



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

QUESTIONS WITHOUT NOTICE

JobKeeper Program

QUESTION

Monday, 31 August 2020

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner Wicks, Lucy, MP
Speaker

Source House
Proof Yes
Responder Porter, Christian, MP
Question No.

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Mrs WICKS (Robertson) (14:40): My question is to the Attorney-General and Minister for Industrial Relations. Will the Attorney please update the House on how the Morrison government's JobKeeper program, and it's important industrial relations flexibilities, is supporting the road to recovery from the economic effects of the pandemic?

Mr PORTER (Pearce—Attorney-General, Minister for Industrial Relations and Leader of the House) (14:40): I thank the member for her question and for her great support and advocacy, particularly for small- and medium-sized businesses. The JobKeeper changes that we made earlier this year provide critical IR flexibilities to businesses, and 95 per cent of the businesses who had the benefit of those flexibilities on JobKeeper were small- and medium-sized businesses. There have been an enormous number of businesses contact the government and describe how critical those flexibilities were and are. One of them was an Australian owned tourist coach business which had been operating, pre COVID, since 1926. They said: 'The flexibility arrangements allowed our company to reduce hours of work to in part meet the drop in company revenue. Without these flexibilities we would have reduced staff numbers and/or possibly shut down altogether.'

The government is very clear in its position. We think that those flexibilities should be extended to those businesses that were in extreme distress but are still in very significant distress. The position of members opposite about this legacy group of businesses, as we have described them, is very clear. The member for Watson said, 'We don't agree with that.' And the reason they don't agree with that, notwithstanding that these flexibilities are business- and job-saving lifelines for many businesses in Australia, is that, as the member for Watson has argued, the position of members opposite is that the flexibilities could allow someone on a minimum wage to be worse-off. The first problem with that argument is it ignores that the very real-world alternative is that that person doesn't have a job because the business fails. That's what it fundamentally ignores.

And there are other problems. The figures that were used by the member for Watson do not take into account the fact that these can be used in conjunction with JobSeeker—the wage—and we are increasing the income-free area from \$106 to \$300, which seriously mitigates any form of loss. Another problem is it ignores the fact that there are built-in protections.

Opposition members interjecting—

The SPEAKER: Members on my left.

Mr PORTER: The direction can only be given if the employee cannot be usefully employed for normal hours because of changes. But the final and most interesting problem is that it is the exact opposite of the position that they had earlier argued. The member Watson said, 'Well, you have to look at the good will that's out there.' And he referred to an agreement between the Australian Hotels Association and the United Workers Union. He said: 'For full-timers, they'll be able during this time to significantly cut how many shifts they've got but keep them on the books. Businesses understand how important it is to keep these people on the books.' And what was that with respect to? A reduction down to 60 per cent of the hours—exactly what we are doing now except that, at the time that they supported it, there were no protections built in.