



SHOP TALK

ISSUES AND NEWS AFFECTING THE AUSTRALIAN SHOPPING CENTRE INDUSTRY

SHOPPING CENTRE
COUNCIL OF AUSTRALIA

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UNION DEMANDS OVER CLEANERS IS NOT JUST A CAMPAIGN AGAINST WESTFIELD

United Voice is trying to give the impression that its campaign for over-award payments for cleaners is a campaign against Westfield. This is not the case. This is a campaign against the entire shopping centre industry ([Shop Talk 25/11/11](#)). If the campaign is successful all cleaning contractors in the shopping centre industry will ultimately be forced to pay higher wages for cleaners and much of this additional wages bill will fall on the retailers in these shopping centres. Given the challenging retail environment at present, such an additional cost would have to be mitigated by cost savings elsewhere. The cleaning contractors have warned the union that staff cuts would be necessary if they were forced to accommodate an unbudgeted and unaffordable increase in their wages bill. Is this what the union wants: higher wages for the fewer cleaners who will be in jobs?

The industrial relations environment is now far different than when office owners agreed to pay over-award payments to cleaners in 2008. (Office owners must be wondering why they were so generous, given they have just received a thank-you from the union in the form of a demand for an additional 4% increase p.a. for the next four years.) The Clean Start Office agreement was negotiated at the height of the Work Choices era when fears of a 'race to the bottom' were prevalent. Now the union has the protection of the *Cleaning Services Award* (the 'modern award'), the National Employment Standards, the Fair Work Commission and the Fair Work Ombudsman (which is now conducting its second inquiry in three years into the entire cleaning services industry). In addition, the *Code of Conduct for Fair Service Provision in Shopping Centres* is now in operation ([Shop Talk 14/2/12](#)). The *Cleaning Services Award* is due for review next year before the Fair Work Commission. If the union believes cleaners are underpaid, that is the appropriate forum for this to be addressed.

UK LOW PAY COMMISSION REPORT DISCREDITS UNITED VOICE CLAIMS

United Voice's claim that interests in the UK and the USA are likely to put pressure on Westfield over its cleaners campaign is laughable. Cleaners in these countries are paid well below the wage that cleaners in Australia are paid and don't have anywhere near the social security safety net of Australia. The UK Low Pay Commission, in a [2013 report](#), found the Australian minimum wage (measured in purchasing power parity) was 38.6% higher than the equivalent in the UK and 39.3% higher than the US minimum wage. The comparison was made before the 2.6% increase in the minimum wage on 1 July 2013.

NSW PLANNING MINISTER MAKES MAJOR CHANGES TO REFORM PACKAGE

The NSW Planning Minister, Brad Hazzard, recently [announced](#) major changes to the proposed planning reforms which were justified on the basis of 'listening to councils and the community'. The changes are significant and include allowing councils to modify state-wide codes, removing the 80% target for code assessment; retaining the current land use zonings (rather than a range of 'compressed' zones similar to the principle of recent Victorian commercial and industrial zoning changes); and extending the obligation on councils to spend infrastructure levies, from three to five years. Despite the changes, one stakeholder described the reforms as a "developer's picnic" (whatever that means). The proposed Planning Bill to underpin the reforms was initially due to be tabled in Parliament in mid-September. The announced changes, however, mean it is now likely to be tabled when Parliament sits again from mid-October. There will no doubt be further pressure on the Government to 'listen to the community', which will present further challenges when the Bill reaches the Legislative Council for further debate and consideration.