



Justice Iain JK Ross AO
President
Fair Work Commission
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17 February 2016

Dear Justice Ross

Review of Penalty Rates

Thank you for the opportunity to provide a contribution to the Fair Work Commission's deliberations in relation to the review of penalty rates in the retail and hospitality sector.

This submission is prepared by the Social Issues Committee of the Anglican Church of the Diocese of Sydney, and endorsed by the Archbishop of Sydney.

At the outset, we urge the Commission to retain Australia's existing system of weekend penalty rates. We do so for a number of reasons which are detailed below.

We are particularly concerned that any reduction in these rates would have a negative impact on some of our most vulnerable people, and diminish the value of Saturday and Sunday as days historically set aside for spending time with family and in the wider community.

Our reasons for supporting the retention of the current levels of weekend penalty rates in the hospitality and retail sectors are as follows.

1. Penalty rates make an important statement about the primacy of human relationships

Human relationships are sustained by time spent together. All relationships, and particularly families with young children, face increasing pressure to find the time needed to gather and build their relationships.

Shared time is the bedrock of relationship for adults and children alike, and particularly for parents and children to forge the bonds essential to developing character and resilience in young people.

In addition, shared time builds and strengthens community as we engage with friends, neighbours, and others. Common times such as Saturday, and Sunday in particular, are the days historically set aside in Australia to facilitate these precious opportunities.

Weekend penalty rates are therefore a signal to us all that common rest and recreation time is valued in our community. It is a system of remuneration, properly understood, as it was conceived as compensation for those who are working at a time when most others have the opportunity to gather with family and community.

2. Penalty rates signal that there is more to citizenry than being a consumer

Participating in our society for its greater good is made possible by Australia's vast number of voluntary and community organisations. Our history is rightly a proud one of Australians responding to need by creating groups and organisations to respond to this need and to support community activity.

Increasingly, with dual-income households being the norm, the available time together has become more precious and needs to be consciously preserved. Paid work is still performed by a significant majority of people in Australia from Monday to Friday. Largely, our schools and tertiary educational facilities also operate Monday to Friday. The weekend is still a weekend for most people, one of rest and recreation - spending time with family and friends, actively participating in sports, community organisations, church life, festivals, and picnics.

These activities which contribute so much to the enrichment of our lives are possible because we have shared time. We can participate in these together and we can volunteer to contribute to making these pursuits successful. As a community we should do all we can to protect this treasure store of shared time.

The value we place on Saturday and Sunday does not diminish what we do Monday to Friday. It is good to work – Christians believe that work has value in itself and should be pursued for the good order of society, to provide for one's self and family and to meet the needs of others. Productive work contributes to our wealth and our progress as a nation. Businesses, in particular, grow our economy, making possible a reasonable quality of life and a greater generosity towards others in need. However, the need to work must be balanced in any healthy society with setting aside shared time for rest and recreation.

Weekend penalty rates send a clear signal that requiring someone to work on the weekend, when most of our society is not at work, should be appropriately compensated for missing out on what is still so clearly valued in our community.

3. Penalty rates signal that life is more than wealth and material gain

The economic argument promoted by advocates for reductions in weekend penalty rates is simply that – an economic argument. Maintaining a compensation system for those required to work on weekends reminds us all that there is more to life than the pursuit of monetary reward. People working in essential areas like emergency services, transport, and health, as well as those in hospitality, whom we have come to expect to be available over the weekend for our convenience and enjoyment, should not be taken for granted. Their sacrifice of common time to serve the wider community should not be seen as the norm, nor the ideal, but as the exception.

In any case, the debate since the release of the Productivity Commission's Report has illustrated that the economic argument is not a product of objective professional consensus but one of advocacy. We are not convinced that the argument for change has been made.

Likewise, we are not persuaded that making changes to the fabric of our society on the basis of a contested economic argument is either a sound or wise way to proceed.

4. Penalty rates protect those who are most in need of the community's support

Under the proposal to reduce weekend penalty rates, the lowly paid who make up most of the labour force in hospitality and retail sectors are the most likely to be asked to shoulder the reductions in take-home pay. They are precisely those who can least afford it – those family members and single parents struggling to meet basic household expenses, and students who are in weekend work to support their learning programs. Such people would be further disadvantaged by any reductions in pay or the longer hours needed to make up previous remuneration levels.

For these reasons we urge the Commission to give greater weight to arguments that preserve the balance between work and leisure pursuits, and protect those most in need of protection. We urge you to retain the existing weekend penalty rates.

Yours sincerely



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For the
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The Most Rev Dr Glenn Davies
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