



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

**STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND
TOURISM**

(Reference: [Inquiry into a new convention centre for Canberra](#))

Members:

MR J HANSON (Chair)
MR M PETERSSON (Deputy Chair)
MS S ORR
MR M PARTON

TRANSCRIPT OF EVIDENCE

CANBERRA

WEDNESDAY, 11 OCTOBER 2017

Secretary to the committee:
Mr H Finlay (Ph: 620 50129)

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

WITNESSES

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Amended 20 May 2013

The committee met at 12.30 pm.

HELYAR, MS SUSAN, Director, ACT Council of Social Service

THE CHAIR: Good afternoon and welcome to the fifth and final public hearing of the Standing Committee on Economic Development and Tourism. We are inquiring into a new convention centre for Canberra. On behalf of the committee, I thank you for attending today. I draw your attention to the pink privilege card. I imagine you have seen that before. Are you aware of its contents?

Ms Helyar: Yes.

THE CHAIR: Thanks. The proceedings are being recorded by Hansard. They are also being webstreamed. Ms Helyar, would you like to make an opening statement?

Ms Helyar: Yes, thank you, chair. There are just three things I want to say in response to the invitation to provide evidence to this hearing. They are three key questions that came out of our submission: does the convention proposal increase access to stable jobs that pay a living wage in this city? Is there significant user interest from national entities to make it a viable business proposition? And does an analysis of multiplier effects of industry activity and spending across a range of industries and a range of investments in infrastructure demonstrate a priority for investment in the construction and tourism industry over other industries in this city? That is probably the key thing that we think about in terms of the priority for this in terms of infrastructure spending.

THE CHAIR: I think they are three very interesting questions. I think certainly the second two are very good questions. I am not sure that we have an answer for them yet. I suppose that the first one is the one that is unique in a sense. The other questions that you have asked are very front of mind for this committee. We have had those questions we have asked of others and sought those answers. The question then, I suppose, is about the jobs.

I take your point about sustainable jobs and so on. But if a new convention centre were to bring in casual employment, part-time jobs, part-time employment and so on, that is still part of the mix, I would have thought, for a lot of people. A lot of people do want casual employment. A lot of people do want part-time employment and so on. Are you suggesting that this should only go ahead if it is full-time employment for people? Are you opposed to casual employment, part-time employment? What is the concern?

Ms Helyar: The concern that we have is that across the whole economy, the casualisation of the labour force has provided benefits in terms of employer flexibility and mitigation of risk around costs of doing business. To some extent it is valued by the workforce. But what we have seen in the last decade and more recently is that the growth of underemployment has actually been the bigger problem in our labour market. The growth of underemployment is aligned directly with the growth of casualised and part-time jobs.

Underemployment has a number of impacts. One, the tax system and the income support system are designed with the view that you have a full-time job or you have no

job. There is not much of a finely tuned response to people working in what is the current labour market, which is often short-term contracts and often a couple of jobs at once. For example, in the tax system you get penalised for having a couple of jobs at once, even if they are both relatively low paid and might only be 10 or 15 hours a week. That is one problem with underemployment.

The other problem with underemployment is that it limits people's access to resources and opportunities. Even if you have a job, and it is relatively stable in terms of your being pretty clear that you are going to keep getting shifts, if it is casualised the bank is not going to give you a loan, because that is not a good risk for them. There are these impacts that are associated with the way the labour market is organised that are not about jobs as such but they are about people's lives and what jobs are for.

THE CHAIR: I take the point that full-time employment is preferable on a lot of levels to casual employment. That is not to say that it is for everybody in all circumstances. Isn't increasing the number of jobs and hours available—people do not have to take those jobs and those hours—for a lot of people who are underemployed creating more hours, more work, more opportunities? Isn't that a good thing?

Ms Helyar: It can be a good thing, but we think that if this proposal is going to get government money, we need to know that it is worth that government money going into this job creation exercise as compared to something else. That is what we have not seen: an analysis that looks at, yes, it may be good to create jobs here, but maybe it might be better to create more jobs in homelessness services.

That might have a better effect overall in the economy in increasing economic strength and activity. It may be good to spend more money on jobs in entry level work in other industries, but that comparison is not available. The issue is not whether casualised jobs get created; it is that the government would be funding the creation of those jobs through funding this really major infrastructure.

MS ORR: I go back to the casualisation of the workforce. You note in your submission that hospitality is the industry with the highest incidence of casual employment. Does that hold true for Canberra as well? I am not sure where that goes—

Ms Helyar: Yes, this is national data. In respect of the Canberra data, the work we did in 2014 that we released jointly with the Women's Centre for Health Matters, was a labour market analysis for the ACT. It also showed that in the major growth industries in Canberra they were more likely to be employing casualised workers. Those growth industries were hospitality—I do not remember them all—technical services and health and human services.

MS ORR: In that context, I want to drill down a little more about what that means for people in Canberra who would be getting these jobs. The thing we have heard consistently in respect of other convention centres is that one of the big bonuses or one of the big benefits of the convention centre is the jobs that will be created. I think it is fair to say that there has been an understanding that quite a lot of those will be casual because the convention program is a seasonal one. So there will be times when you have to put on more people. I guess what I am interested in from your perspective, because we have heard from a lot of businesses but not necessarily from social services,

is this: what are the social impacts? If we are creating these jobs and they are casual, what is the reality of that beyond just, “Yep, someone has a job”?

Ms Helyar: Yes, the reality is that getting a job that is either short term or casual makes you ineligible for welfare payments often or it cuts those welfare payments but it does not raise your income sufficiently to genuinely get you out of poverty. That is one of the challenges that we have seen. I know that the Flinders University work and life research group, I think they are called, have looked at that and have demonstrated clearly that while we have always thought getting any job is better than no job, well, it is not necessarily so; not if it is short term.

If you are a woman trying to manage childcare arrangements, several short-term jobs are not much use to you. You actually cannot take them. If you are a young person trying to manage a 12-month lease, a landlord is not going to give you a lease if all you have got is a guaranteed three months’ worth of work. They are the kinds of social impacts that we see. Either people who would most value the work cannot take it or when they do take it they get disadvantaged long term in terms of their capacity to cope with the costs of living and secure access to services and resources.

MS ORR: I guess my question then goes to how much of a challenge is that in Canberra? How relevant are those concerns in Canberra?

Ms Helyar: We know that is a challenge in Canberra because the biggest growth in numbers of people who seek emergency financial assistance are people who are in work. We have always had demand from people who are out of work. But, actually, the biggest growth in demand is from people who have jobs. That is because their jobs are casual or they have not got enough hours to actually make them work.

MS ORR: Do you have any indication of what industry they are primarily employed in?

Ms Helyar: No, we do not collect that data.

MR PARTON: You have said in your submission that one of the key reasons, as you have outlined here, for your not supporting the construction of this convention centre is that the service and tourism industries produce lots of casual, low-paid jobs. Can I scope that forward and ask: does that mean that you would not be in favour of governments ever developing a tourism industry because it does not create enough full-time jobs?

Ms Helyar: I do not think that our submission says we do not support; we say that if government money is going into this, we ought to be able to see that it is creating living wage jobs. If the private sector wants to create work that is not living wage jobs, that is the private sector’s entitlement. But if it is government money that is going into making this work, then it is reasonable for the community to have some expectations around the social contract on that. We need to have some confidence.

What we were trying to raise in our submission was that if the committee is considering this as a proposal in terms of its value as a government investment, part of its consideration needs to be: what kinds of jobs does it create? I am not saying that we would not support a convention centre under any circumstances, but you might want to

design a proposal that enables it to have more full-time jobs than temporary jobs. It might be around that it is not just the seasonal convention market that can use it, that there is a way of making it a 12-month viable business, not something that is so patchy that all it can offer is casualised jobs.

MR PARTON: To clarify what you said earlier, you suggested that in a lot of circumstances, given the choice of casual jobs or no jobs, you would go with no jobs?

Ms Helyar: No, I would not go with no jobs. What I am saying is that people are often put in an invidious situation where they want work but financially, and in terms of the stability of their life, it can be very difficult to take casual work and still have their life work for their family and for their other commitments.

MS ORR: I take from your statement that if government funding is going into it then the jobs should reflect a certain level of security. Can you outline for us what a secure job in this project would be?

Ms Helyar: When we talk about a living wage, we think security is not in terms of getting two shifts this week, six shifts next week and no shifts for three weeks after that. So the security of hours is important. The security of length of job: really short-term jobs, three-month jobs, are very hard to manage in a life that is ongoing, particularly if you are more than just a single person, single-income household. The other thing is access to entitlements like paid leave. There is an enormous growth in the number of people who have no access to paid leave. That is a problem in terms of people's capacity to deal with health issues or to have the wellbeing associated with having time off.

MR PARTON: It is a most interesting broader issue, though, isn't it? Under that scenario—you make some really good points—you could just shut down the whole hospitality industry and say, "Guys, go back and find a way to do this with full-time jobs." The business model probably would not work.

Ms Helyar: No. Certainly, in our industry we also have temporary and casual work because it does work for employers to manage their risks and the uncertainties in terms of the operating environment. We are not saying that that is not important to some extent, but we think the growth of it has got to the stage where it is starting to have impacts more broadly on social and economic activity that are negative for individuals but also for the community at large.

MS ORR: With the analysis and the research you have done, do you have any indication in the hospitality and tourism sector? It says here that it is one of the most casualised employment sectors. So you would assume that the majority of jobs are casual, but do you have any—

Ms Helyar: Highest incidence; it is 64.5 per cent.

MS ORR: I guess where I am going is to assume that the other 35.5 per cent would be full-time or part-time positions, not casual. Do you have any indication of where that might go? Would the full-time jobs be more into management and ongoing as opposed to the front-end service delivery, where you would—

Ms Helyar: I do not know.

MS ORR: I have another question in relation to secure jobs. It has also been put to us in the hearings by people sitting where you are now sitting that there is an opportunity to gain skills and training. With your experience and knowledge of the casualisation of the workforce, where do the training and those sorts of things sit?

Ms Helyar: Our experience is that people get less access to training when they are in casual roles because it is not the same value proposition to invest in a workforce that is not ongoing. Certainly it is valuable. Just having work and having the opportunity to build your experience and to build your resume is a good thing. But it is about how you balance that against the risks that you have to carry in your own life and in your household budget associated with taking on those opportunities.

Yes, access to training would be more than if you were doing no work at all; no doubt. But it is not necessarily at the level; what we have seen in our industry is that training that is below diploma level is less and less useful from an employer's perspective. For casualised staff it would be hard for them to be doing training that is at the level that genuinely improves their career prospects.

MS ORR: Do you find with casualised staff—again, this might be something that goes to the broader analysis and it might be something you do not have oversight of—that there is a career trajectory there for people in casualised employment or do they tend to get sort of pigeonholed into the particular position they have with not a lot of places to go?

Ms Helyar: I cannot speak in detail on that, but I think that would be something that would be worth the committee asking the secretariat to look at. I guess that is what our commentary is largely to do with. With the resources that the committee has available in terms of research, it would be good to explore these issues as part of the considerations of the committee.

THE CHAIR: Your concerns seem to be broadly based on the casualisation of labour, not specifically aimed at this particular project but a broader statement that if the government is going to be investing public money, it should look at what sort of employment is being created.

Ms Helyar: Yes.

THE CHAIR: Have you done that with other projects, for instance, light rail? My understanding is that for the construction period there are a couple of thousand jobs created but ongoing it is less than a hundred. Did you express similar concerns about that project?

Ms Helyar: Yes, we did.

THE CHAIR: You did?

Ms Helyar: We said that it was important that they be local, that they prioritise local employment and employment that is at a living wage.

THE CHAIR: Is it the sort of broader position of ACTCOSS that the expenditure of public money, where possible, should try to look for the generation of full-time employment, permanent employment, as opposed to—

Ms Helyar: Employment that provides a living wage. So, our sector primarily employs women aged 25 to 40. So they are not looking for a 40-hour-a-week job necessarily, but they do need something that is secure and that is reliable.

THE CHAIR: Sure.

Ms Helyar: So permanent part-time work is often highly valued, not casual hours where you do not know from month to month how much you are going to earn and you cannot do things like get a loan because a credit provider will not consider you a good risk.

THE CHAIR: Okay.

MS ORR: Do you know what permanent part-time is; what they classify it as? It is a long time since I have looked at it. If not, I will give the secretary another research project. But when you say “permanent part-time,” what does that actually—

Ms Helyar: That you have all the entitlements of an ongoing job but your hours are less.

MS ORR: Is there a minimum number of hours in permanent part-time work?

Ms Helyar: I do not know the answer to that question off the top of my head, either.

MS ORR: There is one for you, secretary. I am thinking back to my own experience a very long time ago. I will not say when because it will show my age more than I would like to, but there was a minimum that if you—

Ms Helyar: If you met a certain number of hours that meant you got access to entitlements, yes. I think it is not that there is a minimum amount. It is that if you work this amount, then you should get access to the entitlements that are beyond your wage.

THE CHAIR: I am aware of a friend of mine who recently went from full-time to casual because it suited them better. I know a lot of students—we have a lot of students in this town—are casual employees.

Ms Helyar: Who come and go from town as well, so they do not want—

THE CHAIR: That is right. It is actually a good thing. I think that it is not one size fits all, but it certainly is something to be aware of and you have provided very useful evidence. Are there more questions?

MS ORR: I have one more question. We have spoken a lot about young people, older people, mothers who are working who would be interest in secure, ongoing work but not necessarily of a full-time nature. My question is: how do we go about targeting those people particularly in regards to this project? Do you have any views on that?

Ms Helyar: Yes, certainly there has been some work that has been done through the transition to the NDIS in funding an employment program that aims to build the diversity of the workforce in that sector. I think there could be some learning from that that sets some criteria. There could be some criteria around the tendering of this. You could say that we want to prioritise ongoing roles with this workforce and here is some evidence and some strategies that have been used in other sectors to achieve that.

MS ORR: I can imagine that if the committee handed up a recommendation saying there should be ongoing roles, the thing that would come back to us is, “It’s a seasonal business.” I pose this question to you: how do you feel we could achieve the ongoing roles within this area? It has been put to us that hotels are part of the development. There are various bits and pieces. But in your experience, in something that is a bit more seasonal, how would you see ongoing roles being achieved?

Ms Helyar: That is why I think the business model needs to be beyond a seasonal business model, that you actually have a combination of activities that allow it to be more than just seasonal conferences. The risk is that just at the time when students are all busy with their end-of-year assignments and exams, the conference season heats up. That is what we know. Conference season is October to December often. That is exactly when the workforce that prefers casual is actually least able to scale up. I think there are some risks from both ends around how you manage a business like that. Certainly, in our industry, the way you manage is to have a diversity of activities that allow you to balance out the seasonal fluxes.

THE CHAIR: Thank you very much for attending. You will be sent a copy of the draft *Hansard* to make sure it is accurate. If you have any corrections to it, get back to the secretariat. Thank you very much for attending today. We appreciate it.

Ms Helyar: Thank you.

The committee adjourned at 12.53 pm.