



Restaurant
& Catering

MEDIA RELEASE
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IMMEDIATE

PRIVATE MEMBERS BILL TO AMEND THE FAIR WORK ACT BY EXEMPTING SMALL BUSINESS FROM PENALTY RATES ON WEEKENDS

Today Senator Nick Xenophon launched a Private Members Bill that will exempt small businesses from weekend penalty rates by way of an express exemption for businesses employing less than twenty full-time equivalent employees in the restaurant and catering and retail sectors.

Restaurant & Catering, Chief Executive Officer, Mr John Hart welcomed the Private Members Bill and said the industry has been experiencing trading difficulties since the inception of the Restaurant Industry Award under the Fair Work Act 2009. The industry has seen an escalation of business closures and reduction in trading hours since mandatory penalty rates multiplied by transitional wage increases have been applied under the Modern Award system, Mr Hart said.

“This isn’t just debilitating for businesses, it means that people who want to work on weekends – especially students – are missing out on work.” Senator Xenophon said.

Mr Hart commented further that Restaurant & Catering members have indicated they will need to reduce staff or further reduce trading hours unless the escalating cost of labour is curtailed to sensible levels. Wage rates have now blown out to the highest in the world Mr Hart said.

In a 2008 Ministerial Request the Hon Julia Gillard MP and then Minister for Employment and Workplace Relations said that Modern Awards would not increase the regulatory burden or increase costs for employers. Yet this is exactly what has happened under the Modern Awards in the retail and restaurant and catering sectors’ Mr Hart said.

Mr Hart called on all sides of Parliament to support this Private Members Bill and give small businesses an opportunity to remain commercially viable which in turn will keep tens of thousands of employees gainfully employed.

For further information on this media release please contact:

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