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## **INSECURE EMPLOYMENT – CODE FOR MORE REGULATION OF THE WORKPLACE**

“An ACTU campaign to restrict access to non-permanent employment is divorced from labour market and economic reality. The campaign would have dire consequences and must be resisted” said John Lloyd, Director, Work Reform and Productivity Unit at the Institute of Public Affairs.

The ACTU is conducting the campaign under the banner of insecure employment.

Independent contracting, labour hire, casual and fixed term employment are identified as insecure employment. Sometimes workers with too few, too long or too irregular hours or pay are included. The ACTU claims that 40 per cent of Australian workers fall into insecure employment.

The ACTU’s approach to the insecure employment issue has been about as one-sided as the Queensland election result. It involved a union promoted survey, a hand-picked review panel and 500 submissions. Not one employer body made a submission.

A common thread from the ACTU, the survey and submissions is that insecure employment has unacceptable economic, family and social consequences. The ACTU response is to impose more regulation and control. Their proposals involve punitive taxes, additional obligations on employers, union consent before engaging contractors, new agreement clauses facilitating transfer to permanent employment and secure employment orders by Fair Work Australia.

“The ACTU’s view is not shared by many Australian workers. Workers in most industries embrace different modes of work. It has underpinned our strong jobs and incomes growth” said Mr Lloyd.

Today, independent contractors outnumber union members. Many Australians enjoy the freedom of contracting and labour hire. It affords them independence and control over their own destiny. It allows them the opportunity to grow a business and directly benefit from their skills and knowledge. Careers are often pursued jointly with partners to maximise family and job potential.

Many businesses have to deal with peaks, troughs and seasonal variations in operating conditions. The managing of such demands through a permanent employee workforce is untenable. Some workers prefer casual employment. An ACTU survey shows that 50 per cent of casual workers do not want to change to permanent employment.

The ACTU agenda is dangerous.

“Labour costs would increase. Australian firms would lose further competitiveness. More jobs would move off shore to flexible labour markets. Permanent employment would become the privilege of a few. Unemployment and underemployment would rise. Young job seekers would be hard hit. The balancing of work and family demands would become more difficult.

“The ACTU should recognise that many Australians value choice, freedom, independence, individuality and having a go. They accept the risks of relying on reward directly linked to effort” said Mr Lloyd.

The IPA has today released an occasional paper on Insecure Employment. It can be accessed at [http://ipa.org.au/library/publication/1332887573\\_document\\_270312\\_occasional\\_paper\\_-\\_insecure\\_work.pdf](http://ipa.org.au/library/publication/1332887573_document_270312_occasional_paper_-_insecure_work.pdf)

**Media comment: John Lloyd, Director, Work Reform and Productivity Unit, 0417 130 634**

**Institute of Public Affairs, Level 2, 410 Collins St. Melbourne  
ph: 03 9600 4744 fax: 03 9602 4989 [www.ipa.org.au](http://www.ipa.org.au)**