



**Senator Chris Evans**  
Leader of the Government in the Senate  
Minister for Tertiary Education, Skills, Jobs and Workplace Relations

The Hon John Murphy MP  
Chair  
Standing Committee on Petitions  
PO Box 6021  
Parliament House  
CANBERRA ACT 2600

Dear Mr Murphy *John*

Thank you for your letter of 24 November 2010 concerning a petition lodged in the House of Representatives around the time of the 2010 Federal Election. The petition (number 314/566) relates to award modernisation and the ability of school students to work less than three hours at the Terang Home Timber and Hardware Store under the General Retail Industry Award 2010. I apologise for the delay in responding.

In determining appropriate minimum engagement periods for employees under modern awards, the Australian Industrial Relations Commission considered the full range of prevailing standards in existing awards and instruments and also took into account the advice submitted by a wide range of employer, employee and industry stakeholders. In the case of the retail award, having considered these factors, the Commission settled on a three hour minimum engagement period for casual and part-time employees. This reflected the standard occurring in a majority of retail awards operating around Australia.

The Australian Government supports the Commission's decision to continue including minimum engagement periods in modern awards. While the Government recognises the importance of casual and part-time work opportunities for young people undertaking study, it is also committed to ensuring that employees are protected from unfair employment policies. Minimum shift provisions operate to ensure that employees are not forced to work very short shifts that might not even cover the cost of getting to and from work.

Fair Work Australia (FWA), the new independent tribunal, can vary a modern award where this is necessary to achieve the modern awards objective of a fair and flexible safety net. On this basis, several employer groups applied to FWA to reduce the minimum engagement period for all casual workers covered by the modern retail award, not just student casuals. On 9 July 2010, FWA decided not to vary the minimum engagement period.

The National Retail Association (NRA) and Master Grocers Association appealed this decision. On 8 October 2010, the decision was upheld, however, FWA noted in the appeal decision that there would be nothing limiting an interested party applying to vary the award with respect to the engagement of student casuals only. The NRA has subsequently applied to vary the modern retail award to enable secondary school students to agree to reduce the minimum engagement period. This application is scheduled to be heard in early 2011.

I trust the information provided is helpful.

Yours sincerely

CHRIS EVANS

15/2/11