



Premier of Queensland
Minister for the Arts

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The Honourable Iain Ross AO
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Dear President

Four Yearly Review of Modern Awards – Penalty Rates

I understand the Commission is currently considering applications to reduce penalty rates in awards in the Hospitality, Restaurant, Retail and related industries. I note the original deadline for formal submissions has passed but, as you are still considering the matter, I wanted to place on record my Government's position on these matters.

In short, my Government strongly opposes the suggested reductions in penalty rates.

Workers in the Hospitality, Restaurant, Retail and related industries are some of lowest paid in Australia. These workers rely upon penalty rates to provide the basics for their families and themselves. The hours they work on evenings, weekends and public holidays have a significant impact on them and their family. Existing penalty rates go some way to compensate these workers for giving up this valuable time with family and friends. This is time the rest of the community accepts as the norm.

Reducing penalty rates may also have a negative impact on the economy with low income earners more likely to spend a far greater proportion of their income – including that derived from penalty rates – on local goods and services. Any reduction in spending in local Queensland economies – especially in regional communities where businesses are doing it tough – would have a negative impact.

Furthermore, my Government would regard the reduction in penalty rates under consideration would erode the safety net provision of the Fair Work Commission. My Government strongly holds that every worker, no matter their employment status or industry, is entitled to a federal system that provides a just safety net.

I urge the Commission to reject the proposals under consideration to reduce penalty rates and, rather, maintain the current provisions.

Yours sincerely

ANNASTACIA PALASZCZUK MP
PREMIER OF QUEENSLAND
MINISTER FOR THE ARTS