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## Gig economy changes 'to lift costs'

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### UBER ON BOARD WITH PROPOSED MINIMUM STANDARDS

# Gig economy changes 'to lift costs'

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Workplace Relations Minister Tony Burke has acknowledged Labor's gig economy changes could lead to modest price rises for consumers, as business claimed his "radical" industrial relations shake-up would cost thousands of jobs and increase the cost of groceries, housing and transport.

As digital platform giant Uber backed the proposed minimum standards for gig workers, Mr Burke said any cost increases for customers was a small price to ensure food delivery workers did not have to risk their safety.

"You say could there be a pass through to someone getting a pizza delivered to their home," he said during a question and answer session at the National Press Club.

"Well, underpaying people is cheaper. Yeah, it is. Slavery is probably cheaper, too. There is some modest pass though. We are talking about some of the lowest paid people in Australia and if that means there is a tiny bit extra that you pay when your pizza arrives to your door, and they're more likely to be safe on the roads getting there, then I reckon that's a pretty small price to pay."

As revealed by The Australian in June, Mr Burke signalled a new test to prevent specialist mining contractors being inadvertently caught up in the same job, same pay laws would be in the Closing Loopholes Bill when it was tabled after question time on Monday.

Sources said the Fair Work Commission would have five or six criteria to assess whether a workplace arrangement was labour hire or delivery of a specialist service.

Australian Resources and Energy Employer Association chief executive Steve Knott said the government had consulted the as-

sociation, including Mr Burke meeting a delegation of specialist contractors to ensure the legislation clearly distinguished between traditional labour hire arrangements and specialist contracting.

"AREEA does not support the policy in principle. However, Minister Burke's reception and response to the needs of AREEA's service contractor members—who are the lifeblood of the resources and energy sector—has been encouraging," said Mr Knott, traditionally an outspoken critic of Labor's workplace agenda.

"We will reserve our judgment until we see the bill and look forward to a robust policy debate."

Business Council of Australia chief executive Jennifer Westcott said the changes would create extra costs for consumers, make it harder to hire casual workers and

create uncertainty for employing anybody. "Any government that's serious about cost of living would not do this," she said.

In a statement, Uber said it supported "industry-wide reform at a national level that ensures minimum standards for everyone in the gig economy" as outlined by Mr Burke on Thursday.

"These laws need to protect flexibility, while also supporting minimum earnings requirements and finding ways to improve other benefits such as insurance and the deactivation process," a spokesperson said. "We welcome the minister confirming his commitment to protect the flexibility gig workers rely on and value. We will

continue to work constructively with the government as they progress the bill and in the meantime look forward to examining the details when the bill is introduced to parliament."

Australian Industry Group chief executive Innes Willox said employers had told the government "if what is proposed is implemented, it will lead to increased costs (and) complexity, less employment and unfortunately, the laying off of thousands of people across the economy over time".

ACTU secretary Sally McManus said the gig economy changes were sensible and modest.

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