

UNITED

WORKERS UNION



RE-OPENING THE HOSPITALITY INDUSTRY

United Workers Union position

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Re-opening the Hospitality Industry – United Workers Union position

Summary

The Australian hospitality industry has been hit worse than any other by the COVID-19 crisis and the restrictions Government has been forced to implement to limit the spread of the virus.

As the industry re-opens, the risk is still present, and key measures must be implemented to ensure the safety of workers, patrons and the public.

Compliance with these measures (in an industry with a poor compliance track record) will be crucial to ensure public confidence the industry can re-open safely, and to ensure public safety going forward.

Hospitality workers must be empowered to feel confident to comply with the measures that are mandated to ensure the industry can re-open safely:

- to implement, even when there is pressure for a speedy economic recovery;
- to comply, even if there is a big queue waiting at the door;
- to report, even when your job is on the line.

As part of the first stage of the re-opening of the industry, and to complement the measures Governments are adopting to ensure the safe re-opening of venues, UWU recommends:

1. Mandatory training for all hospitality staff prior to any venue re-opening, including the UWU COVID-19 safety and reporting protocol
 - Workers need to be trained in how to operate safely in a covid environment
 - Worker need to be trained in how to identify, raise and resolve concerns effectively
 - Workers need access to independent information, advice and support from worker representatives
2. The provision of paid pandemic leave for all hospitality workers
 - Workers should not be motivated to come to work sick – this needs paid leave for casuals and other precariously employed
3. A zero-tolerance approach to non-compliance

- Business is going to be relied on to self regulate – to have confidence they can do this, if a business is demonstrated to have breached regulations or community expectations then they should have their right to operate restricted or removed. (so being caught stealing workers wages, for example, means they should be shut down)

As restrictions continue to be eased, UWU will propose further recommendations to assist the industry to progress toward pre-COVID-19 levels in a safe manner.

Background

The impact of COVID-19 on the Australian hospitality industry

- On 18 March 2020, the Federal Government declared a human biosecurity emergency under section 475 of the *Biosecurity Act 2015*, giving the Minister for Health expansive powers to issue directions to limit the spread of the virus generally known as COVID-19.
- From midday local time on 23 March 2020, restrictions on opening were placed on the following facilities:
 - pubs, registered and licensed clubs (excluding bottle shops attached to these venues), hotels (excluding accommodation);
 - gyms and indoor sporting venues;
 - cinemas, entertainment venues, casinos and night clubs;
 - restaurants and cafes restricted to takeaway and/or home delivery; and
 - religious gatherings, places of worship or funerals (in enclosed spaces and other than very small groups and where the 1 person by 4 square metre rule applies).
- State and Territory Governments have issued public health directions under public health and/or emergency laws giving effect to these measures.
- As a result of these measures, the hospitality industry (accommodation and food services) has been the worst hit industry by the COVID-19 crisis. Around 1 in 3 paid jobs have been lost in the industry in just one month since mid-March.¹ This downturn has

¹<https://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/6160.0.55.001Media%20Release0Week%20ending%2018%20April%202020?opendocument&tabname=Summary&prodno=6160.0.55.001&issue=Week%20ending%2018%20April%202020&num=&view=>

particularly impacted workers in the 20-29 year old age group where jobs have decreased by 40%.

- It is estimated that over 250,000 people in pubs have been directly impacted. In NSW alone 63,000 workers in licensed clubs are estimated to have been impacted, and a survey of Hospitality workers conducted by UJU estimates that over \$1.3 million in lost wages has occurred.²

The Australian hospitality industry coming back on line

- During May and June 2020, it is likely that some of these measures which have impacted on the industry so detrimentally will begin to be relaxed, and it is hoped the Australian hospitality and industry will progressively return to pre-COVID-19 levels³.

Risks associated with the Australian hospitality industry coming back on line

Public health

- It is generally accepted that until an effective vaccine against COVID-19 is developed, unrestricted community interaction will pose risks. This means as hospitality venues begin to re-open there is an increased health risk for:
 - workers in hospitality venues;
 - patrons;
 - the community at large.
- To limit these risks and to ensure the public can be confident hospitality venues can re-open and operate safely, strict safety measures and controls must be adopted including:

² <https://www.theguardian.com/australia-news/2020/mar/23/job-losses-from-australias-coronavirus-shutdown-will-be-devastating>

³ On 29 April WA Government released training requirements for all workers as a prerequisite for hospitality venues to reopen their doors (see further below). On 30 April 2020 the NT Government announced that on 15 May restaurants, cafes, bars and clubs could open (with restrictions –activities must be completed in 2 hours and alcohol can only be consumed with food). On 4 May the QLD Government announced that its target was to open restaurants, pubs and cafes in June.

- limits on patrons;
 - physical distancing measures inside venues (such as the use of perspex screens and physical barriers);
 - provision and use of appropriate personal protective equipment;
 - upgrade if necessary of existing equipment (for example, commercial dishwashers that can sanitise tableware at the appropriate temperature)
 - mandatory work environment and hygiene practices;
 - mandatory cleaning and sanitising practices.
- Venues should re-open based on a staged approach:
 - Stage 1: venues are re-opened subject to strict safety restrictions and controls, including limits on patron numbers;
 - Stage 2: restrictions and controls are progressively eased, allowing, among other things, increased numbers of patrons access to venues;
 - Stage 3 and beyond: larger social gatherings are permitted.

Non compliance

- The Australian hospitality industry has a poor compliance track record. Over a third (35.7%) of anonymous reports made to the Fair Work Ombudsman relate to exploitation in the hospitality industry alone, and wage theft is rampant.⁴ 76% of recently surveyed hospitality workers are paid below the Award, with many reporting rates as low as \$10/hour. 51% of workers in hospitality report undertaking unpaid overtime, with salaried staff often working 20 hours or more of unpaid overtime each week.⁵
- There are an estimated 1.6 million businesses paying their workers cash in hand in the black economy and the hospitality industry is key in this economy.⁶ Young people and migrant workers who dominate the hospitality industry workforce are especially vulnerable. A recent national survey of temporary migrants found that 49% of waiter,

⁴ <https://www.fairwork.gov.au/annual-report/year-in-review>

⁵ United Voice Victoria – Hospo Voice (2017) *Hospo Wage Theft Investigation 2017*

⁶ Khadem, N. (2016) 'Illegal "cash-in-hand: payments in Australia's black economy on the rise', *The Sydney Morning Herald*, 14 November 2016, accessible at: <http://www.smh.com.au/business/workplace-relations/illegal-cashinhand-payments-in-australias-black-economy-on-the-rise-20161111-gsnaue.html>

kitchen hands and food servers were paid \$15/hour or less and that 28% had received \$12/hour or less.⁷

- In circumstances where the industry has taken a massive financial hit, the risks of non-compliance are now huge.
- In this environment, workers will be under significant pressure if they feel compelled to report failures to comply with restrictions that allow these workplaces to operate safely, both from the perspective of the worker and the patron. This is especially the case because more vulnerable workers such as migrant workers and young workers are common in hospitality. Migrant workers and international students are already vulnerable in the COVID-19 crisis because they have no access to Government welfare or healthcare. Moreover, the high unemployment rate means job competition will be fierce.

Stage 1 measures to manage risk

Mandatory training pre-requisite

- Before hospitality venues re-open, it is appropriate Government require all employees to complete hygiene and safety training. This measure is essential to manage risk and to ensure public confidence in the decision to re-open the industry⁸.
- A “tick and flick” approach to this requirement is unacceptable:
 - Hospitality workers must be empowered to maintain compliance with COVID-19 safety measures, especially in an environment where the industry and venues will be under economic pressure to come back on line as quickly as possible.
 - Workers’ understanding and compliance with measures such as social distancing on the job or the limitation on patron numbers will be crucial to ensuring venues conform with these requirements.

⁷ Berg, L. and B. Farberblum (2017) *Wage Theft in Australia: Findings of the National Temporary Migrant Work Survey*, November 2017, UNSW and UTS, accessible at: https://static1.squarespace.com/static/593f6d9fe4fcb5c458624206/t/5a11ff31ec212df525ad231d/1511128887089/Wage+theft+in+Australia+Report_final_web.pdf

⁸ On 29 April 2020, the Western Australian Government announced a mandatory hygiene training and assessment requirement that must be met by WA hospitality venues prior to re-opening. Every employee must pass the assessment and complete the training. The specialised COVID-19 training course will cover elements including understanding venue restrictions, reporting personal health issues, maintenance of personal and work environment hygiene practices, effective cleaning and sanitising practices.

- Workers must be encouraged to come forward and report the failure to adhere to COVID-19 safety measures. Whistle-blowers must be protected.
- UWU is in a unique position to assist to ensure workers in hospitality venues understand and are empowered to implement the COVID-19 safety measures that will be crucial to the safe re-opening of this industry:
 - Accordingly, the UWU COVID-19 safety and reporting protocol must be a mandatory part of the training and assessment process required to be completed by hospitality venues as part of the first stage of re-opening the industry.

Paid pandemic leave

- The economic pressure for hospitality venues to re-open as quickly as possible, coupled with the high incidence of casual and insecure work arrangements in this industry will create pressure for workers to be at work – no matter what.
- To safeguard against this risk, all workers in hospitality who have reason to believe they might have contracted COVID-19 should be provided with paid pandemic leave. This would allow workers who believe they may have the illness to get tested and if necessary, take additional time to recover. It will discourage against workers feeling pressure to continue to attend for work when they should be cautious, and get tested.

Non compliance and a zero tolerance approach

- Government must adopt a zero-tolerance approach to non-compliance when hospitality venues re-open. A zero-tolerance approach will encourage public confidence that the industry can re-open safely.
- A zero tolerance approach means:
 - A hospitality venue which is found to be non compliant should be immediately shut down so that the breach can be investigated and rectified
 - Non compliance must include:

- Any COVID-19 safety restrictions implemented for the safe re-opening of venues;
- Workplace health and safety and industrial regulation
- Licensing requirements (such as liquor licensing; safe food handling)