

2 Statement of Concerns

The NCCA issued a position paper in 1999 expressing the view that workers have human dignity and deserve fairness in wages and conditions. A society that reduces labour to a mere commodity has lost its commitment to human dignity and human rights.

In 2005, participants in the NCCA's Social Justice Network are again concerned about changes proposed by the Australian Government that they believe they will adversely affect the fairness of the workplace relations system. These changes include:

- Removing the responsibility for the setting of the safety net wage and other minimum wages from the Australian Industrial Relations Commission (ARC) and giving it to a new body called the Australian Fair Pay Commission (FPC). This will change the idea of the minimum wage. The IRC has sought to provide a fair wage, i.e. a living wage. The FPC seems to be about setting the minimum wage that business wants.
- Immediately reducing the minimum number of conditions covered by awards to four: annual leave, personal leave, parental leave and ordinary hours of work. As workers move or are forced to bargaining, there will no longer be a guarantee of “no disadvantage” when compared to the award. This provides the legal framework for the reduction of take home pay and loss of employment benefits for many employees.
- Removing the legal requirement to compensate employees for long, irregular or unsocial hours of work e.g. for weekend, shift work, overtime and public holidays. Employers will not be required to make redundancy payments, provide allowances, notice of change in roster and so on. Workers will still have these conditions while they remain award-dependent (for as long as they remain in the award) but the effective freezing of award rates of pay means that the option to remain award-dependent is untenable long term. Employees will also be pressured onto individual contracts with an ineffective safety net.
- Encouraging much greater reliance on individual contracts. This will put the country's most vulnerable workers, those least able to negotiate good conditions for themselves, at risk of losing their jobs or being exploited.
- Failing to provide a mechanism for employees to exercise their choice to bargain collectively with their employer.
- Removing most workers from the protection of unfair dismissal laws, which will now apply only to businesses that employ more than 100 workers.
- Introducing a six month probation period, i.e. a six month period where unfair dismissal laws do not apply even in large businesses.
- Restricting the way unions go about their work.
- Allowing many long term jobs to be “casual”.

In addition to changes to the workplace relations legislation, the government is also looking at the question of “independent contractors”. A recent discussion paper from the Minister for

Workplace Relations seems to favour overriding most of the current state legislation that protects workers from being forced to become contractors and ensures that they receive fair reward for the work that they do.

- There is a proposal to override “deeming” provisions, which allow certain people to be recognized as employees and entitled to award wages and conditions. For example, in some states outworkers in the garment industry are deemed to be employees, so that awards and other employee protections such as workers compensation and occupational health and safety cover them. The proposed changes will also affect people such as owner-drivers in the transport industry.
- There is a proposal to override legislation that requires that contractors be paid at least what an employee would be paid for the same work.

The Discussion Paper refers to “sham” arrangements that are a means of employers avoiding their responsibilities. However, it is hard to see how any contract could be considered “sham” under the new arrangements, since the entire focus is on the “freedom” of people to contract their services without legislation interfering with this.

Participants in the Social Justice Network are concerned about these proposed changes because they appear to be inconsistent with the following criteria:

- The preservation and encouragement of people’s human rights.
- Moral values as expressed in church social justice teaching which recognize the importance of dignity in employment, and just and fair wages and conditions for all workers.
- An independent arbiter (the AIRC) to set minimum wages in accordance with the concept of a living wage and core labour rights, and to resolve workplace disputes.
- The use of an established system of awards in setting wages and conditions.
- The promotion of secure, permanent work above and before casual work.
- Protection of the right of workers to bargain collectively and to join and be represented by unions.
- The right of all employees to challenge unfair dismissal and to receive redundancy pay and their entitlements whether they work for small or large business.
- Deeming provisions that recognise that certain workers (e.g. outworkers) are employees even though on “contracts”.
- Deeming provisions and other legislative measures to protect workers against being forced into becoming “independent contractors” on wages and conditions less than would be payable to them as employees.
- A secure, safe and healthy workplace where people are free of discrimination, harassment and bullying.

- Equal pay for work of equal value.
- Conditions of employment that allow a balance between work and family life.
- Changes within the tax transfer system to ensure that low income families receive the full effect of increases in the minimum wage.

On behalf of their respective Churches, participants in the Social Justice Network will work for an effective approach to workplace relations that ensures fair remuneration and conditions for all workers.