

Politics in the Pub



Sham Contracting

Family Hotel
15 Parke St.
Katoomba

Saturday, 30 October 2010, 2.30 pm

Sham contracting occurs when an employer avoids paying all of a worker's legal entitlements by hiring workers as "independent" contractors rather than on an employment contract such as an award or collective agreement. This is illegal, short changes the worker and creates unfair competition for employers who abide by the law.

Speakers

John Sutton:

National Secretary, Construction Forestry Mining and Energy Union (CFMEU)

Eleanor Gibbs:

Blue Mountains Councillor and Greens industrial relations working group



According to the CFMEU hundreds of thousands of dependent contractors include backpackers, international students and apprentices who are being paid as little as \$10 per hour with no other entitlements. They believe that the practice is prevalent for low paid workers on building sites, in restaurants and hospitality in general, and in the cleaning industry.

John Sutton says that it is too easy to get an ABN and has recently called on the Federal Government to tighten up the tax rules.



"The system is being abused by some employers who are forcing people to set themselves up as so called contractors to get a job."

"We have statistics from the ABS that show 116,000 people nationally holding ABN's who describe their job as labourer. Being a labourer is inconsistent with being a bona fide business".

Further information: Phone (02) 4787 1401 • email bmuc@gmail.com
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