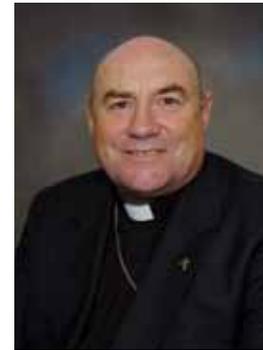


AUSTRALIAN • CATHOLIC • SOCIAL • JUSTICE • COUNCIL

## THE DIGNITY OF WORK: MORE THAN A CASUAL CONCERN



### A Pastoral Letter for the Feast of St Joseph the Worker 1 May 2012

Just over 30 years ago, Pope John Paul II made a major pronouncement, 'On Human Work', in which he defended the dignity of the worker in the face of major economic and industrial changes that threatened to devalue work. He stated that the world was on the eve of new developments that would be as tumultuous as those experienced during the industrial revolution:

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.<sup>1</sup>

Since that time Australia has witnessed massive changes in the world of work. Globalisation has seen the removal of tariffs and industry protections as the economy has been opened to international competition. Technological improvements have influenced almost every workplace, increasing efficiency of production but also displacing jobs, particularly for low skilled workers in traditional industries. The pressure to remain competitive and the drive for higher profits have also seen employers and industry bodies seeking cost savings – often at the expense of workers, through redundancies, low wages and the casualisation of jobs.

While Australia now boasts a low

unemployment rate of around five per cent, this masks a significant rise in casual and insecure work. Up to one quarter of employees are in casual jobs, without many of the normal entitlements of paid leave, penalty rates, regular hours or notice of termination. The number of insecure workers is likely to be much higher when taking into account the increased use of fixed-term contracts, independent contractors and labour hire agencies. The Australian Council of Trade Unions, which is concluding an Inquiry into Insecure Work in Australia, estimates that up to 40 per cent of workers do not enjoy the rights and entitlements of secure employment.<sup>2</sup>

The changes have been of such a magnitude that we should ask where the dignity of work remains when inadequate pay and conditions undermine the wellbeing of vulnerable workers.

### PAY AND CONDITIONS THAT UNDERMINE DIGNITY

In its submission to this year's Annual Wage Review by Fair Work Australia, the Australian Catholic Council for Employment Relations has shown that for many families the wages safety net has not kept pace with rising costs of living and that the wages safety net for all families has fallen well behind average weekly earnings. It is estimated that families relying on the minimum wage of \$589.30 per week are living in deep poverty, even when taking into account the range of family benefits that supplement the family income. Both the average family of four with one minimum wage-earner and the

sole parent working family are particularly vulnerable.<sup>3</sup> Of course, the likelihood of poverty is increased where casual workers with irregular hours cannot gain the hours of work to earn even the minimum.

Some groups experience the worst aspects of casual and insecure work – in particular, the thousands of sweatshop workers and outworkers in the clothing industry, who have little control over the flow of their work, endure exploitative working conditions, and can sometimes earn as little as \$3 an hour. It is not uncommon for these women to toil well into the night to complete an order – sometimes relying on their husbands and children to help meet unreasonable deadlines. Businesses have sometimes established sham contracting arrangements whereby these workers are treated not as employees but as 'independent contractors' so as to avoid the requirements of award pay rates and conditions.<sup>4</sup>

The Federal Government is to be commended for new legislation relating to the Textile, Clothing and Footwear industry, which ensures all outworkers are entitled to the protection of award rates and conditions. This legislation sets a clear limit on the ability of employers to shift the normal risks of business, such as fluctuating demand or price competition, onto vulnerable workers.

### FACTORS THAT LIMIT CAREER DEVELOPMENT

Casual work has become so widespread that it may be time to question the common wisdom that this type of work provides a stepping

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stone to more secure permanent work. There is a close relationship between high rates of casualisation and high unemployment, particularly for workers in sectors such as retail and accommodation, and almost one-third of casual workers want to work longer hours, mostly to earn more income.<sup>5</sup> Over 50 per cent of those finding jobs through the employment service system are moving into casual, temporary or seasonal work.<sup>6</sup> Without the opportunity for career progression and skills development and training, people are likely to be trapped in a series of intermittent contracts or spend periods moving between unemployment and precarious jobs.

This insecurity is now extending to those professions considered to be highly skilled. In Australian universities, around 65 per cent of staff are employed on a casual and fixed term basis.<sup>7</sup> Think also of the vital work of nurses. Almost half are in part time or casual positions and of these, almost a half would like full-time hours.<sup>8</sup>

Even among professional occupations, those in insecure positions are less likely to be considered for structured training. Those undertaking training in their own time face the difficulty of fitting their tuition between irregular shifts and the competing demands of multiple jobs.

## DEMANDS THAT INTERRUPT FAMILY LIFE

The financial pressures and irregular time demands of casual work often interrupt family life and place obstacles in the way of the important aspirations of workers and their families over the course of their lives. Marriage and family life can be harmed when parents juggling round-the-clock shiftwork face the choice of spending enough time with their families or making ends meet.

But it is not only the demands of two or three bosses that can intrude into family time. Low paid workers often face strict requirements by Government

agencies. Some single parents tell of having to leave their children alone and unattended while they attempt to meet the Centrelink requirement of 30 hours of work per fortnight in order to receive their entitlements.<sup>9</sup> One wonders where the needs of children feature in relation to the demands of a number of employers and a government agency.

Workers in the 'flexible' labour market confront other practical difficulties. Irregular shifts can make the accurate declaration of earnings difficult, resulting in overpayments by Centrelink and a debt that must be repaid. An intermittent work history can be a major disadvantage when seeking a mortgage, personal loans, or even accommodation in the rental market.

For some, casual work offers flexibility to balance work and family commitments, to undertake study or to supplement the income of a spouse. But for a growing number of people, it has become an impediment to achieving a healthy and fulfilling life. For many in insecure work, 'flexibility' represents a backward step rather than a path to improved wages and conditions.

## A CALL FOR DECENT WORK

In a developed nation such as Australia, one would imagine that our wealth and the organisation of our labour market would ensure low paid, vulnerable workers and their families could live in basic dignity. Sadly, this is often not the case.

Pope Benedict XVI, in his 2009 Encyclical *Caritas in Veritate*, reaffirmed the Church's call for 'decent' 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 organise 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.<sup>10</sup>

The casualisation of work over the past thirty years has not been confined to a few sectors of Australia's labour market. It ranges across retail, accommodation and hospitality, health and social services, education, transport, construction and manufacturing industries.

It is unacceptable that people who work to clothe us, feed us, clean for us, teach us and tend to the sick and those in need should endure poor conditions and have such a low value placed upon their work. It is time to consider the need for more decent pay and conditions for those in insecure work. A new approach is needed that places the dignity of the worker at the centre of labour market policy.

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**Bishop of Broome**  
**Chairman, Australian Catholic**  
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## Notes

1. Pope John Paul II (1981), *Laborem exercens*, Encyclical Letter on Human Work, n. 8.
2. Australian Council of Trade Unions (2011), *The future of work in Australia: Dealing with insecurity and risk*, Working Australia paper 13/2011, p. 5
3. Australian Catholic Council for Employment Relations (2012), *Submission to Fair Work Australia's Annual Wage Review 2011–12*, pp. 104–107.
4. Material derived from FairWear Australia website: <http://www.fairwear.org.au/>
5. David Richardson (2012), *Casual Labour: A stepping stone to something better or part of an underclass?* The Australia Institute, pp. 4, 11.
6. Brotherhood of St Laurence (2011), *Decent sustainable work for all in a global economy*, Submission to the Independent Inquiry into Insecure Work in Australia, p. 18
7. National Tertiary Education Union (2011), *Submission to the Independent Inquiry into Insecure Work*, p. 10
8. Australian Nursing Federation (2012), *Submission to the Independent Inquiry into Insecure Work*, p. 3
9. Brotherhood of St Laurence (2011), p. 16–17.
10. Pope Benedict XVI (2009), *Caritas in veritate*, Encyclical Letter on Integral Human Development in Charity and Truth, n. 63.