

Federal Labor's Industrial Relations Policy

July 2018

On 17 July 2018 Federal Labor Leader Bill Shorten addressed the Australian Council of Trade Union's 2018 Congress at the Brisbane Convention and Exhibition Centre.

Mr Shorten outlined Federal Labor's industrial relations agenda in his address.

A new set of measures to regulate misuse of labour hire was announced, while already-announced policies were affirmed as commitments for a future Shorten Labor Government.

Mr Shorten announced that, if elected, his first official meeting will be with Aboriginal and Torres Strait Islander leaders to discuss a path forward on Constitutional recognition, treaty and Closing the Gap.

Michele O'Neil was elected ACTU President following Ged Kearney's successful election to the seat of Batman, recently re-named Cooper, in March 2018.

Industrial relations policy commitments

The following policies were announced by Federal Labor in the current term of Parliament.

Penalty rates

In its first 100 days, a Shorten Labor Government will reverse the recent reduction in penalty rates for retail and hospitality workers.

Legislation enacted will have the effect of removing the Fair Work Commission's ability to reduce take-home pay.

Enterprise bargaining

Federal Labor will explore amending the Fair Work Act to strengthen the bargaining position of workers to bargain at an industry-wide level.

Labor will end the practice of allowing enterprise agreements voted on by short-term casuals to bind permanent workers, or by workers in one state to bind entire workforces in other parts of Australia.

Labour hire

A Shorten Labor Government will legislate to ensure workers employed through a labour hire company receive the same pay and conditions as those employed directly by a firm.

A national labour hire licensing scheme will be established requiring all labour hire companies to be licensed. Companies that are based overseas and supply labour to Australian firms, either directly or through other companies, will also have to be licensed to operate in Australia.

"Phoenixing"

Labor will establish new enforcement powers to prevent employers escaping liability for wrongdoing through "phoenixing". Directors will be personally liable for debts in relation to outstanding compensation owing to workers or civil penalties owing in respect of breaches of the Fair Work Act.

Labor will introduce Director Identification Numbers, allowing the Australian Securities and Investments Commission to track directors.



The Fair Work Ombudsman will be provided with powers and resources to pursue employers who liquidate their companies to avoid paying money they owe workers.

Penalties for underpayment

Penalties for employers who fail to pay workers appropriately will be increased. Labor will seek the views of employer associations, workers and unions on the scale of the proposed increase to ensure the new penalties are an appropriate deterrent.

Labor will seek views on whether a new criminal offence is warranted where an employer intentionally or recklessly underpays workers.

Classifications of work

A Labor Government will reform the treatment of 'permanent casuals', ensuring workers employed for a certain period are not denied full work entitlements.

Labor will also investigate the spread of the overuse of fixed-term contracts.

Temporary workers

A new criminal offence will be introduced for those who deliberately exploit temporary overseas workers and fail to meet their obligations to workers under the Fair Work Act.

Labor will require employers to provide temporary overseas workers a Temporary Overseas Worker Support Pack upon their commencement of employment in Australia.

Sham contracting

A Shorten Labor Government will amend the test that determines whether someone is an employee with workplace rights so that if a reasonable person would believe someone is an employee, the person must be treated as an employee with workplace entitlements.

Labor will increase the penalty for employers who engage in misconduct to be in line with penalties for anti-competitive conduct. Views will be sought on whether a new criminal offence is warranted for employers who intentionally or recklessly engages in sham contracting.

Labor will also make changes to the unfair dismissal and adverse action protections in the Fair Work Act so that workers cannot lose their jobs for questioning whether they are an independent contractor or an employee.

Equal pay

A Labor Government will prioritise the elimination of the gender pay gap as part of the nation's economic plan.

Australian Building and Construction Commission

Federal Labor will abolish the ABCC and reform the building code.

Further information

For more information, please contact your Hawker Britton consultant [Simon Banks](#) on +61 419 638 587.

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