

Transcript of Australian Industry Group Chief Executive, Innes Willox, and 3AW host Tony Jones Wednesday 23 September 2015

TONY JONES: I can see exactly where the unions are coming from, but on the other hand I can see exactly where the employers are coming from a well. What's the answer here?

INNES WILLOX: It's an emotive issue, and it's obviously going to have a whole range of different perspectives. From an employer point of view, Dale your first best summed it up, we have a public holiday coming up here in Victoria before the grand final. Separate but somewhat related issue, that will cost the state north of \$1 billion. A lot is lost production, but a lot of that is also businesses that have to operate 24/7 are going to have to pay extra rates on that day. And the same principle applies on Sundays.

We're dealing with businesses in fast food for instance who operate 7 days a week, and they're 24/7 businesses. This is an emotive issue, there's no doubt about it. But you've got to look at businesses who operate 24/7, they're being asked to pay their staff who are working on a Sunday double time to work on that one day. A lot of businesses just quite frankly can't afford that. We have a choice here: we either pay fewer people more to work on a Sunday, or we can pay more people a little bit less to work on a Sunday. What the productivity commission is recommending is that we go back to don't strip away all penalty rates, as Jess I think was saying, but go back to a Saturday and that covers Saturday and Sundays. What you've got is a lot of odd situations where people who are working on contract are being paid less on a Sunday than people who are coming in to do that one day a week and doing lesser jobs. You hear it a lot, from hotels and the like, where the chefs are now being paid less on a Sunday than the dishwashers, and that just doesn't make sense. It's an economic argument, it's a productivity argument, it's the costs to the state, and the community of not having those businesses open on a Sunday, and that's what you've got to weigh up.

TONY JONES: I think that all the arguments in this one are valid, I don't see why someone who's a waiter working on a Sunday should suddenly get a tap on the shoulder "oh by the way you're not getting double time any more". Essentially you take a massive haircut.

INNES WILLOX: Double time came up when it was unusual to work on a Sunday. The way society's evolved we all shop 24 hrs a day on the internet. That 24/7 operating environment is now with us, and Sunday is not hugely different to any other day. There should still be a reward for working on weekends, employers accept that and that would be a Saturday rate, but Sunday is a step up from that, and that's very hard to justify in current economic circumstances. And a lot of these businesses that we're talking about, they're different from state government funded jobs like paramedics and ambulance workers and firemen, this is dealing with small businesses, usually family run businesses, which really don't have the capacity but for competitive reasons and the demand from the community they have to be open on Sundays. We sort of had the situation where not a lot of these cafes would be open say in the 70s and 80s but we have different trading hours there's an expectation that they are.