From: Adrian Boothman

To: AMOD

Cc: vanessaw@askhaba.com.au; "Melinda Rogalevs"

Subject: Additional Statement - HABA submission of evidence for AM2014/197 - Casual Employment

Date: Thursday, 7 July 2016 9:58:39 AM

Attachments: FWC Submission from Melinda Rogalevs.pdf

Importance: High

Dear Michelle,

Hair and Beauty Australia Industry Association (HABA) seek to include the attached submission as part of our original evidence submitted on Friday 10 June 2016.

HABA would greatly appreciate that the attached additional statement be included as part of our final comprehensive written submissions for the common claims pertaining to matter AM2014/197 – Casual Employment from Ms Melinda Rogalevs, Owner of The Beauty Oasis, 33 Padstow Road, Eight Mile Plains, QLD, 4113.

Regards,

Adrian Boothman

Senior Industrial Relations Advisor



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To whom it may concern,

I am writing to you in regards to the proposal before the fair work commission from the shops distributive and allied employees association (SDA), regarding the current review of the hair & beauty industry award.

I own a small hair &beauty salon on the south side of Brisbane. I employ one senior hairdresser on a casual basis who currently works on average 25 hours per week, and me as owner/operator beauty therapist.

Working weekends isn't much fun for any of us, and I am not against being rewarded for weekend work, which we already do by way of a higher hourly rate for Saturdays. Most independent salons are closed on Mondays, which already compensates workers for the extra time on Saturday.

The proposed 58% loading on a Saturday would financially damage my salon and the industry as a whole. My salon profit margins could not "absorb" this cost for very long and I would have to close down the hairdressing side as it would no longer be financially viable.

This would favour or force workers to become single operators who often work from home. Single operators don't always have insurance, may not use reputable products, and have been often accused of not paying their fair share of tax? Encouraging these practices would surely be counterproductive to the industry as a whole.

My other option would be to increase the hairdressing prices to cover the wage increase as "Saturday pricing" that would add an extra \$40-\$60 for a colour service, and an extra \$20 for a haircut. Many of our clientele are low to average wage earners themselves, so this would likely affect how often they come and / or whether they purchase extra services or retail products.

- 1. We rely on retail sales to meet our hourly targets and cover the costs of running a salon.
- 2. I give the hairdresser commission on her retail sales, so an increase in hourly rate would likely result in a reduction of sales commission, possibly cancelling themselves out.

Clients would probably come less often (every 6 weeks instead of every 4 weeks) or be tempted by cheap, back yard or shopping centre based salons, further eroding away at salon takings, and leading to a drop in business revenue.

It takes a long time to build repour with clients, some of which have been coming to us for decades. To suddenly impose a "Saturday Tax" on a long standing client would likely produce animosity (I'm a good client, why would she do that to me, after all my years of loyalty?). We also have "Saturday-Only" clients who work full time themselves, and are unable to come at other times. The Saturday loading would be very unfair and may feel discriminatory, or reflect badly on my reputation.

Yours sincerely

Melinda Rogalevs