



St Vincent de Paul Society
NATIONAL COUNCIL of AUSTRALIA Inc. *good works*

LET'S BUILD A FAIRER AUSTRALIA!

SECURE WORK

Who we are

St Vincent de Paul Society is a lay Catholic charity with over 45,000 members and volunteers and 3,000 employees operating in Australia. Founded in poverty and plague-stricken Paris in the 19th century, we have been in Australia for almost 170 years. Our people are locals who help all people in need in their communities. We are a registered charity, overseen by the Australian Charities and Not-for-profits Commission (ACNC).

Our work is informed by the teachings of our founder, Frederic Ozanam. Our Mission and Values draw on Catholic Social Teaching principles and we follow the Society's Rule which sets our international charter.

We strive for a fairer Australia for all.

What we do

Through generous donations, sales through our national retail network ('Vinnies shops'), and some government funding, the Society distributes over \$50 million each year in emergency relief. This is done by our dedicated members and through our conferences and centres located in communities. Additionally, we provide short term, emergency and longer-term community housing options, meals, clothing, and support services.

While providing material support to people, we also lend an ear and connect people with other networks and services, depending on their needs. Our aim is to empower people to help them achieve their full potential.

We aspire to live the gospel message by serving Christ in the poor with love, respect, justice, hope and joy, and by working to shape a more just and compassionate society

The Society's National Council approves our policy positions. Our advocacy is informed by the experiences of those we assist and by our members, through the National Council's Social Justice Advisory Committee and the Vincentian Refugee Network.

We advocate for policies and funding that improve people's lives. We do so in a way that aligns with our charitable purpose and is politically non-partisan.

A Voice for the Voiceless

We believe in human dignity, the common good and in our responsibility for each other. We strive for social conditions that ensure everyone can realise their full potential.

Our belief in solidarity helps us to see the 'other' as our neighbour, a helper, a sharer on a par with ourselves.

We believe in subsidiarity, or respect for personal dignity, and the importance of those most affected by a decision or policy having input to it.

We respect Australia's international human rights commitments, including the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights and Australia's support for the United Nations Declaration on the Rights of Indigenous Persons.

Our policy positions are qualified by the experiences of those we assist and our members, and by Australia's extensive evidence-base in social policy and various research projects commissioned by the Society.



LET'S BUILD A FAIRER AUSTRALIA!

SECURE WORK

Our work with others

The Society engages with other church-based charities and not-for-profit organisations in the delivery of assistance to people in need and our policy positions generally align with them. These organisations include Catholic Social Services Australia, National Shelter Australia, the ACTU, Everybody's Home, ACOSS, Refugee Council of Australia, Jesuit Refugee Services and the Catholic Alliance for People Seeking Asylum.

Why it's important

Australia is a wealthy country but has a shortage of affordable housing, growing inequality, increasingly insecure work and wages that have not kept up with inflation. Households that rely on income support are struggling to survive. One-in-six children are living in poverty, and great disadvantage persists in a number of mainly regional and remote communities.

Now, more than ever, government policy and fiscal management need to be robust, evidence based and directed to areas of greatest need.

Our 2022 Federal Election Statement, [*A Fairer Australia*](#), has been updated to cover social justice priorities related to (1) Australia's First Nations Peoples, (2) People Seeking Asylum, (3) Secure Work, (4) Combatting Homelessness and Increasing Affordable Housing, (5) Income Support, Poverty and Debt, and (6) A Fairer Tax and Welfare System. The updated booklet, [*Let's Build a Fairer Australia!*](#) is available on our website.

This overview summarises our advocacy position with respect to Secure Work.

More information is also available on our website, as well as a [*Report Card*](#) that tracks the Australian Government's progress against our social justice priorities.

Our service to others, and advocacy on their behalf, is inspired by the words of St Vincent de Paul:

Deal with the most urgent needs... Teach reading and writing, educate with the aim of giving each the means of self-support. Intervene with authorities to reform structures... there is no charity without justice.

St Vincent de Paul Society National Council of Australia acknowledges the traditional custodians of country throughout Australia; recognises their continuing connection to land, waters and culture and community; and pays its respect to elders past, present and emerging.

LET'S BUILD A FAIRER AUSTRALIA!

SECURE WORK

JANUARY 2024



Summary

Australian workers in all fields deserve to be treated with dignity and respect. They must be able to pursue their rights and have just working conditions.

Everyone deserves a fair, living wage, one that provides job choice and security.

The wellbeing of workers continues to decline, despite job market growth. Wages have stagnated for years and are failing to keep up with inflation. In contrast, excessive corporate and business profits have skyrocketed.

Australia has one of the highest rates of insecure employment in the OECD.

The type of casual employment that exists here is shared by no other country. It is characterised by no guarantee of working hours or continued employment, no entitlements to paid leave and no specification in industrial awards of higher minimum rates of pay than apply to non-casual employees.

Less than half of working Australians now hold a permanent, full-time waged job with entitlements. And the pandemic has seen the fastest growth of casual jobs in Australia's history.

Insecure work most often means low pay, inferior rights, irregular hours, poor work/life balance, limited job tenure, limited access to leave, skills development and career pathways, and increased risk of injury, harassment, and wage theft.

People with lower skills, young workers, women, single parents, temporary visa holders and workers with disability unable to access the Disability Support Pension are more likely to be employed in insecure work, especially in the retail, hospitality, health, aged care, childcare, and agricultural sectors.

In line with Catholic Social Teaching on work, the dignity of the person must be prioritised. Work should be for the common good, with employees treated as people first and not units of labour to be used for purely economic ends. As a lay Catholic organisation, the Society continues to advocate for workers' rights to safe working conditions and a

fair minimum wage based on justice and equity – a living wage that covers the actual needs of a person, provides them with agency and security for the future.

The Society supports the Australian Government's commitment to:

- extend the powers of the Fair Work Commission (FWC) to set minimum standards for new forms of work, such as gig work
- successful passage of the Jobs and Skills Australia Amendment Bill to establish Jobs and Skills Australia with functions to include identification of labour imbalances and skills demand and supply, and development of an annual work plan
- amend legislation to set an objective test for determining when a worker is casual and giving workers the right to challenge unfair contractual terms
- legislate same job, same pay conditions to guarantee labour hire workers receive the same pay and conditions as directly employed workers doing the same job
- establish a national labour hire licensing scheme to ensure minimum legal standards are met
- improve access to jobs and training pathways for women, First Nations people, regional Australians and culturally and linguistically diverse people, including equity targets for training places
- articulate a full employment objective, reduce the structural issues that cause unemployment and manage the economy in a way that maximises opportunities for more Australians
- release of an Employment White Paper in September 2023, and
- the Parliamentary Inquiry into the Workforce Australia program, including employment service providers.

St Vincent de Paul Society in Australia welcomes passing of the Fair Work Legislation Amendment

(Secure Jobs, Better Pay) Bill 2022 particularly:

- strengthened access to flexible working arrangements
- inclusion of job security and gender equity in the Objects of the Act and at the heart of the FWC's decision-making
- limited use of fixed-term contracts used for the same role over an extended period (of two consecutive terms or a maximum duration of two years)
- prohibition of pay secrecy clauses and sexual harassment in connection with work
- strengthening of protection for workers against discrimination to bring the Fair Work Act into alignment with other Commonwealth anti-discrimination legislation
- a new statutory equal remuneration principle including equal pay for female-dominated industries and the establishment of two expert panels in the FWC covering women and the care and community sectors. This will help address the global gender pay gap where Australia has fallen in rankings from 12th to 43rd
- changes to flexible work arrangement processes where employers are obliged to consult with employees and the FWC may intervene, enforce or make a determination, and
- amendments to support more than one form of bargaining (enterprise level) which now represents just 15 per cent of employee agreements compared to 27 per cent in 2012. Enterprise bargaining has been promoted at the expense of other forms of collective bargaining (such as multi-employer) or other means of regulating wages and conditions and no longer delivers pay rises with productivity growth.

The Society welcomes passage of the Fair Work Legislation Amendment (Closing Loopholes) Bill 2023. The Bill was split with the following provisions passed: better support for first responders, discrimination protections for workers subject to domestic violence and expanded asbestos regulation. Worker protections were also improved with respect to labour hire practices, wage theft, industrial manslaughter or when large businesses go insolvent. We look forward to remaining policy commitments identified in the Australian Labor Party National Platform and at the Jobs and Skills Summit being enacted in 2024

The Society calls for:

- continued commitment by the Australian Government to addressing wage suppression and undervalued jobs
- implementation of the recommendations contained in the Select Committee's Final Report on Workforce Australia Employment Services (November 2023), and
- a more detailed strategy to assist the underemployed and the long-term unemployed.

We support greater flexibility for job seekers and a system that better supports their needs.

We endorse the ACTU's view that the *Fair Work Act* is complex, does not protect workers in a rapidly changing economy and emphasises enterprise agreement making even though only 15 per cent of employees are covered by these agreements. It applies to traditional employment relationships at a time when these relationships are being undermined by the gig economy, labour hire licencing and sham contracting. It does not provide workers with adequate mechanisms to achieve fair wage increases or to improve their conditions, and legislative amendment is required.

One in four people is employed on a casual basis and the majority are women. They earn less than half that of permanent workers per week and over half are 'permanent casuals', employed for over one year through consecutive contracts but with no entitlements. The current system has a disproportionate impact on already disadvantaged communities and vulnerable people. We need improved protections against insecure work and an enterprise bargaining system that enables workers' wages to keep up with the costs of living.

Change is needed if we are serious about addressing the gender pay gap, which remains persistently high, irrespective of the measure used. In particular, the Society supports:

- a new, fairer definition of casual work and employment
- a more objective test for sham contracting
- independent contractors being able to access justice through a low-cost jurisdiction in the FWC, but this should be extended to cover all independent contractors
- providing the FWC with the power to grant rights to gig workers after considering the views of both workers and companies but this should be extended to all gig economy

workers, not just those engaged through a digital platform

- provisions that prevent businesses from re-organising their staff employment structures to avoid paying the agreed-upon rates set in Enterprise Bargaining Agreements (EBA), but these provisions should apply in most circumstances where labour hire is used, not just where there are EBAs
- provisions that enable unions to check union members' pay records where wage theft is suspected, support workplace representatives while upholding workers' rights and increase penalties to incentivise investment in payroll systems, and
- an equal approach for all workers, including those in small business which means that small businesses should not be excluded from many of the new provisions.

Assisting the underemployed and the long-term unemployed

For years, a punitive policy approach to income support recipients has been adopted, through a system that lacks flexibility and failed to take account of the rapidly changing economy that has resulted in increased job insecurity.

Around 80 per cent of JobSeeker recipients have been on the payment for more than one year. Research shows that people are likely to be unemployed for longer if they undertake mutual obligation activities or participate in employment services. Thousands of people who are homeless, live with disability or identify as First Nations people have been disproportionately affected by welfare payment suspensions incurred when mutual obligation requirements are not met.

A 2017 study found the rate of long-term unemployed people has increased over the last decade. Two thirds of income support recipients hold high-school qualifications only, but 'entry level' jobs have slipped from 22 per cent to 15 per cent over a decade.

Anglicare's 2022 Jobs Availability Snapshot found that the number of people with barriers to work has changed with most having been out of work for around five years. Even with the current rebound in job vacancies, the number of people with barriers to work remains stubbornly consistent. They are competing with at least 15 other people for each entry-level role and these roles are drying up. Just

one in 10 of all vacancies are low-skilled jobs at entry-level, compared to one in four, 15 years ago.

Employment Service Sector, Workforce Australia and Mutual Obligation

Those in greatest need of support from employment services face the greatest competition for work. Research shows the longer a person is unemployed, the slimmer their employment chances become. The Commonwealth's employment service system is failing to place long-term unemployed people into secure work. People want to engage in activities that lead to work but very few believe that mutual obligations are helping them find it.

Employment training programs should enhance self-esteem, preserve human dignity, align with people's skills, and meet labour market demands. A flexible employment service sector is essential – one that is responsive to feedback and committed to continuous improvement. Privatised employment service providers should be assessed and rewarded for their ability to place people in long-term work, not for the delivery of short-term training programs that do not produce results. Breach powers should also be returned to Services Australia.

Some income support recipients are placed through the Society's shop network as part of their mutual obligation requirements or through work for the dole programs (but much less so). The extent to which placements occur varies considerably by location.

The Society does not pretend that the existing employment service sector or administrative regulations for income support compliance are perfect. They are not. We continue to advocate for a fairer, more flexible, and effective system. The contribution of people in our shop network through all placement programs is valued and appreciated. People are supported, provided with opportunities, given responsibilities, trained and treated with the same respect and dignity as any other volunteer or staff member.

However, the Society has identified where improvements to the current mutual obligation and work for the dole programs could be made. These include improving communication (from employment service providers), administration (by Workforce Australia and employment service providers), appropriate time frames for placements, increased support for people on placement, particularly when transitioning from income support to paid employment, and providing people with greater agency and flexibility.

The Select Committee's Final Report on Workforce Australia Employment Services was released on 30 November 2023. As outlined in our media release on 1 December 2023, the Society supports the Committee's recommendations including:

- an end to automated suspension of payments
- an overhaul of the employment services sector with the establishment of Employment Services Australia and an Employment Service Quality Commission
- reforming the mutual obligation framework
- a national wage subsidy and work experience scheme for the long-term unemployed
- increased employment and training of Services Australia staff, and
- increased funding and use of specialist providers, including Aboriginal Community Controlled Organisations and Culturally and Linguistically Diverse service partners.

The Society supports the recommendation that participation requirements be maintained but that the mutual obligation system be reformed, with individual tailoring of plans (new Participation and Jobs Plan), and Work for the Dole only used as a last resort.

The Society calls for a timely Government response to the Select Committee's final report, particularly recommendations aimed at assisting the long term unemployed including a national wage subsidy and work experience scheme for the long-term unemployed, possible reinstatement of the Sickness Allowance and identification of eligibility for a Disability Support Pension for people who are long term unemployed.

Full employment

The Society supports a full employment objective which is also supported by ACOSS, the Business Council of Australia and the ACTU. Pursuing full employment can help create more job opportunities, improve job quality, provide steady income growth, and enhance the equitable sharing of economic growth.

The Australian Government's Employment White Paper sets the foundations of the policy framework towards full time employment. The Society agrees with ACOSS' view that more must be done to define targets to reduce unemployment, underemployment and poverty. Government investment is also needed in the growth areas of climate change adjustment

and care services. Reform of employment services is also essential to lifting the skills of people who are long-term unemployed and connecting them with the right employer. Reforms to Workforce Australia and the Local Jobs Program and extending the time that income support recipients could access some benefits upon gaining employment are also welcome.

Debates surrounding employment and unemployment are always almost exclusively economic. This does not adequately consider the wider social implications of what happens to ordinary people. For example, a Sydney University study highlights the causal relationship between unemployment, underemployment, and suicide. The study concludes that approximately 1 in 10 of the total 32,331 suicides from 2004-2016 have causal connections to unemployment and underemployment. The study recommends (among other things) that a policy of full employment should be part of any comprehensive national suicide prevention strategy. Employment and unemployment policies must not be limited to the economic bottom line. They have significant real-world social consequences. In fact, for some of our most vulnerable citizens these policies are literally a matter of life and death.