



AUSTRALIAN HOTELS ASSOCIATION

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Australia's peak hospitality and tourism accommodation bodies welcome 'certainty' in FWC transitional arrangements decision on penalty rates reform

5 June 2017: Australia's peak hospitality organisation, the Australian Hotels Association (AHA), and tourism accommodation body, Tourism Accommodation Australia (TAA), welcomed the certainty provided by the Fair Work Commission (FWC)'s announcement today on the transitional arrangements for penalty rates.

The FWC announced that the reformed penalty rate conditions for full time and part time hospitality employees working on Sundays would be phased in over three years, commencing from 1 July 2017. Sunday penalty rates would be reduced from 175% to 170% in 2017-18, from 170% to 160% in 2018-19, and from 160% to 150% in 2019-2020. Sunday rates for casual employees will not change.

Reformed penalty rates for public holidays apply from 1 July 2017.

In a joint statement released by AHA CEO Stephen Ferguson and TAA Chair Martin Ferguson, they said that while both sectors would have preferred the reforms to have been phased in over two years, the decision would at least provide certainty to employers and employees, which will allow for better future planning.

"Hotels will now be able to make long-term decisions about the future operation of outlets on Sundays," said CEO of AHA, Stephen Ferguson. "The reform could lead hotels to increasing trading hours and services and employing more staff."

Chair of TAA, Martin Ferguson, who was a former Labor Minister for Tourism and head of the ACTU said: "We realise that reforming penalty rates was a tough decision for the FWC, but ultimately this was essential and we are pleased that logic and long-term vision won out in the end.

"The hotel sector is going through its largest-ever expansion period and given that the industry is a 24/7 industry it was important that rates on Sundays and public holidays reflect the modern working environment.

"We have always supported workers being remunerated extra for working on weekends and public holidays, but the compensation needs to be fair and sensible. It's now time for all parties to accept the FWC decision and transitional arrangements and ensure a smooth transition."

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