protection of the Right to Organise* (ILO Convention 87), opened for signature 9 July 1948, 68 UNTS 17 (entered into force 4 July 1950).

⁴⁰ *International Covenant on Economic, Social and Cultural Rights*, opened for signature 16 December 1966, 993 UNTS 3 (entered into force 3 January 1976).

⁴¹ See, eg, Fair Work Amendment legislation (Secure Jobs, Better Pay) Bill 2022 (Cth) sch 1 item 577, repealing FW Act s 1413(2).

Existing provisions for multi-employer bargaining

All three avenues for agreement making with multiple employers under the FWA have significant flaws which obstruct access to fair bargaining, resulting in limited take-up of this sort of agreement making.

The existing avenues are:

- multi-enterprise agreements ('MEAs') made under the regular MEA stream;⁴²
- MEA's granted by a low-paid authorisation;⁴³ and
- single enterprise agreements made with multiple employers granted by a single interest employer authorisation ('SIEA').⁴⁴

Regular MEA stream

There are very few current MEAs in Australia. There were only 51 current at the end of the June quarter 2022, covering just 50,500 workers.⁴⁵

This voluntary stream exacerbates innate bargaining inequality by prohibiting protected industrial action, bargaining orders, scope orders and majority support orders.⁴⁶ Whilst good faith bargaining is required for this stream, applying to the FWC for support when parties do not comply is prohibited.⁴⁷ Thus, there is no consequence for parties who breach this requirement.

Per Capita supports maintaining these provisions under the renamed cooperative workplaces provisions,⁴⁸ but only so long as the scope of the proposed reforms to SIEAs is not watered down.

Low-paid MEA stream

Low-paid bargaining provisions were enacted to address the needs of low-paid workers who have been excluded from participation in enterprise bargaining, for reasons including:

- because they lack the skills and power to successfully negotiate at single enterprise levels; or
- because their employers lacked the time, skill and resources to negotiate with their employees.⁴⁹

⁴² FW Act s 172(3).

⁴³ Ibid pt 2-4, div 9.

⁴⁴ Ibid pt 2-4, div 10.

⁴⁵ Attorney-General's Department, *Trends in Federal Enterprise Bargaining* (Report, June 2022).

⁴⁶ FW Act ss 229(2), 236, 238, 413(2).

⁴⁷ Ibid ss 228, 229(2).

⁴⁸ Fair Work Amendment legislation (Secure Jobs, Better Pay) Bill 2022 (Cth) sch 1 pt 23.

⁴⁹ Explanatory Memorandum, Fair Work Bill 2008 (Cth) [170].

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The difficulty workers and their representatives have experienced when applying for authorisations may explain the low take-up of this provision. Only one authorisation has ever been granted.⁵⁰ The *FW Act* was introduced as legislation that hoped to provide ‘a better future for the low paid’,⁵¹ but its provisions have not supported this goal.

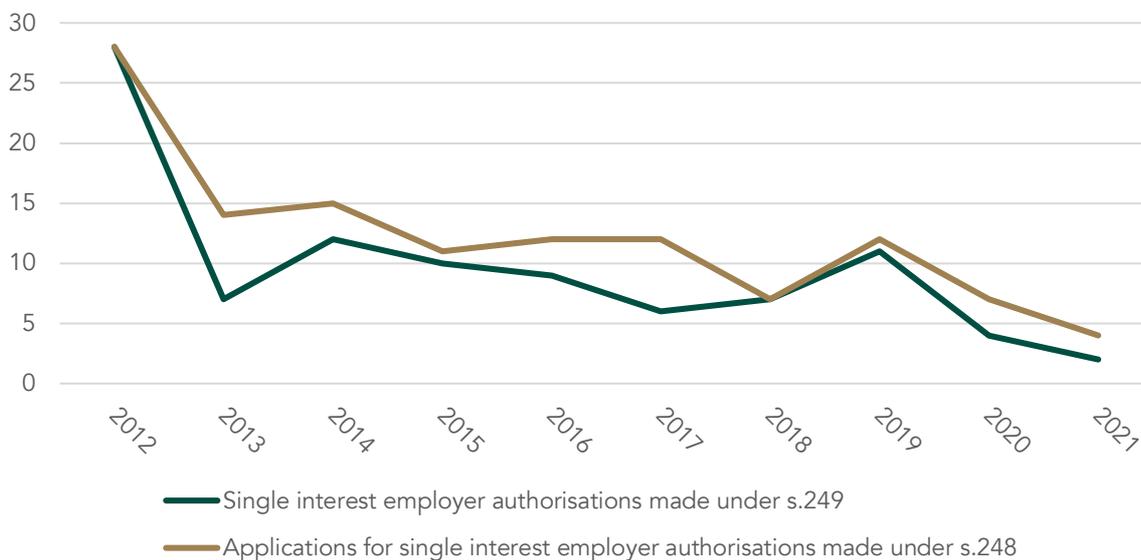
Per Capita supports the proposed supported bargaining stream as the relaxed requirements should make the original objectives of low-paid bargaining provisions obtainable. By relaxing the stringent requirements of *FW Act* s 234, obtaining authorisation to commence supported bargaining will be significantly easier. Had the FWC not been required to apply the public interest test which mandates the consideration of all ten matters set out in s 234(2)-(3), it is more likely that the 2013 application lodged by the Australian Nursing Federation would have been approved.⁵²

Allowing workers to take protected industrial action under this stream, returns an essential lever by which the power imbalance between workers and employers can be addressed.

Bargaining with single Interest employers

There has only been a small number of SIEAs made by the FWC since the passage of the *FW Act*. Under the current system only employers are permitted to apply for authorisations to engage in this multi-employer bargaining stream.⁵³

The number of single interest employer applications and authorisations has declined over the last decade



Quarterly reports to the Minister from the Fair Work Ombusman, 2012-2022 (*FW Act* s 654) available at: <https://www.fwc.gov.au/about-us/reporting-and-publications/quarterly-reports>

⁵⁰ *United Voice and the Australian Workers' Union of Employees, Queensland* [2011] FWAFB 2633 (*Aged Care case*).

⁵¹ Commonwealth, *Parliamentary Debates*, House of Representatives, 25 November 2008, 11189 (Julia Gilliard).

⁵² *Australian Nursing Federation v IPN Medical Centres Pty Limited and Ors* [2013] FWC 511.

⁵³ *FW Act* ss 247-248.

Per Capita welcomes the proposed reforms because they:

- address the innate bargaining power imbalance by allowing employee bargaining representatives to apply for an SIEA or vary and existing agreement;⁵⁴
- provide for more inclusive bargaining by expanding the scope of workplaces who could choose or be compelled to bargain together or be added to an agreement;⁵⁵ and
- ensure the position of bargaining representatives and the workers they represent are harmonious by requiring a majority of workers to support this level of bargaining, or a variation.⁵⁶

Per Capita rejects assertions made by leaders in the business lobby that, even with proposed amendments flagged by the government,⁵⁷ the Bill is still '[p]ushing multi-employer bargaining across all sectors without clear definitions and limits'.⁵⁸

This is incorrect. The provisions contain clear limitations, including requirements that:

- a majority of workers must support the applications for an SIEA or variation;⁵⁹
- the FWC must consider the public interest before making a SIEA or variation;⁶⁰ and
- small business employers cannot be joined to an agreement or compelled to participate in bargaining if they do not consent.⁶¹

Since the introduction of this Bill there have been calls by some business leaders for the definition of *small business employer* to be changed.⁶² This could have negative consequences for workers including:

- access to protection from unfair dismissal;⁶³
- access to casual conversion offers;⁶⁴
- redundancy pay;⁶⁵ and

⁵⁴ Fair Work Amendment legislation (Secure Jobs, Better Pay) Bill 2022 (Cth) sch 1 item 629, 633, 637, 639.

⁵⁵ Ibid item 629, 634.

⁵⁶ Ibid item 629, 634, 639.

⁵⁷ Speaking to Sky New, Tony Burke signalled amendment which require a majority vote in each individual workplace for the purpose of provision at sch 1 pt 21 of the Bill and for taking industrial action: James Massola, 'Workplace Minister Reveals Compromise on Multi-Employer Bargaining in IR Bill' *The Sydney Morning Herald* (Online, 6 November 2022)

<<https://www.smh.com.au/politics/federal/workplace-minister-reveals-compromise-on-multi-employer-bargaining-in-ir-bill-20221106-p5bvw2.html>>.

⁵⁸ Ibid.

⁵⁹ Fair Work Amendment legislation (Secure Jobs, Better Pay) Bill 2022 (Cth) sch 1 item 629, 634, 639.

⁶⁰ Ibid item 629, 634

⁶¹ Ibid item 629, 634, 639.

⁶² Andrew Tillett and David Marin-Guzman, 'Business Pushes Urgent IR Changes to Stop 'Trojan Horse' for Strikes' *AFR* (Online, 30 October 2022) <<https://www.afr.com/politics/federal/business-push-urgent-ir-changes-to-stop-trojan-horse-for-strikes-20221028-p5btor>>.

⁶³ FW Act ss 382, 384, 388.

⁶⁴ Ibid s 66AA.

⁶⁵ Ibid s 121.

- the scope of workers who could access multi-employer bargaining with unwilling employers under these proposed reforms.

Negotiations are time and resource intensive, making them more difficult for small firms. Less than 3% of small business employees are covered by a collective agreement, compared to more than half of all employees who work in businesses with more than 50 staff.⁶⁶ Calls for amendments to the definition of *small business employer* could negatively affect the scope of these provisions, and should be resisted.

Additional comments

Per Capita understands that this is only the first part of the governments' industrial relations reform agenda.⁶⁷

However, considering the number of benefits provided by this reform we wish to highlight the growing cohort of 'employee like' workers who are excluded from protections under our national Fair Work system. Recent High Court decisions⁶⁸ have further narrowed the common law definition of employee which is used in the *FW Act*.⁶⁹

Our opinion is that legislative amendments should be made to broaden the definition of employee under the *FW Act* to capture gig workers and ensure that they have full access to protection under Australia's industrial relations system. We do not believe an intermediate category is appropriate. We look forward to making a further submission on this matter.

Conclusion

Per Capita broadly supports this Bill. We have focused in this submission on the bargaining reforms, which we consider sensible, overdue, and essential.

We would like to acknowledge the decades of campaigning by Australian working people in their workplaces, communities and unions to put this on the legislative agenda.

These reforms recognise that secure work and better wages are the essential ingredients for productivity and shared economic prosperity. This is why this Bill is crucial to Australia's future economic security and success. It should be passed as soon as possible.

We thank the members of the Senate Education and Employment Committee for their consideration of this submission.

⁶⁶ Australian Bureau of Statistics, *Employee Earnings and Hours, Australia, May 2021* (Catalogue number 6306.0, 19 January 2022).

⁶⁷ Commonwealth, *Parliamentary Debates*, House of Representatives, 27 November 2022, 4 (Tony Burke - Minister for Employment and Workplace Relations).

⁶⁸ *Workpac Pty Ltd v Rossato* (2021) 392 ALR 39; *ZG Operations Australia Pty Ltd v Jamsek* [2022] HCA 2; *CFMMEU v Personal Contracting Pty Ltd* [2022] HCA 1.

⁶⁹ *FW Act* s 12-13.