

## Labor's dirty little secret – Bill Shorten's review of Penalty Rates

Written by Eric Abetz

Thursday, 26 February 2015 10:53

---

Canberra 26 February 2015. Labor's Shadow Minister Brendan O'Connor has again used untruths and half-truths from Senate Estimates to further Labor's desperate fear campaign over penalty rates and the Productivity Commission review of the workplace relations system.



The Government has made its position very clear – it will not be changing the manner in which penalty rates and minimum wages are set – by the Fair Work Commission.

However, when it comes to penalty rates, Labor fails to mention the most important issue of all - a review of penalty rates is already underway. This review was initiated by Labor in Government and will continue for the rest of this year. This review is being conducted by the Fair Work Commission which, unlike the Productivity Commission, actually has the power to reduce or remove penalty rates.

What Labor also fails to mention is that Labor in Government did change the way penalty rates are set. Bill Shorten as Minister specifically amended the Fair Work Act to require the Fair Work Commission to specifically review penalty rates in awards as part of its four yearly review of Modern Awards.

## Labor's dirty little secret – Bill Shorten's review of Penalty Rates

Written by Eric Abetz

Thursday, 26 February 2015 10:53

---

As part of the award review process established by the previous Government, the Fair Work Commission has already reduced penalty rates for casual employees in the Restaurant Industry Award.

Labor also fails to mention that the 2012 Review of the Fair Work Act established by Mr Shorten as Minister also considered penalty rates and even recommended that arrangements for penalty rates on certain public holidays be reformed.

Labor's conduct shows that it simply cannot be trusted.

On 23 January, Shadow Employment Minister Brendan O'Connor said:

*"There are particular provisions in each award or agreement that I think should be reviewed and I'm not suggesting for a moment that there aren't provisions, including penalty rates, that shouldn't be looked at..."*

## Labor's dirty little secret – Bill Shorten's review of Penalty Rates

Written by Eric Abetz

Thursday, 26 February 2015 10:53

---

On 23 January, Shadow Assistant Treasurer Andrew Leigh told ABC Sydney:

LINDA MOTTRAM: “Nonetheless, the Productivity Commission review is going ahead and the sacred cows are all on the list: penalty rates, minimum wages, unfair dismissal laws. Is there any room for restructuring any of those things in the dynamic economic environment that you're describing?”

ANDREW LEIGH: “Linda, I'm always up for an evidence-based discussion.”

### Notes

Review	Year	Minister responsible	Conducted by	ToRs broad enough to consider penalty rates?	ToRs specifically require it to consider penalty rates?	Power to adjust or remove penalty rates?
Review of Fair Work Act	2012	Shorten	Hand-picked panel	Yes	No	No
Four yearly review of modern awards	2013-15	Shorten	Fair Work Commission	Yes	<b>Yes*</b>	<b>Yes**</b>
Review of Fair Work Laws	2015	Abetz	Productivity Commission	Yes	No	No

Whilst he was Workplace Relations Minister, Bill Shorten specifically amended the Fair Work

## **Labor's dirty little secret – Bill Shorten's review of Penalty Rates**

Written by Eric Abetz

Thursday, 26 February 2015 10:53

---

Act to specifically require the Fair Work Commission to review penalty rates as part of its review of Modern Awards

Only the Fair Work Commission has the power to alter penalty rates. The Government has no plans to change this arrangement