



Contract stability for staff, industry

WORKPLACE

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Federal Labor would impose a two-year cap on the time a worker can be forced to stay on a fixed-term contract before being offered a permanent job, opening the way for thousands of workers to end years of insecure work.

Labor's employment and workplace relations spokesman, Brendan O'Connor, said a Shorten government would set a limit of four consecutive fixed-term contracts — with a 24-month cap — before an employer was required to offer a permanent full-time or part-time job to a worker.

Under existing law, there is no limit on the number of employment contracts, nor the duration of such contracts, that an employee can be compelled to sign.

According to the Australian Bureau of Statistics, 547,500 employees were on fixed-term contracts in August last year. An estimated 5.2 per cent of employees were on fixed-term contracts — 3.8 per cent of private sector workers and 12.5 per cent of public sector employees.

Mr O'Connor said the policy change, which would be subject to wide consultation, would stem the

tide of rampant insecure work. "Too many Australians, particularly teachers, nurses and public sector workers, face years of rolling fixed-term contracts and endless job insecurity, with no prospect of a permanent position."

The announcement is another significant policy win for the union movement, which has campaigned for years in support of measures to reduce job insecurity.

The ACTU and the Business Council of Australia yesterday welcomed Labor's proposal to set up a wage theft tribunal that would consider claims by workers for unpaid wages of up to \$100,000.

In a speech to West Australian business leaders, Mr Shorten flagged changes to the workplace laws allowing employers and unions to negotiate long-term enterprise agreements for mega-projects in the resources sector.

Mr Shorten said a Labor government would consider changes to bargaining rules long desired by major employers who wanted to build projects without facing industrial action by unions in support of a new agreement.

Woodside chief executive Peter Coleman welcomed the "important" proposal as a pragmatic change to the current system.

"It would provide certainty for

both employers and the workforce, and help protect Australia's competitiveness so that Australia's trade-exposed industries as well as nation-building infrastructure projects bring forward another wave of jobs and investment," he said.

Australian Mines and Metals Association chief executive Steve Knott, a vocal critic of Labor's workplace policies, welcomed the

ALP proposal, which was recommended by the Productivity Commission in 2015 but not legislated by the Coalition.

Employers argue that life-of-project employment agreements create a level of certainty, particularly towards the end of a construction project. Projects with only six to 12 months left until completion have been subject to the threat of protected industrial action.

"The national opportunity cost of the current system, which allows projects often worth tens of billions of dollars to be exposed to mid-project industrial action, has been significant," Mr Knott said.

"Nation-building resources and energy projects often have lead times of up to a decade, and take on average seven years to build. Certainty around cost and timing is the most critical element to ensuring such projects go ahead.



Life-of-project agreements are
critical for Australia.”

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PETER COLEMAN
WOODSIDE CHIEF EXECUTIVE