

Mr Gerard Dwyer  
National Secretary  
SDA  
Level 6, 53 Queen St  
MELBOURNE VIC 3000



Dear Mr Dwyer

**Re: Penalty rates**

It was good to meet with you Wednesday 16 March at Parliament House, along with Jo-anne Schofield from United Voice and a number of exploited workers. It was important to hear their stories and to ensure the law is enforced effectively so these exploitive practices do not continue.

I raised penalty rates at the meeting and now wish to confirm my position and that of the Nick Xenophon Team (NXT) in the lead up to the federal election this year.

My previous position on penalty rates was motivated by a genuine concern over youth unemployment and the fact that a number of small business (less than 20 employees) decided not to open on Sundays - in part after penalty rates were increased. I spoke to a number of young people who lost their Sunday shifts as a result and could not find alternative work. That was my primary motivation for introducing a Bill on penalty rates.

I accept I was wrong in my approach. Penalty rates should be left up to the independent umpire, the Fair Work Commission, without legislative intervention. Consequently, we have changed our position to reflect this and have stated so on our website and in public comments. I would be grateful if you could let your members know of the NXT position.

I remain deeply concerned over the level of youth unemployment and I look forward to working cooperatively with you and the SDA to tackle this issue constructively.

Yours sincerely



Nick Xenophon  
**Convener**

25/3/2016