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# PREMIER'S ECONOMIC AND SOCIAL RECOVERY ADVISORY COUNCIL

First phase consultation

SUBMISSION BY UNIONS TASMANIA  
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## **ABOUT UNIONS TASMANIA**

1. Unions Tasmania has a long and proud history of advocating for working people in Tasmania. Initially established as the Trades and Labor Council of Hobart in 1883, and now operating as Unions Tasmania, there is no other Tasmanian peak body dedicated to giving a voice to working people. For over 135 years, Unions Tasmania has been advocating for the improvement of wages, conditions, safety and living standards for working Tasmanians and their families.
2. Unions Tasmania is comprised of 23 affiliate unions with approximately 50,000 members. We represent members across all industries, in the private and public sector. Unions Tasmania is also the local branch of the Australian Council of Trade Unions (ACTU).

## **INTRODUCTION**

3. Unions Tasmania is pleased to make this submission to the Premier's Economic and Social Recovery Advisory Council ('the Council'). We note that this is the first, or 'listening', phase of the consultation process that the Council intends to embark upon with additional broader consultation in their workplan. We also note the short timeframe that the Council has acknowledged for this first phase.
4. Given the time limitations and the advice that there will be further opportunity during July and August to elucidate policy propositions or proposals in greater detail, Unions Tasmania intends to confine our submission to an overview of key priorities and initiatives that could commence in the short or immediate term.

## **THE IMPACTS OF COVID-19 ON OUR SECTOR OR MEMBERSHIP**

5. The Council has put a number of questions to Unions Tasmania that inquire as to the impacts of Covid-19 on our sector or membership, the nature and magnitude of the impacts, mitigation measures and responses required to assist in rebuilding or re-employing workers.
6. Unions Tasmania's membership is broad. We have members in all industry sectors. It has been widely reported that the unemployment rate and job loss figures are estimated to exceed 27,000 unemployed workers by the end of the June quarter. These estimates do not include workers who have been stood down from their employment and are unsure of whether they will have jobs to return to. There are other workers in industries such as construction who hold concerns about the availability of work in the coming months.

7. In short, the economic impacts of Covid-19 have been nothing short of devastating for those workers who have lost jobs, had hours reduced or been stood down. There is adequate data available to demonstrate the far-reaching economic impact of the pandemic on jobs in Tasmania that we feel confident the Council understands.
8. For other Tasmanian workers, however, Covid-19 has seen the demand for their work increase. Workers who would not have normally been considered 'front line', such as retail workers, cleaners, teachers, and postal workers, have been belatedly recognised for what they really are – critical to our communities. Many have not had the ability to work from home and have risked their health and safety at work for our own. Many of these workers are in casual, low paid jobs, making them incredibly vulnerable to changing economic circumstances. Close consideration should be given to how we support these jobs into the future in terms of fair pay, job security and safe workplaces.
9. The Covid-19 pandemic has put extreme pressure on an already over-worked and under-resourced public sector. In times of crisis, the public sector once again delivers for the Tasmanian community. The pandemic represents a real opportunity to assess and harness the skills of our public sector to drive recovery through expanded services and increased jobs.

#### **REBUILDING WITH JOBS TASMANIANS CAN COUNT ON**

10. Unions Tasmania submits that the Council and the State Government should not only consider where job creation needs to be concentrated but should also ask the critical question of what sort of jobs do we want to create? What do Tasmanians need from their job to live a prosperous and decent life here? That begins with an honest assessment of the sorts of jobs supporting Tasmanians now.
11. Prior to the Covid-19 pandemic, workers and unions were advocating to rebalance economic structures that we knew were already placing workers and by extension our communities in a state of precarity. Excessive casualisation of jobs, public sector job cuts and pay caps of recent years and systemic non-compliance with industrial laws by employers have delivered a lower standard of living to too many Tasmanians. These structural weaknesses in our labour market impact the capacity of Tasmanians to financially cope during the pandemic and beyond.
12. For at least the last four years, Unions Tasmania has been warning about these weaknesses in our labour market. We have urged Government to focus not only on headline unemployment but to address the growing issue of under-employment in Tasmania as well as the shockingly high youth unemployment rates, particularly in our regions.

13. We also note that workers in Tasmania earn the lowest full time adult average weekly earnings in the country, according to the Australian Bureau of Statistics<sup>1</sup>. Weekly wages were highest for the Australian Capital Territory and Western Australia, at \$1,826 and \$1,780 respectively. The national average was \$1,659. By contrast, the weekly wage for a Tasmanian worker was significantly less at \$1,420. That's a difference of \$406 per week between the ACT and Tasmania, or a difference of \$239 per week between the national average and Tasmanian wages. Workers need money to spend in recovery. We should focus on levers the Government has to lift Tasmanian wages.
14. Tasmanians need jobs they can count on. This means jobs that are well paid and free from wage theft. They must provide job security and be coupled with decent conditions. The pandemic has exposed the dangers of a casual workforce that do not have any access to paid personal leave to support them to take time out of the workplace when unwell. The pandemic has underscored the need for paid leave for unexpected events like a pandemic. Unions Tasmania continues to advocate for paid pandemic leave for all workers to prevent outbreaks in workplaces or second waves and urges the State Government to support this proposal and advocate for it to the Federal Government.
15. Now is the time to focus on creating and supporting full time, permanent jobs. Too many workers have been trapped in casual jobs, working equivalent full time hours, but receiving none of the benefits job security provides. In addition, jobs must be safe. Worker safety needs to stop coming an all too distant second to profit.
16. We don't want to return to the pre-pandemic Tasmania with its myriad social and economic problems - poor health, low education, homelessness, low wages and high underemployment. We encourage the Council to consider equally these social determinants of our overall health in addition to measures of economic performance. Unions Tasmania firmly believes that well paid, secure and sustainable jobs are the foundation upon which Tasmanians can build a good future for themselves and their family.

## **WHAT RESPONSES ARE FRONT-OF-MIND FOR UNIONS TASMANIA**

17. Below is a list of priority areas, projects and initiatives that Unions Tasmania suggests warrant further scoping and progress to deliver immediate economic stimulus and the types of jobs we are advocating for.

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<sup>1</sup> Australian Bureau of Statistics, Average Weekly Earnings, November 2019 (cat. No. 6302.0), [www.abs.gov.au/ausstats](http://www.abs.gov.au/ausstats)

- ✓ An immediate workforce assessment of our skills shortage with a plan to support TAFE to deliver the training required to upskill Tasmanian workers. Interstate workers continue to mask the extent of our skills shortage.
- ✓ An immediate audit (to be made public) of compliance with Tasmanian Government procurement policies to determine whether all Tasmanian Government supported/funded projects are complying with apprentice ratio targets. Apprentices must be Tasmanian workers.
- ✓ Displaced, stood down or redundant workers should be offered jobs in Government Business Enterprises (GBEs) where they have an appropriate skill set and can demonstrate competency. Bring forward maintenance for local companies that can demonstrate local content and value.
- ✓ Priority should be given to projects that create jobs in the immediate term. These could be small or large. We remind the Tasmanian Government that there is a plan ready for the development of the Workers' Memorial Park in Launceston that remains unfinished.
- ✓ Targeted construction stimulus should be focussed on social and affordable housing, crisis accommodation for people experiencing homelessness, emergency accommodation for women and children experiencing family or domestic violence and supporting purpose-built affordable worker accommodation for those working on farms in Tasmania. We note the current waitlist for public housing is close to 3,500 with estimated demand for social and affordable housing much higher at 11,100 homes. Tasmanian Government measures announced to date still fall short of accommodating Tasmanians who desperately need adequate housing.
- ✓ Commit to new state-owned renewable energy construction regardless of the status of the Marinus Link or the Battery of the Nation initiative.
- ✓ Immediately audit the use of contractors and labour hire companies providing workers to the public sector. Insource work to the public sector, for example cleaning and security work, to provide fairer wages, job security and safe workplaces.
- ✓ Embark on a Government-led recovery by expanding the public sector with an immediate focus on those areas currently struggling to meet demand or where the addition of more staff will help to address pressing social issues, for example, family and domestic violence services. Immediate investment in additional child safety officers, paramedics, health workers, child and family violence counselling service staff.
- ✓ Provide job opportunities in the public sector for those workers currently unfairly excluded from JobKeeper wage subsidies including those in local government, universities, freelancers, casuals with less than twelve months service, and artists where appropriate skills can be matched to roles.
- ✓ Harness the innovation displayed by Tasmanians during the crisis point of the pandemic to investigate opportunities to expand local manufacturing jobs.

18. At the time of writing, women are losing jobs more than men, and too many have been forced to raid their comparatively small superannuation accounts to stay temporarily afloat. In the weeks between 14 March and 2 May, employment dropped for Tasmanian women by -8.3% compared to -5.9% for men, making the gender gap in job losses 12 times greater in Tasmania than the national average<sup>2</sup>.
19. Women are over-represented in the industries that have been hard hit by Covid-19, including retail, tourism, and accommodation, and are over-represented in casual, low paid jobs. They already face additional challenges in the workplace including sexual harassment, discrimination, and persistent gender and superannuation pay gaps. We urge the Tasmanian Government to expand their view of recovery beyond the construction sector and include ways to support working women back into secure jobs.
20. Unions Tasmania notes that a number of jurisdictions in Australia have proposed freezing public sector pay in response to Covid-19. We strongly caution against any pay freeze for Tasmania's hard-working public sector. Austerity is not the path to prosperity. All wage freezes do is reduce the money being spent domestically which will be critical to our recovery, especially while interstate and international tourism is either non-existent or reduced. The Tasmanian State Service is the largest employer in our State. Freezing the wages of public sector workers hurts tens of thousands of Tasmanians and the local businesses that rely on their spending.
21. Unions Tasmania understands that the Council's primary focus is on providing advice to the State Government to inform their recovery response, however, the Federal Government's response is equally critical to our recovery. It is apparent that there is a need to extend the JobKeeper wage subsidy and the increased rates of JobSeeker. These calls have been variously supported by unions and business groups. They have the full support of Unions Tasmania. We hold grave concerns that if these measures abruptly cease in September before recovery plans are beginning to deliver tangible benefits, this will only impede our efforts to rebuild.
22. The Federal Government has announced a process for unions and employers to advance discussions around key industrial relations matters for workers at the national level but we would like to encourage the State Government to also advocate for positive change that increases job security, minimum wages, and

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<sup>2</sup> Australian Bureau of Statistics, 2020, *Weekly Payroll Jobs and Wages in Australia, Week ending 2 May 2020*, 'Table 1: National Spotlight', data cube: Excel spreadsheet, and 'Table 2: State and Territory Spotlight', data cubes: Excel spreadsheet, cat. no. 6160.0.55.001, viewed 4 June 2020.  
<https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6160.0.55.001Week%20ending%202020May%202020?OpenDocument>

bargaining rights for workers, that will lead to improved their wages and conditions. While we note that a majority of workers engaged in Tasmania are national system employees covered by the *Fair Work Act 2009* (Cth), the State Government can have a significant impact on reducing casualisation in Tasmania by limiting insecure work arrangements in the Tasmanian State Service and using procurement policies to mandate job security for Government supported and funded projects.

## **CONCLUSION**

23. In addition to the proposals outlined, Unions Tasmania would welcome the establishment of an ongoing consultation framework with government, unions and employers, to discuss the industrial, work health and safety, workforce, training, and associated issues required to support workers through the recovery. Tasmania will be better placed to navigate our shared challenges locally, identify pathways to better employment outcomes, and to advocate in the interests of everyone, by bringing all stakeholders together.
24. We appreciate the opportunity to make this initial submission to the Council. We note that the proposals we have put forward are in short form only to meet the tight timeframe for this stage of consultation. We remain willing to engage with the Council and the Tasmanian Government to discuss them in more detail as consultation progresses.