

Media Release

The Hon Natalie Hutchins MP

Minister for Local Government

Minister for Aboriginal Affairs

Minister for Industrial Relations



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LABOR GOVERNMENT STANDS WITH ALL VICTORIAN WORKERS THIS LABOUR DAY

Minister for Industrial Relations Natalie Hutchins is today calling on the Turnbull Government to rule out any cuts to penalty rates as thousands of Victorians head to work this Labour Day.

In a submission to the Fair Work Commission's review of penalty rates, the Andrews Labor Government has unequivocally supported the protection of Victoria's most vulnerable workers, many of whom rely on penalty rates to make ends meet.

Meeting with hospitality workers in Thornbury, Ms Hutchins said penalty rates compensate people working unsociable hours during weekends, public holidays and on shift work whilst the rest of us spend valuable time with our family and friends.

One in six Victorians workers rely on award wages. Around 374,000 Victorian usually work Saturdays in their main job and about 213,000 usually worked Sundays in their main job.

A reduction in penalty rates is likely to have adverse disproportionate impacts on award-reliant, low paid workers, including young workers and women who make up more than half the workforce in retail and hospitality sector.

It may also have a disproportionately negative impact on rural and regional economies.

Thousands of low paid workers rely on penalty rates to pay for basic goods and services. Penalty rates can also compensate for the extra costs of working those hours, for example, when child care is more costly or public transport is not available.

The Productivity Commission recently recommended a reduction in their Sunday penalty rates. If Sunday penalty rates were to be cut to the Saturday rate, a Level 1 retail worker could have a pay cut of over \$105 a week.

The review of penalty rates forms part of the Commission's four-yearly review of modern awards and will affect workers and businesses in the retail, hospitality and accommodation sectors.

Quotes attributable to Minister for Industrial Relations Natalie Hutchins

"On Labour Day, we should spare a thought for the thousands of Victorians who are working today – many who rely on penalty rates to make ends meet – while the rest of us spend time with our family and friends."

"Retail, hospitality and accommodation workers should not be treated any less favourably than workers in other sectors, creating an unfair, two-tier system of entitlements and an under-class of Australian workers."

"Victorians don't need any more cuts from Malcolm Turnbull, they need a government that protects their working conditions. Only Labor can be trusted to stand alongside all Victorian workers this long weekend."

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