

## Wage Justice - Major Pay Increase for Apprentices

Apprentices will have up to an extra \$145 in their wallets following a major decision by the Fair Work Commission today that recognises they have been underpaid for far too long.

A Full Bench of the FWC has awarded significant pay rises to first and second year apprentices as well as people who start apprenticeships as adults. New apprentice pay scales to come into effect from the start of next year will see the wages of a first year electrician rise by \$108, a carpenter by \$72 and a hair dresser by almost \$145.

The decision is the result of a case run by the ACTU and unions as part of the biennial review of Modern Awards.

Unions had argued that apprentice wages had failed to keep pace with the changing nature of the workforce, which now has more people beginning traineeships as adults, rather than straight out of school.

The low rates of pay have been blamed for the abysmal apprentice completion rate of about 50%, which was acknowledged by the Commission in its decision.

"The modern award safety net should better reflect the reality of the current day apprenticeship intake," it said. "It must also take into account relative living standards and the needs of workers who must within the community be considered to be low-paid. We consider that the present rates of pay in the awards do not provide a fair and relevant safety net for apprentices and that an increase in the first year rate is appropriate."

Before today's decision, a first year apprentice carpenter would get a base rate of \$317.75 a week – boosted by some allowances – while a 20-year-old fast food worker on the junior Award rate would be on \$599.49.

That's a difference of \$281.74. The pay rise will see pay rates for first year apprentices rise to 55% of the relevant Award rate from as little as 35% in some industries. People starting apprenticeships over the age of 21 will be entitled to 80% of the rate of a tradesperson.

Raising apprentice pay is an important part of the solution to the skills crisis in Australia. "This is a great outcome for current and future apprentices and for the broader economy," said ACTU Secretary Dave Oliver. "Almost half of people who embark on

apprenticeships don't complete them, with the very low wages a major factor contributing to drop-outs.

"Current wages see apprentices barely able to meet living costs; they are considerably less than other job options and barely more than the Newstart allowance. There is also little recognition of the needs of adult apprentices. Today's decision is a real step forward."

AMWU President Andrew Dettmer noted it would only apply to new apprentices beginning their training next year, and not to current apprentices. And no adjustment had been made to the age at which an apprentice is deemed to be an adult, which is still 21.

Mr Oliver said fixing the apprenticeship system was crucial to boosting the skill level of the Australian workforce to drive productivity and prevent future skills shortages.

"To boost skill levels, we need to increase participation and completion rates in vocational education and training. Raising apprentice pay is an important part of the solution."

## Sydney Airport: 10 Years Tax Free !

***Sydney Airport has paid no tax in the 10 years since it was privatised by the government.***

While other international gateways such as Melbourne and Auckland are also held in private hands and regularly pay corporate tax, the last time Sydney Airport paid tax was before its sale to Macquarie Bank in 2002.

Not only has the company that controls the airport continued to structure its affairs so that it has no tax liability, it has won a tax benefit also.

An examination of Sydney Airport Corporation's financial accounts since its first full year of privatisation in 2003 shows the airport booked almost \$8 billion in revenues during that time and gained tax benefits of almost \$400 million.

Although its report for June 2006 shows an entry of \$425,000 for corporate tax, the picture is clouded by the complexity of the financial statements which includes a tax gain of \$137 million in the interim accounts for that year.

In light of the potential sale of Australia Post, Medibank Private and assorted state-owned electricity assets after the election, it reflects the profound dilemma aggravating governments around the world; how to compel recalcitrant corporations to pay their fair share.

In its profit results handed down on Thursday, however, Sydney Airport Corporation makes Google look like a half-decent corporate citizen.

The airport delivers high returns. Although its tax bill is zero, and the asset is "cash-flow negative", the airport's financing costs - which now exceed \$700 million a year - soak up all the profits.

It is the Macquarie clients and associates - bankers such as Commonwealth Bank and security holders - which enjoy that \$700 million plus.

## Abetz / Abbott Plan revealed

Eric Abetz has confirmed that an Abbott Government will try and stop workers getting pay rises above inflation unless they give up conditions.

ACTU Secretary Dave Oliver said

"It is unbelievable that a Coalition Government would try and tear up agreements negotiated freely between workers and employers if they do not meet their version of what is an acceptable pay rise.

"This is an attack on enterprise bargaining, on workers' rights to negotiate a fair pay deal and another layer of the red tape that the Coalition claims to oppose."

## Mountains View of Gonski

If you stand at Hawkesbury Lookout, face the city and take in everything for as far as the eye can see, you are looking at communities that collectively will have over \$850 million dollars of Gonski funding stripped out of their public schools



under the Abbott education plan. Of course, under Abbott's education plan non-Government schools will also lose about two-thirds of money currently committed in the Gonski deal.

Last week, Teachers from the Blue Mountains and Hawkesbury wrote to Ms Markus seeking an explanation. There has been no reply.

The full six year implementation of the Gonski reforms will attract \$ 74.7 million to public schools in the Macquarie electorate.

However, by supporting the Abbott education plan, Ms Markus is committed to stripping \$34 million from the total federal funding currently allocated to public schools in her electorate under the Gonski deal.

### Seafarers' Bill of Rights

As the Maritime Labor Convention 2006 (MLC) comes into the force the ITF (International Transport Workers' Federation) has promised to dedicate all its resources to helping it make real changes to the lives of all seafarers. The ITF recognizes the MLC as the first ever true bill of rights for those working at sea.

The ITF has worked alongside shipping organizations, the ILO and governments for over a decade to jointly create and shape the MLC, and is committed to monitoring and assisting its implementation and persuading many more countries to ratify it.

ITF president Paddy Crumlin stated, "The MLC represents a significant leap forward in the global trade union campaign to improve the labor rights and labor standards of seafarers. It is a true watershed in international shipping, which adds the pillar of workers' rights to existing standards of safety, security and crew standards."

### Fracking & Global Warming

The row over fracking for natural gas has hit the UK, with protests over plans in the village of Balcombe. Could they have a point? Studies are suggesting fracking could accelerate climate change, rather than slow it.

The case for fracking rests on its reputed ability to stem global warming. Burning gas emits half as much planet-warming carbon dioxide as an equivalent amount of coal. That is why, after embracing fracking, CO2 emissions have fallen in the US.

But leading climate scientists are warning

that this benefit is illusory. Tom Wigley of the National Center for Atmospheric Research in Boulder, Colorado, concluded in a recent study that substituting gas for coal increases rather than decreases the rate of warming for many decades.

Firstly, burning coal releases a lot of sulphur dioxide and black carbon. These cool the climate, offsetting up to 40 per cent of the warming effect of burning coal, Wigley told a recent conference of the Breakthrough Institute think tank in Sausalito, California.

Second, fracking technology - which involves pumping water at high pressure into shale beds to release trapped gas - also leaks methane into the atmosphere. Methane is a much more potent greenhouse gas than CO2 and Wigley says that switching from coal to gas could only bring benefits this century if leakage rates get below 2 per cent. If rates are at 10 per cent - the top end of current US estimates - the gas would deliver extra warming until the mid-22nd century.

### ACOSS 2013 Election Statement

As we go to the polls on 7 September, the nation faces some hard facts and some big choices. Whilst we have enjoyed over two decades of strong economic growth, fault lines are emerging in our economic and social foundations.

The next Australian Government must:

- Secure the revenue to meet community needs.
- Make essential services available and affordable.
- Reduce poverty and increase employment.
- Improve our democratic economic, social and environmental public policy processes.

In this election, ACOSS looks to our political leaders for a clear plan to meet these challenges.

### Nurses and Aged Care

Australian Nursing and Midwifery Federation and Aged Care Australia's biggest health union, the Australian Nursing and Midwifery Federation (ANMF), has renewed calls for major political parties and key independents to make aged care an election issue, following further allegations of mistreatment of nursing home residents.

Federal Secretary, Lee Thomas, has also re-iterated the ANMF's "zero tolerance" to

any form of mental or physical abuse of older, vulnerable people in aged care facilities.

"The allegations raised on ABC Lateline program were truly distressing - now is the time for bipartisan action so no one else suffers," Ms Thomas said.

### High Court Rejects Tax Challenge

The High Court challenge led by Andrew Forrest's Fortescue Metals to the validity of the mining tax has been dismissed unanimously by the full High Court. "The treatment of state mining royalties by the MRRT Act ... did not discriminate between states and that the acts did not give preference to one state over another," the court ruled.

Before the court, lawyers representing the federal government rejected the claims of Fortescue lawyers that the mining tax had inhibited the states from developing their resources.

Mr Forrest's lawyers contended that the federal government had punished the states for reducing royalties for individual mining companies by imposing the tax, which is levied across the board.

Opposition Leader Tony Abbott has promised to repeal the tax should his Coalition win the federal election. Mr Abbott has said the revenue shortfall was an example of the government's failure to manage the economy.

### Majority Support Penalty Rates

Australians overwhelmingly oppose a push by business groups to cut workers' penalty rates, with polling showing the public believes this would increase profits without creating jobs or improving the economy.

ACTU President Ged Kearney said abolishing penalty rates would strip billions of dollars out of the economy by cutting workers' incomes.

"Not only do workers rely on penalty rates to meet the cost of living, the extra money is returned to businesses when workers go shopping or go to a café or a movie," Ms Kearney said.

"Business groups have been campaigning strongly to cut penalty rates and the union movement is greatly concerned that the Coalition's promised post-election review of the Fair Work Act will pave the way for cuts to the penalty rates of pay that millions of workers rely on," Ms Kearney said.

Polling conducted by Essential Research

shows that most Australians (79 per cent) support higher pay rates for people who work outside normal hours on night shifts, weekends or public holidays. Only 13 per cent were opposed.

Australians rejected business claim that cutting penalties rates would save jobs, with 64 per cent saying the main outcome of abolishing penalty rates would be that company profits would increase, and only 18 per cent saying companies would employ more workers.

A majority (57 per cent) said abolishing penalty rates would be bad for the economy because workers would have less to spend, while only 22 per cent said it would be good for the economy because it would create more jobs.

## MUA v. Corporate Bullies

MUA members are not averse to taking a stand as was proved when ACTU president Ged Kearney visited our members at the Mermaid Marine supply base at Dampier.

Kearney was told she could not engage with members during a recent site visit, as part of her Pilbara tour.

Despite the desperation of Mermaid Marine to prevent Ged from speaking to workers, our members gave her a fantastic reception.

"Congratulations to our Mermaid Marine members in ensuring Ged was given the respect she deserved." WA Branch organiser Doug Heath said

Mermaid were not the only company to snub Kearney, there was resistance from most of the big Pilbara miners to prevent Kearney entering sites owned by the likes of Rio Tinto, BHP and Fortescue Metals Group.

## Supreme Court rules against mining magnate

The Supreme Court in Perth has ruled that West Australian Newspapers does not have to reveal its sources in relation to a series of stories about mining billionaire Gina Rinehart.

Ms Rinehart had taken legal action against West Australian Newspapers over stories featuring her son John Hancock. She was seeking details of communications between her son and reporter Steve Pennells.

But in a judgment handed down, Justice Janine Pritchard said Ms Rinehart's subpoena should be set aside as it is oppressive and an abuse of process.

Pennells said the judgement was a relief.

"I've had great support from the paper, great support from the union, other journalists in Australia and overseas, it's been amazing. So that's helped a lot."

"Not only is it a weight off my shoulders, but it's enshrined in a judgment the things that we hold sacred in journalism: the right to protect sources, the right for people to be able to come to us and tell us things and not be worried that someone can use a court to try and get at them," he said.

## US Style Gag Laws

When is journalism a criminal act? When it's bad for big business, according to new laws in the United States – laws that may be about to find their way to Australian shores.

Journalists, activists and academics have filed a lawsuit against legislation that is distorting the very nature of free speech in order to satisfy big industry interests. The laws, known as "ag-gag", criminalise those who film, photograph or distribute images of industries such as factory farms. In some American states, they are expanded to include other industries such as logging or fracking.

Journalist Will Potter, who has spent over a decade investigating how corporate influences and US law enforcement has worked to silence political dissent. "I felt compelled to join this lawsuit because ag-gag laws are especially troubling to me as a journalist", said Potter.

"Whistleblowers and undercover investigators shine a light on criminal activity, and also standard industry practices. Without them, there would be no insight into the industry except for what the industry approves", he said. Amnesty International, the Humane Society and United Farmworkers are amongst the 59 organisations who have joined together to oppose the bills.

Potter on a speaking tour in Australia warned:

"We've often talked about state repression. But I would argue what is

going on right now is a shift to what I would call corporate-driven repression. Corporations have been behind this every step of the way. And we know that corporations have no boundaries, no limits to any nation state. They pursue their profits around the world and they take these tactics with them. Many of these laws that originated in the US have already spread to other countries".

## Stark Election Choice

Australians face a stark choice at this election between a government that will stand up for work rights and an opposition which has promised to wind back protections at work and introduce individual contracts.

ACTU President Ged Kearney said working people would be looking for parties and candidates to demonstrate a vision based on fairness and opportunities for all Australians.

"We can see the plans big business has for Australia – cuts to important entitlements like penalty rates, more individual contracts and fewer protections for people at work," said Ms Kearney.

"Tony Abbott has refused to give full details of his IR policy – including the terms of reference for his proposed Productivity Commission inquiry.

"However we know he supports shifting more workers on to individual contracts, has refused to enshrine penalty rates in law and wants to reduce the power of the independent IR umpire.

"We need political representatives who will stand up for the interests of ordinary Australians in the face of pressure from business to cut wages, reduce entitlements and erode job security; not simply do their bidding."

**JOIN BMUC Blue Mountains residents can become BMUC members if they support our Aims and Objects. Membership is open to union members, to retired unionists and to those who are unemployed or unwaged.**

**Membership Fees**  
Waged \$15.00 pa  
Unwaged \$5.00 pa

**BMUC Secretary**  
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**Say NO to Government Income Management. Not in Bankstown, not in the NT, not Anywhere! Stop the targeting of marginalised youth.**

Income management quarantines 50 per cent of the Centrelink payments of certain groups. The system was first forced on Aboriginal communities in the Northern Territory as part of the NT Intervention. Now Bankstown is also being targeted as the only "trial site" in NSW.

Since July, the scheme has been rolling out to young people going through hard times. Youth who are "unable to live at home" because of abuse and young people exiting prison are being forced onto income management.

Barbara Shaw, an Aboriginal leader from Alice Springs, travelled to Bankstown to speak out against income management at the protest on August 23:

"Income management has made it much harder to look after my family and has made our social problems and the racism we face much worse. More than \$500 million has been spent on income management in the NT - a disgusting waste of funds when my people are in such desperate need".

The campaign in Bankstown is making a real difference. The government wanted 1000 people on the system in Bankstown every year, but after more than 12 months there were only a handful on compulsory income management. The Public Service Association (PSA), who represent Child Protection workers in Bankstown, have voted to ban income management and have made no referrals.

**Melbourne Strong Support for Yallourn workers**

Trams came to a halt in Bourke St as unionists rallied behind 75 operators locked out of Yallourn Power Station.

The members of the CFMEU's Mining and Energy Division have been without income since June 21 when Energy Australia stood them down for refusing to accept a new EBA that would give them no say in shift rostering or dispute resolution. The operators, family and friends and

members of the CFMEU's Construction Division and other unions marched from City Square to the company's offices.

Speakers, including ACTU Secretary Dave Oliver, CFMEU National Secretary Michael O'Connor and Fr Bob Maguire, condemned Energy Australia's refusal to negotiate.

CFMEU Construction Secretary John Setka declared that "this company needs to realise that they are not taking on 75 workers but 110,000 CFMEU members."

"This China Light and Power Company (Energy Australia's owners) might think they can come down here and treat workers like this but we're not gonna cop it."

Energy Australia's callous disregard for the workforce have ensured this dispute has taken on a broader significance. We cannot allow workers to be starved back to work.

**"Rubbery Joe" Hockey's War on Treasury**

In 2007, when John Howard needed someone to polish the turd that was WorkChoices, he wheeled out Joe Hockey. Until then, the job had been done by Kevin Andrews, a man with all the charm of the angel of death.

Howard deemed Hockey "avuncular" and just the ticket to retail his assault on the rights of working Australians.

We all know how that turned out.

Hockey's alleged skills were insufficient to the task, and John Howard lost his own seat, only the second PM in history to do so.

Now that he is Shadow Treasurer, Mr Hockey has abandoned all pretence of avuncularity for something like concerned gravitas, a pose he no doubt considers more suited to the role of potential Treasurer.

Unfortunately for Mr Hockey, he is suffering from the same problem he did during his WorkChoices days: no matter how sincere the persona he assumes as salesman, the underlying product he is trying to flog is seriously flawed.

The problem with the Coalition's approach to economic management is that they consider the notion of providing detail of

what they intend to do as some sort quaint anachronism.

Yes, we have been given the big picture stuff – about a price on carbon, paid parental leave, a tax cut to big business – but they run a mile when pushed on how they will pay for everything.

It is extraordinary that they seem to be getting away with this now, given the debacle of their attempt at the 2010 election to cost their economic program.

As Peter Martin pointed out at the time:

*The two Perth accountants who costed the Coalition's 2010 election policies breached professional standards and will be fined, a disciplinary tribunal has ruled.*

The ruling is an embarrassment to the Coalition which claimed during the campaign the costing was "as good as you could get anywhere in the country, including in Treasury."

**Candidate For Not Showing Up**

In her glossy election leaflets the Liberal Member for Macquarie Louise Markus claims to be a "strong local voice for the electorate".

Strange then that she frequently declines to let her voice be heard by turning down invitations to debate her beliefs with opposing candidates.

For the second election running she's rejected invitations to appear at BMUC's politics in the pub in Katoomba where she was guaranteed equal time with her opponents.

She has also missed two debates on Gonski, one on the future of the ABC and one on refugees.

