

Albanese Government introduces contentious 'Closing Loopholes' IR Bill

The Albanese Government has today signalled its latest upheaval to Australia's workplace relations regime, through the introduction of its next tranche of contentious IR amendments into federal parliament. The 'Closing Loopholes' Bill (originally promoted as 'Same Job, Same Pay') continues the theme of last year's 'Secure Jobs, Better Pay' amendments to enterprise bargaining – i.e. an unjustified, ideologically-driven attempt to restrict flexibility, productivity and an individual's choice of lawful working arrangements, for the benefit of the Albanese Government's trade unionist benefactors. It is an approach that appears to operate on the misguided belief that such changes will result in a significant increase in trade union membership density in the private sector, where currently over 90% of employees choose not to be a financial member of a union.

Therefore, whilst it remains unclear what actual 'loopholes' the Bill seeks to 'close'; the proposed changes aim to achieve its 'pro-union' objectives through the implementation of amendments imposing limitations on the use of labour hire, independent contracting, and casual employment (see previous [Bulletin](#)) – together with increased union right of entry powers and the introduction of special rights for union delegates in modern awards. In addition, the Bill will also introduce criminal penalties (including potential custodial sentences) for "wage theft" against employers under the *Fair Work Act 2009* (the FW Act).

Whilst the stakeholder consultation process has succeeded in removing from the Bill a number of the most extreme 'ambit' aspects originally proposed by the Albanese Government, VACC will continue with its lobbying efforts for the 'Closing Loopholes' Bill to be rejected by the Australian Parliament in its current form. Ultimately, good public policy requires workplace relations reforms that act in the best interests of employers, employees, independent contractors, and the broader Australian economy. It is not something achieved through pandering exclusively to a union coterie of political advisors and supporters.

VACC will provide members with more detail on the 'Closing Loopholes' Bill in the next VACC Update. VACC also intends to survey members in the coming weeks in relation to the impact of the proposed changes on their businesses – and encourages members to participate in those surveys to ensure that their voice is heard.

In the interim, members seeking further information or assistance are encouraged to contact the Workplace Relations team at ir@vacc.com.au or 03 9829 1123.

VACC members heard on Commonwealth Paid Parental Leave Scheme

In a timely example of the practical and direct relevance of member survey participation, the Senate Education and Employment References Committee last week handed down its Inquiry Report on the *Potential Impacts of the Commonwealth Paid Parental Leave Scheme on small businesses and their employees*.

Members may recall that VACC conducted a survey of members in May 2023, seeking feedback from small business members on their experiences in administering the Commonwealth's parental leave payment on behalf of Services Australia – with member feedback overwhelmingly of the view that small businesses should no longer be required to act as the financial intermediary.

Drawing upon this survey feedback, VACC, through the Motor Trades Association of Australia (MTAA), lodged a detailed submission calling for the current administrative impost on small business operators to be replaced by an 'opt-in' model. The survey data was also extensively utilised in the evidence given by VACC Executive Manager - Workplace Relations, in his appearance on behalf of MTAA, at the Inquiry's public hearing held in Canberra.

Members should note that the Inquiry Report extensively references the MTAA submission (and survey data) in reaching its recommendations, including that:

“... the Paid Parental Leave Act 2010 be amended to require the Secretary, as defined by the Act, to pay Parental Leave Pay instalments directly to employees of small businesses (as defined as businesses employing fewer than 20 employees) except in cases where a small business opts to pay Parental Leave Pay instalments directly to an employee.”

Members can access a copy of the Report [here](#) and a copy of the MTAA's submission [here](#).

VACC will continue to keep members informed of developments. Members seeking further information, including in relation to current Commonwealth paid parental leave scheme arrangements, are encouraged to contact the Workplace Relations team at ir@vacc.com.au or 03 9829 1123.

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