

Australia: Young workers speak out against penalty rate cuts

Our reporters
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Last month's decision by the Fair Work Commission (FWC), the Australian government's industrial tribunal, to slash weekend and public holiday wages in the hospitality, pharmacy, retail and fast food industries has prompted widespread anger among workers and young people.

In response, the Labor Party and the trade unions have postured as opponents of the ruling. However, it was a Labor government that created the pro-business FWC and included penalty rates in a list of award entitlements to be "reviewed," i.e., slashed. And the unions have already established a host of agreements with major employers that cut, or entirely eliminate, penalty wages (see: "Australian unions and Labor Party launch bogus campaign over penalty rate cuts").

A number of young workers who spoke to the WWSW said they have never received penalty rates and are victims of union-company wage slashing deals. Others commented on their hostility to Labor, which is widely reviled as a party of big business.

Raymond, a 19-year-old student in Newcastle who has done casual work, said: "It's horrible. Young people struggle already. It's hard to find a job here, and when you cut wages back even more, it's leaving no leeway. We have to work harder and this cuts time to study. It's a big train smashing down young people. It's going to force them out of university."

"There has been a greater increase in costs for housing and bills in the last five years than in any other period. I'm not working on Sundays anymore, but when I did, I used some of that extra money to pay for my bills, food and petrol. I think the situation will lead to what is happening in America, where the minimum wage is extremely low."

David, a student and part-time cleaner in Newcastle, commented: "It says a lot to me about Kevin Rudd,

Julia Gillard and the Labor Party in general that they created the Fair Work Commission, which is basically getting rid of penalty rates. Workers just keep getting betrayed by Labor.

"If [Labor leader] Bill Shorten is the one who originally proposed the Fair Work review into penalty rates, then how can Labor pretend to wage a campaign against this decision?"

David noted: "Some workers are losing up to \$70 a day if they are working certain shifts. With that you lose a lot; groceries, petrol, bills, possibly even rent. It's going to make it a lot harder to get by."

Jake, a young chef in Brisbane, said: "I work a six-day week of 60 to 90 hours and I rely on weekend pay. Sunday and Saturday rates are important because that's what our whole week is focused on.

"I only get paid a base rate of around \$14 an hour, so cuts to penalty rates could take up to a third of my weekend pay. I get \$1,200 a week, then \$300 goes to tax, then I could lose \$200 from the cut to penalty rates. It would leave me just \$700 a week."

Jake was struck by the hypocrisy of the Labor Party. "Labor and Liberal are on the same side," he said. "Labor created the conditions for these cuts and the Liberals are upholding it. In the last election, I did not vote because there was no socialist party, so I had to pay a fine. I know the Greens are not there for me. Labor and Liberal are not there for me. I want a socialist party."

Danny, a 16-year-old high school student who works for a fast food chain in Sydney's western suburbs, said: "When I started, I asked about weekend penalty rates and the manager said, 'No, we don't pay that.'

"I earn \$10 an hour and \$5 is deducted from my pay each week for my work uniform. Workers who are under 16 get even less, and when you turn 18, you only

get a few dollars more. If you were a 20-year-old living alone, you wouldn't make enough just to pay the rent."

Asked about health and safety, he said: "The conditions aren't up to normal standards. The hygiene is poor and there are bugs around the kitchen. You're expected to make food even with produce that is off and smells bad. There are a lot of things that are quite dangerous. You have to stick your hand under a really hot boiler to get meat out sometimes, or you can get burnt by splashing oil."

Danny noted that while fast food workers receive abysmal wages, the major chains are among the most profitable businesses in the country. "One time when I was there they made \$11,000 in six hours," he said. "Across Australia they make millions of dollars. Last weekend I was sent home two hours early, because it wasn't busy and they didn't want to pay me all my hours."

Asked about the broader political issues, Danny stated: "Labor and the unions are trying to claim they support the working class but they've already done deals cutting penalty rates, including for fast food workers."

Beck, a university student and casual worker in Melbourne, said: "I've got a few friends living out of home. It is really expensive at this age, especially having to choose between working and studying full-time. Sometimes it means you won't have meals or be able to afford rent. Some people depend on penalty rates."

Asked about her experiences, Beck said: "I worked every single public holiday last year, and I didn't see my family. I don't get penalty rates at all. I work in the fast food industry. I have to learn to live with that if I want to have a job."

"I'm at university every day, so I have to work whatever shifts I can get, but it doesn't add up to much. Often I have to choose between paying for travel or getting lunch. It makes no sense that working-class students have to struggle so much."

Olivia, a 21-year-old from Melbourne, said: "I'm going to be affected by these cuts because I'm unemployed and looking for hospitality work. It's so unfair. They say they want young people to be able to buy a home. But if you want to buy your own property, you have to have a high-paying job."

"Now they're cutting penalty rates, which affect

predominantly young people. Penalty rates put a lot of people over the poverty line. At the same time they're giving tax cuts to these massive corporations."

Olivia spoke about the difficulties facing young people looking for work: "It's really difficult to break that wall of finding someone who will give you a job interview. Even with several years' experience in hotels, I haven't been able to find anything."

Asked about the Labor Party, she said: "They have a lot of really backward positions. They like to put across an air of being more for the little guy. It would be great if we had a different choice than between these two parties, but we don't."

Her friend, **Silva**, added that Labor "is not representative of ordinary people." She expressed hostility to the new US president Donald Trump and the right-wing campaign waged during the election by his Democratic Party opponent Hillary Clinton.

Asked if she followed politics closely, Olivia said: "It's impossible not to think about these things. At the moment, the whole issue is the rich getting richer and the poor, poorer. The only thing that makes sense at this point is to totally restructuring the system. Maybe we have to try something new, a revolution."

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