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Employment Relations Podcast #42 – What could the proposed ban on "non-competes" mean for Australian employers?

As part of the recent Federal Budget, the Treasurer announced plans to ban "non-compete" clauses in employment contracts for employees earning below the high-income threshold (currently $175,000 per annum) from 2027, to much media attention. But with the finer details to be the subject of further consultation (and a Federal election on 3 May 2025 in the meantime), what might be on the horizon in this space?

In this episode of *Employment Law for the Time Poor*, Professor Andrew Stewart, Consultant, and Emily Haar, Partner, discuss the difference between "non-compete clauses" and other post-employment restraint clauses, the policy, productivity, and research bases for reform, what these reforms might look like in practice, as well as some "real life" considerations for businesses to best protect their interests **now**.

These discussions show that a one-size-fits-all approach to the protection of an employer's interests in its client and customer relationships, if it ever were enough, will not cut it going forward if labour mobility significantly increases. If businesses are less able to rely on contractual post-employment restraint clauses, alternative methods to otherwise protect confidential information and intellectual property, such as technology and a strong internal innovation culture, become ever more important.

For even more analysis, see our earlier *Insights* here:

- Employment Relations Podcast #39 – Restraints on restraints!
- NSW Court of Appeal rules on non-compete clauses in M&A transactions – What's new?
- The Great Resignation: Is your confidential information also on the move?

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