



AUSTRALIAN CATHOLIC COUNCIL FOR EMPLOYMENT RELATIONS

23 January 2012

The Hon. Brian Howe
Chair
Independent Inquiry into Insecure Work in Australia
Level 6, 365 Queen St
Melbourne Vic 3000

Dear Mr Howe

Thank you for the invitation to contribute to the inquiry being conducted by the Independent Inquiry into Insecure Work in Australia.

For some years now the Australian Catholic for Employment Relations (ACCER) has been advocating in Fair Work Australia (FWA) and its predecessors for low paid workers and their families. The basis upon which we have made our submissions is that the National Minimum Wage (NMW) and, earlier, the Federal Minimum Wage have been manifestly inadequate. The arguments have been based on the needs of workers in continuing full time employment. The problems for low paid workers and their families are magnified if their work is not full time, regular and secure.

The kind of work being undertaken by your inquiry is much needed. As our minimum wage submissions have demonstrated, in recent years Australia has seen the emergence of the working poor among the full time workforce. More so, for those families who rely on insecure work.

One of the matters that we have covered in our submissions is the change in the position of low income families over the decades since the Commonwealth's (Henderson) Poverty Inquiry in the early 1970s. The inquiry, which was established in 1972 by the Coalition Government and extended by the Labor Government in 1973, reflected a bi-partisan approach to poverty. Unfortunately, the extent of poverty in the Australian community in 2012 appears to be no less than it was at that time. Poverty now appears in the context of threatening economic circumstances, the contrary of those in 1972.

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The annual wage reviews are the best means available in this country for the public ventilation of issues concerning the needs of low paid workers and their families. However, little has been made of this opportunity. ACCER has been very critical of the Commonwealth Government's submissions to recent annual wage reviews in regard to the needs of low paid workers and their families; see ACCER's Reply Submissions to the *Annual Wage Review 2010-11*. The needs of the low paid and their living standards are aspects of the wage cases that should be of great concern to a government that seeks to give a voice for the vulnerable and marginalised and which espouses social inclusion.

A major part of ACCER's submissions to the annual wage reviews has been the presentation of material in support of the proposition that wage-setting has failed low income workers and their families. We have shown that, despite the massive increases in family support since the 1970s, the relative position of low paid single-wage families appears to be much the same as it was in the early 1970s. This is because transfer payments to families have barely compensated for the reduction in the relative value of wages. For single workers who depend on low award rates of pay, the long term decline has been startling. According to the calculations produced by the Melbourne Institute, from August 1973 to December 2010 the minimum wage has increased 9.7 times while the average household disposable income has increased 12.8 times.

More concerning are the trends over the past decade. The following table is extracted from ACCER's 2011 submission to the *Annual Wage Review 2010-11*, and compares the relative positions of NMW-dependent workers and their families (sole parent and couple parent families) with those workers and families on Average Weekly Ordinary Time Earnings (AWOTE).

Table 1
Relative losses of Safety Net-dependent Workers and their Families
2000-10

Household	Disposable Income 2000 \$ per week	Disposable Income 2010 \$ per week	Increase in Gross Wage	Increase in Disposable Income
NMW single	346.38	521.86	42.3%	50.7%
NMW 2+2 family	503.37	772.87	42.3%	53.5%
NMW 1+2 family	503.37	772.87	42.3%	53.5%
AWOTE Single	616.48	996.17	59.3%	61.6%
AWOTE 2+2 family	688.65	1188.23	59.3%	72.5%
AWOTE 1+2 family	688.65	1188.23	59.3%	72.5%

By way of comparison, over the period December 2000 to December 2010, the Consumer Price Index rose 32.5%, resulting in a significant real increase in the NMW. However, if one takes into account productivity changes over the decade, NMW workers probably didn't receive "prices and productivity" increases. Furthermore, over the period December 2000 to December 2010 the Melbourne Institute's calculations of per capita household disposable income rose from \$421.15 per week to \$687.41 per week: 63.2%

The figures in Table 1 understate the true relative loss of most minimum wage workers because only a very small percentage of workers are on the NMW and the wage increases for the higher-paid, but still low paid, workers have been lower in percentage terms. Our 2011 submissions have calculations for the various wage rates. We showed that classifications that paid more than \$698.38 per week in December 2010 had received a real wage cut since December 2000.

The kind of impact set out in Table 1 has also been experienced by part time and casual employees. In our 2011 submission we calculated that 30% of safety net-dependent part time and casual workers were employed in classifications that had received real wage cuts over the period December 2000 to December 2010. As with full time employees, at the end of the decade, all safety net-dependent part time and casual workers were worse off relative to the workforce as a whole.

One of the major hurdles in our advocacy of better wage outcomes is the absence of a widely-accepted and credible poverty line, against which current wage outcomes can be compared. FWA does not accept that the Henderson Poverty Lines are now relevant to the setting of wages. We are hopeful that the Social Policy Research Centre (SPRC) will be able to secure funding from its pending application to the Australian Research Council to enable it to update its Budget Standards research, which was originally commissioned by the Commonwealth in the mid-1990s. Even if this funding is received it will be several years before it is completed.

ACCER has supported the use of relative poverty lines as a means of setting wages in a community context and charting changes over time. We have used the 60% relative poverty line, but we accept that there will be debate about the percentage to be used when relative poverty lines are used. The state of research is such that, apart from the current SPRC material, there is little to guide us in choosing a percentage.

Table 2 shows that, in December 2010, the single income family of two adults and two children, where the breadwinner was on the lowest minimum wage and the other parent stayed at home to care for the children, was *16% below* the poverty line. This 2 + 2 family is the benchmark family used by the Poverty Inquiry and in the Henderson Poverty Lines. If the unacceptably low 50% relative poverty line were used, the family would be only \$11.73 per week above it.

Table 2
Comparison of 60 per cent median income poverty lines (PLs) with disposable income of
selected households earning various wage rates
December 2010

Household type	60% median income PL (\$pw)	Disposable income (\$pw)				Disposable income as proportion of PL (%)			
		C14	C13	C10	C4	C14	C13	C10	C4
Single adult	473.68	522.02	535.50	596.79	690.16	1.10	1.13	1.26	1.45
Single parent, two children	757.89	840.67	854.40	916.85	1003.51	1.11	1.13	1.21	1.32
Single earner couple, two children	994.73	840.67	854.40	916.85	1003.51	0.84	0.86	0.92	1.01

Notes:

(1) The figures are drawn from Table 10.1 in Fair Work Australia's *Statistical Report – 2010-11 Annual Wage Review*, 31 March 2011. The poverty lines have been adjusted to take into account the small increase in household disposable income as recorded in *Poverty Lines: Australia, December Quarter 2010*, which was published by the Melbourne Institute of Applied Economic and Social Research on 12 April 2011.

(2) The work classification rates (C14, etc) are widely used as a reference point in the setting of national wage rates. The C14 rate is the same rate as the National Minimum Wage. The gross (pre-tax) weekly rates are: C14, \$569.90; C13, \$586.50; C10, \$663.60; and C4, \$797.20.

(3) The transfers to the two families include maximum rent assistance payments of \$67.62 per week.

One way in which we can make use of relative poverty lines is to use the aged and disability pensions to calculate the position of pensioners on the spectrum. In our Post-Budget submission to FWA in 2011 we calculated the equivalised disposable incomes for various pensioner households and the 2 + 2 family dependent on the NMW. The single pensioner (aged or disabled) was calculated to be on 53.4% of median disposable income, while the figure for couple pensioners was 50.9%. (The discrepancy largely occurs because of the impact of rent assistance.) The sole parent on a disability pension with two children was at 53.3%. The 2 + 2 working household was at 50.5%. This suggests that a figure of more than 55% is justified for the working family, having regard to the costs of working and other factors. Of course, the percentages for pensioners were not fixed by reference to any poverty line, but on the basis of an assessment of a minimum acceptable standard of living. Similarly, any figure resulting from them for the working family is not a poverty line strictly speaking, but an estimate of a minimum acceptable standard of living. How close each of them is to an assessed poverty line remains to be determined. How close they are to an assessed poverty line remains to be determined.)

Obviously, the task of developing an effective response to the emergence of low paid and insecure work is a complicated and demanding process. ACCER has limited research expertise

in regard to insecure work, but the Catholic Church, as one of Australia's largest employers has experience in dealing with issues around work security. Some time ago ACCER published a booklet *The Catholic Church in Australia Today* for the guidance of Catholic employers on various matters, including job security. (The booklet is currently under review.) I will refer later to some of the issues covered in the booklet. Before doing so, it might be useful to set some broader issues and some relevant Catholic Social Teaching.

Modern Catholic Social Teaching on the nature of work and the rights of workers has its origins in Pope Leo XIII's encyclical *Rerum Novarum*, but this teaching grew out of many centuries of teaching, based on biblical and the natural law sources, about the nature and purpose of work, the proper support of families, charity and justice in economic relations and the mutual obligations between citizens and between citizens and governing authorities. There is a theology of work that covers the way in which work should be performed and the rights and obligations of workers. That theology of work, and the practical consequences that flow from it, were captured by Pope John Paul II in his encyclicals *Laborem Exercens* (1981) and *Centesimus Annus* (1991).

Catholic social teaching on work and workers' rights and obligations deals some fundamental matters, such as the family wage and the rights to union membership. The Catholic Church also has a deep involvement in the practical world of workplace relations. In many countries it is a large employer; in Australia the Catholic Church has over 150,000 employees. As an employer it has to deal with the day to day realities of running an enterprise that seeks to achieve multiple objectives. Internationally, the Holy See is a long-standing supporter of the International Labour Organization (ILO) and its objectives.

The ILO's Decent Work agenda is now the principal means by which the ILO seeks to raise standards around the world. Juan Somavia, the Director-General of the ILO, has described it in the following terms:

“When we speak of decent work, we mean work on which women and men can raise their family and send their children to school. Work in which people are respected, can organize and have a voice. Work that will provide for a reasonable pension at the end of a working life. Policies that generate quality work throughout society. We call it decent work because we know work is a source of dignity. Work is fundamental to family stability. Work is linked with peace. A community that works well is a community in peace. Decent work recognizes you cannot have stable societies based on persistent social inequality, as there can be no social development based on unstable economies.” (*The Challenge of a Fair Globalization*, Pontifical Lateran University, 25 February 2005.)

Pope Benedict referred to the ILO's Decent Work agenda in his encyclical *Caritas in Veritate* (2009):

“No consideration of the problems associated with development could fail to highlight the direct link between *poverty and unemployment*. In many cases, poverty results from a

violation of the dignity of human work, either because work opportunities are limited (through unemployment or underemployment), or “because a low value is put on work and the rights that flow from it, especially the right to a just wage and to the personal security of the worker and his or her family”. For this reason, on 1 May 2000 on the occasion of the Jubilee of Workers, my venerable predecessor Pope John Paul II issued an appeal for “a global coalition in favour of ‘decent work’”, supporting the strategy of the International Labour Organization. In this way, he gave a strong moral impetus to this objective, seeing it as an aspiration of families in every country of the world. What is meant by the word “decent” in regard to work? It means work that expresses the essential dignity of every man and woman in the context of their particular society: work that is freely chosen, effectively associating workers, both men and women, with the development of their community; work that enables the worker to be respected and free from any form of discrimination; work that makes it possible for families to meet their needs and provide schooling for their children, without the children themselves being forced into labour; work that permits the workers to organize themselves freely, and to make their voices heard; work that leaves enough room for rediscovering one's roots at a personal, familial and spiritual level; work that guarantees those who have retired a decent standard of living.” (Paragraph 63, footnotes omitted.)

The first passage quoted in this extract from *Caritas in Veritate* was taken from John Paul II's encyclical *Laborem Exercens*. It is taken from a passage that summarizes the concern of the Church for the poor and their rights:

“In order to achieve social justice in the various parts of the world, in the various countries, and in the relationships between them, there is a need for ever new *movements of solidarity of the workers and with the workers*. This solidarity must be present whenever it is called for by the social degrading of the subject of work, by exploitation of the workers, and by the growing areas of poverty and even hunger. The Church is firmly committed to this cause, for she considers it her mission, her service, a proof of her fidelity to Christ, so that she can truly be the "Church of the poor". And the "poor" appear under various forms; they appear in various places and at various times; in many cases they appear as a *result of the violation of the dignity of human work*: either because the opportunities for human work are limited as a result of the scourge of unemployment, or because a low value is put on work and the rights that flow from it, especially the right to a just wage and to the personal security of the worker and his or her family. (*Laborem Exercens*, paragraph 8; italics in original.)

This passage is a powerful summary of the nature and purpose of Catholic Social Teaching and our own understanding of the reality of life for many. The promotion of justice in employment relations is part of the social mission of the Church. The concluding words of this passage highlight and bring together three important aspects of the plight of poor and vulnerable workers: lack of employment opportunities, inadequate wages and the lack of job security. Pope John

Paul II makes it clear that jobs alone are not sufficient to achieve social justice. The dignity of the worker requires a just minimum wage and personal security. While the position of the low paid workers requires greatest attention, the fundamental principles apply to all workers.

Later in *Caritas in Veritate* Pope Benedict, reflected on the extent of changes in the international economic order since Pope Paul VI's 1967 encyclical, *Populorum Progressio*. The following passages describe some of the economic changes and pressures that have made employment less secure and less well paid in countries such as Australia:

“From the social point of view, systems of protection and welfare, already present in many countries in Paul VI's day, are finding it hard and could find it even harder in the future to pursue their goals of true social justice in today's profoundly changed environment. The global market has stimulated first and foremost, on the part of rich countries, a search for areas in which to outsource production at low cost with a view to reducing the prices of many goods, increasing purchasing power and thus accelerating the rate of development in terms of greater availability of consumer goods for the domestic market. Consequently, the market has prompted new forms of competition between States as they seek to attract foreign businesses to set up production centres, by means of a variety of instruments, including favourable fiscal regimes and deregulation of the labour market. These processes have led to a *downsizing of social security systems* as the price to be paid for seeking greater competitive advantage in the global market, with consequent grave danger for the rights of workers, for fundamental human rights and for the solidarity associated with the traditional forms of the social State. Systems of social security can lose the capacity to carry out their task, both in emerging countries and in those that were among the earliest to develop, as well as in poor countries. Here budgetary policies, with cuts in social spending often made under pressure from international financial institutions, can leave citizens powerless in the face of old and new risks; such powerlessness is increased by the lack of effective protection on the part of workers' associations. Through the combination of social and economic change, *trade union organizations* experience greater difficulty in carrying out their task of representing the interests of workers, partly because Governments, for reasons of economic utility, often limit the freedom or the negotiating capacity of labour unions. Hence traditional networks of solidarity have more and more obstacles to overcome. The repeated calls issued within the Church's social doctrine, beginning with *Rerum Novarum*, for the promotion of workers' associations that can defend their rights must therefore be honoured today even more than in the past, as a prompt and far-sighted response to the urgent need for new forms of cooperation at the international level, as well as at the local level.

The *mobility of labour*, associated with a climate of deregulation, is an important phenomenon with certain positive aspects, because it can stimulate wealth production and cultural exchange. Nevertheless, uncertainty over working conditions caused by mobility and deregulation, when it becomes endemic, tends to create new forms of psychological instability, giving rise to difficulty in forging coherent life-plans, including that of marriage. This leads to situations of human decline, to say nothing of the waste of social resources. In comparison with the casualties of industrial society in the past, unemployment today provokes new forms of economic marginalization, and the current

crisis can only make this situation worse. Being out of work or dependent on public or private assistance for a prolonged period undermines the freedom and creativity of the person and his family and social relationships, causing great psychological and spiritual suffering. I would like to remind everyone, especially governments engaged in boosting the world's economic and social assets, that the *primary capital to be safeguarded and valued is man, the human person in his or her integrity*: “Man is the source, the focus and the aim of all economic and social life”. (Paragraph 25, footnotes omitted.)

Later the Pope returned to the proper response to these new developments.

“The dignity of the individual and the demands of justice require, particularly today, that economic choices do not cause disparities in wealth to increase in an excessive and morally unacceptable manner, and that we continue to *prioritize the goal of access to steady employment* for everyone. All things considered, this is also required by “economic logic”. Through the systemic increase of social inequality, both within a single country and between the populations of different countries (i.e. the massive increase in relative poverty), not only does social cohesion suffer, thereby placing democracy at risk, but so too does the economy, through the progressive erosion of “social capital”: the network of relationships of trust, dependability, and respect for rules, all of which are indispensable for any form of civil coexistence.

Economic science tells us that structural insecurity generates anti-productive attitudes wasteful of human resources, inasmuch as workers tend to adapt passively to automatic mechanisms, rather than to release creativity. On this point too, there is a convergence between economic science and moral evaluation. *Human costs always include economic costs*, and economic dysfunctions always involve human costs.

It should be remembered that the reduction of cultures to the technological dimension, even if it favours short-term profits, in the long term impedes reciprocal enrichment and the dynamics of cooperation. It is important to distinguish between short- and long-term economic or sociological considerations. Lowering the level of protection accorded to the rights of workers, or abandoning mechanisms of wealth redistribution in order to increase the country's international competitiveness, hinder the achievement of lasting development. Moreover, the human consequences of current tendencies towards a short-term economy — sometimes very short-term — need to be carefully evaluated. This requires *further and deeper reflection on the meaning of the economy and its goals*, as well as a profound and far-sighted revision of the current model of development, so as to correct its dysfunctions and deviations. This is demanded, in any case, by the earth's state of ecological health; above all it is required by the cultural and moral crisis of man, the symptoms of which have been evident for some time all over the world.” (Paragraph 32, footnotes omitted and italics in original.)

It can be said that a recent example of governmental policy that pursued the policies criticised Pope Benedict was the federal *Work Choices* legislation in 2005. In part, this legislation was justified as a required response to the challenges of globalisation; but it contained major features that provoked substantial controversy across the community and changes that were not necessary to meet the challenges of globalisation. The Australian Catholic Bishops opposed aspects of the

legislation, issuing a Statement on 25 November 2005, while the Bill was before the Senate. The Bill was not amended. The Bishops' Statement read:

“Introduction

1. The Commonwealth Government's proposals for reforms to Australian employment law have prompted wide debate throughout the country. It is a debate that has caused many of us to reflect on the fundamental values that should underpin our workplaces and society as a whole.
2. Economic growth is needed to provide prosperity and economic security for all and to provide equity and social cohesion. Economic growth is needed to enhance social justice.

Catholic Social Teaching

3. The Catholic Bishops of Australia have been scrutinising the religious and ethical implications of the Commonwealth Government Workplace Relations Amendment (Work Choices) Bill (2005). Given the fact that the Catholic Church is a major employer in Australia, this legislation is of particular interest to us. We are guided by our own social teaching that offers us ethical principles and terms of reference.

4. A major concern of Catholic Social Teaching is always the effect legislation has on the poor and vulnerable and its impact on family life. As Pope John Paul II wrote in his encyclical *Laborem Exercens*:

“...in many cases they [the poor] appear as a *result of the violation of the dignity of work*; either because opportunities for human work are limited as a result of the scourge of unemployment, or because a low value is put on work and the rights that flow from it, especially the right to a just wage and to the personal security of the worker and his or her family.” (*Laborem Exercens*, 8)

5. Our experience emphasises the importance that employment, fair remuneration and job security play in providing a decent life for workers and their families. They are particularly important for those who have limited job prospects and who are vulnerable to economic change. It is not morally acceptable to reduce the scourge of unemployment by allowing wages and conditions of employment to fall below the level that is needed by workers to sustain a decent standard of living.

Role of Governments

6. Governments have a responsibility to promote employment and to ensure that the basic needs of workers and their families are met through fair minimum standards.

7. Catholic Social Teaching recognises and supports a proper balance between the rights and responsibilities of employers and workers. The terms of employment cannot be left wholly to the marketplace. The responsibility of government is to ensure that there is a proper balance between respective legal rights, especially when bargaining positions are not equal.

Our Concerns

8. Does the proposed national system of employment regulation include the objectives of employment growth, fair remuneration and security of employment? Does it promote truly cooperative workplace relations and ensure the protection of the poor and the vulnerable?

9. We are concerned that the proposed legislation, as it is presently drafted, does not provide a proper balance between the rights of employers and workers in several respects. Changes are necessary to alleviate some of the undesirable consequences of the legislation, especially in regard to its potential impact on the poor, on the vulnerable and on families.

Minimum Wage

10. Workers are entitled to a wage that allows them to live a fulfilling life and to meet their family obligations. We are concerned that the legislation does not give sufficient emphasis to the objective of fairness in the setting of wages; the provision of a fair safety net by reference to the living standards generally prevailing in Australia; the needs of employees and their families; and the proper assessment of the impact of taxes and welfare support payments. In our view, changes should be made to the proposed legislation to take into account these concerns.

Minimum Conditions and Bargaining

11. The legislation proposes a major change in the guaranteed safety net for workers and the procedure for making employment agreements. Our concern is that many workers, especially the poor and vulnerable, may be placed in a situation where they will be required to bargain away some of their entitlements. In particular, we refer to overtime rates, penalty rates and rest breaks. The legislation should be amended to provide that these are appropriately protected.

Unfair Dismissals

12. The Government proposes the removal of unfair dismissal laws in regard to businesses with up to 100 employees and to make changes to the laws applying to larger firms. Such changes would reduce job security. Workers should have appropriate redress against unfair dismissals. This does not ignore that termination of employment is justified in particular cases. There is also a case for the amendment of the existing unfair dismissal laws to improve their efficiency and effectiveness. However, unfair dismissal rights should not be dependent upon the size of the employer's undertaking.

The Role of Unions

13. The legislation should enable cooperation between workers so that they can advance their mutual interests and enable them to participate freely in unions. The legitimate rights of unions are derived from the rights of their members. In their proper role in the workplace they are not "third parties" or outsiders to the employment relationship. We ask the Parliament to give close consideration to the potential impact of the proposed legislation on the capacity of unions to represent their members. It would be wrong for the Parliament to enact laws that impede or frustrate unions in carrying out their lawful representative activities.

Conclusion

14. The integration of economic growth and social justice is a fundamental obligation of government. They must be pursued in ways that are fair and equitable to the society as a whole. In this context, our proposals for change to the *Workplace Relations Amendment (Work Choices) Bill 2005* seek to moderate the impact on the poor, the vulnerable and families and limit any consequences on social cohesion.”

The Bishops’ Statement on *Work Choices* provides a set of principles and priorities in public policy-making and employment practices within Catholic employment. Insecure work is a threat to the achievement the values and goals set out in the Statement and in Catholic Social Teaching. However, there will need to be a range of work throughout the community that can only be described as insecure work. When that occurs every effort must be made to ensure equity and fairness.

Striking the right balance between work security and legitimate commercial considerations will involve legislative or award regulation, but even within the unregulated parameters there will also be a need for sound and prudential judgments.

In recognition of this, the booklet *The Catholic Church as an Employer in Australia Today*, not only provides advice on the legal context in which decisions need to be made, but seeks to provide guidance as to what a good employer should do even when there is no relevant legal obligation. The following passages appear in the booklet.

- “In this paper the Australian Catholic Commission for Employment Relations (ACCER) seeks to provide assistance to employers and managers who carry out the mission of the Church at a time of considerable challenge. At a general level, this is found in the current philosophical emphasis on the development of the individual employment relationship rather than the collective; the deregulation of industrial relations structures; a greater use of part-time, casual and contract employment; and the increasing involvement of the legal system in the resolution of industrial disputes.”
- “In *Laborem Exercens*, Pope John Paul II stated:
“...the danger of treating workers as a special kind of merchandise or as an impersonal force needed for production ...always exists especially when the whole way of looking at the question of economics is marked by the forces of materialistic economism”.
- “Work is considered to be one of the principal means by which people seek personal fulfilment, dignity and make their contribution to the common good. Therefore, people should not be treated like any other resource or commodity in the market place.”
- “*Laborem Exercens* states that: “work bears a particular mark of ... humanity, the mark of a person operating within a community of persons. And this mark decides its interior characteristics; in a sense it constitutes its very nature.”
Given this, the relationship between the employer and the employee should be one of mutual respect and dignity, with both parties working together to achieve the objectives of the business and security of employment.”

- “The employers and managers of Church organisations are to be leaders who ensure that there are fair, equitable and mutually respectful processes for all matters affecting employees. They need to recognise that their treatment of employees may affect others as well. If this is remembered and put into action, a just workplace can be built and maintained.”
- “The Church teaches that employees and employers should be regarded as partners in their place of work and in their respective roles. Mutual respect, esteem and goodwill should underpin the relationship between the employer and the employee. Church employees should be encouraged and enabled to see their work not merely as a source of income, but as providing a service and a benefit to others in society and, in its ultimate sense, the mission of the Church. This should foster the development of personal accountability for the work to be undertaken, based on the concept of the good citizen who sees that his or her efforts have greater meaning and value in respect of the common good.”
- “In the contemporary workplace, there is an increasing emphasis upon flexibility, efficiency and productivity. These can certainly contribute to the achievement of the objectives of the organisation in terms of the quality and delivery of service. However, these objectives are of short-term benefit only if they are not underpinned by respect for each person in the workplace. Accordingly, the observance of fair and just principles and practices is required for the establishment and maintenance of a workplace that encourages and supports the full development of all persons serving the Church.”
- “Job security is a legitimate expectation of employees. The employer should be open with employees that this is dependent upon performance and conduct, the ongoing need for the position and the level of financial resources. Furthermore, Church employers should not seek to improperly utilise fixed term, part-time, casual and contract forms of employment so as to avoid their responsibilities to employees. While these approaches can be legitimate and might be the only means of meeting the needs of the organisation in particular circumstances, Church employers need to question the motivation for introducing such forms of employment.”
- “Given the Church’s view of the employment relationship, any termination of employment should occur only after all other courses of action have been examined and fully considered. An open process and due diligence is required of the employer to ensure that termination is justified. That is, the first approach of the employer should be to maintain the relationship, if at all possible, rather than seek to sever it.”
- “Performance reviews allow the employer and employee to openly discuss the expectations of the organisation and the achievements of the employee, with an emphasis on the future development of the employee within the objectives of the organisation.”
- “Catholic Social Teaching places significance on the interaction between the family, society and work. Importantly, the principles of the *right to rest* and the *right to a just wage* interact to support the formation of strong family and social relations.

The recognition of the need for people to rest, to undertake personal and spiritual development, to engage in community and cultural activities and to take time with their family are important requirements for every individual.

In this context, *family friendly* policies are one aspect of policies relevant to finding a balance between *work and life*. There needs to be sensitivity and attention to the personal needs of employees who do not have direct family commitments. They too have a contribution to make within the community and this should be encouraged with appropriate procedures.”

I hope that these views and experiences of the Catholic Church are of value to the Inquiry in its review of insecure work. Please contact me if you require more information.

Yours faithfully

Brian Lawrence

Chairman, Australian Catholic Council for Employment Relations