

Retail Industry Inquiry, Productivity Commission

Date: 18/08/11.

GPO Box 1428, Canberra City ACT 2601

Dear Sir / Madam,

I wish to speak against any move to lower the employment remuneration of retail sector workers. In fact, I am appalled that the Productivity Commission would consider giving space for such a concept to be discussed in the sphere of 'productivity'.

I say this as it will not be more 'productive' for the whole of society to effectively subsidise the retail sector via permitting the retail sector to reduce a retail sector worker's ability to earn a liveable wage and thus support their own household.

The changes proposed by the retail sector lobby – such as radically changing the ordinary hours of work so that a 3am start can be considered 'ordinary hours' and hence attract no penalty rate, to cut retail employee wages by 10%, to scrap all penalty rates for Saturday and night work and to reduce penalty rates for Sunday work - do nothing to encourage the retail sector be more 'productive'.

There are no productivity gains to be achieved in the above proposed changes. The changes only seek to lower the remuneration of retail sector employees so that the 'savings' in these cuts to remuneration can be de-invested to non-retail sector shareholders.

This does not enhance productivity - it simply takes money from the retail worker's pocket and puts it into the non-retail-worker shareholder's pocket. Where is the gain in 'productivity' in doing this? There is absolutely no guarantee that the money taken off workers will be invested in increasing the productivity of the retail sector – and the Retail Trades Association would never make a statement to disagree with this.

In fact, I am sure that the changes proposed by the retail sector will lead to less productivity through the unfortunate de-appreciation of the esteem of retail positions (in regards to community esteem standards), which will lead to a more transient retail sector workforce and a corresponding decrease of productivity. I say this as a former retail worker (and proud of it) myself.

Get serious about true productivity. The fact is that through the (unfortunately required) supply of what is termed as 'middle class welfare' - i.e. financial assistance to purchase a home or have a child – every single tax payer, including retail sector workers themselves, will be subsidising the present and future inefficiencies present in the retail sector – and supporting the de-investment of retail capital to the non-retail sector via payments to shareholders - which does absolutely nothing to enhance 'productivity'.

Regards,

Bruce Campbell, BSc OSH, BA.