# Information note—

## Clerks Award and COVID-19

This is a background document only and does not purport to be a comprehensive discussion of the issues involved. It does not represent the view of the Commission on any issue.

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#### Introduction

- The exercise undertaken by Fair Work Commission staff¹ that provides a framework for 'mapping' modern award coverage to the Australian and New Zealand Standard Industrial Classification (ANZSIC) did not find a 'clean' fit between any 4-digit industry and the Clerks – Private Sector Award 2020 (Clerks Award).
- 2. The award was listed as a primary award for some 4-digit industries within Administrative and support services, however, while it mapped extensively, there was also considerable overlap with other modern awards within those industries. The award was also listed as a secondary award for a number of 4-digit industries within Information media and telecommunications; Rental, hiring and real estate services; and Professional, scientific and technical services.
- 3. Analysing the business impacts of COVID-19 on the Clerks Award can therefore be broadly assessed by looking at the impacts on these 4 industries at the 1-digit industry level for which data are available. However, as the Clerks Award does not map neatly to 1 industry, where data at the occupation level are available, analysis will focus on 'Clerical and administrative workers'. As noted in the Minister's submission, any of the functions covered by the Clerks Award fall within the occupation of 'Clerical and Administrative Worker'<sup>2</sup> which is part of the Australian and New Zealand Standard Classification of Occupations.

<sup>&</sup>lt;sup>1</sup> Preston M, Pung A, Leung E, Casey C, Dunn A and Richter O (2012) 'Analysing modern award coverage using the Australian and New Zealand Industrial Classification 2006: Phase 1 report, Research Report 2/2012, Fair Work Australia.

<sup>&</sup>lt;sup>2</sup> [2020] FWCFB 1690 at [16]; Minister's submission, 27 March 2020.

4. The advice from the Commonwealth and state governments to work from home if it suits workers and their employers, to contain the spread of COVID-19, has affected the conduct of clerical and office work.<sup>3</sup>

# **Employment**

- 5. The quarterly Labour Force Survey can provide data on employment across occupations.

  Chart 1 shows the change in employment between annual and quarterly changes to May 2020.
- 6. For many occupations, the decline in the May quarter 2020 was significant. The largest decline was in Community and personal service workers, which was more than 20 per cent. Among Clerical and administrative workers, there was a fall of 0.7 per cent in the May quarter 2020, which was below the all employed persons average (–6.3 per cent).

Chart 1: Change in total employment by industry, May 2020



Note: Data are in original terms.

Source: ABS, Labour Force, Australia, Detailed, Quarterly, May 2020, Catalogue No. 6291.0.55.003.

### Working from home arrangements

# **During COVID-19**

7. Workers have been encouraged to work from home if it suits them and their employer to contain the spread of the virus.

8. As part of new products undertaken to measure the impact of COVID-19 on Australia, the ABS has released the *Household Impacts of COVID-19 Survey*, which among other things, collects data on working from home arrangements by gender and age from around 1000 persons aged 18 years and over.

<sup>3</sup> See: Fair Work Commission (2020), Information note – Government responses to COVID-19 pandemic: https://www.fwc.gov.au/documents/documents/resources/covid-19-information/information-note-government-responses-covid-19-2020-06-16.pdf

- 9. Data from the survey show that 46 per cent of respondents were working from home in late April to early May 2020 (Table 1). For those respondents, around one quarter were working the same number of hours from home since the outbreak of COVID-19, while around 1 in 6 were working more hours from home since COVID-19.
- 10. Females were more likely to work from home (55.6 per cent) than males (37.5 per cent) and were more likely to be working <u>more</u> hours from home since COVID-19. Those aged 65 years and over were more likely to work from home (55.6 per cent) compared with those aged between 18 to 64 years (45.5 per cent).

Table 1: Working from home arrangements, late-April/early-May 2020

	Sex		Age		All
	Male	Female	18 to 64 years	65 and over years	persons
	(%)	(%)	(%)	(%)	(%)
Working from home	37.5	55.6	45.5	55.6*	46.0
Working <u>more</u> hours from home since COVID-19	9.4	26.0	17.6	6.5	17.1
Working <u>less</u> hours from home since COVID-19	3.9	4.0	3.8	7.0	3.9
Working <u>same</u> amount of hours from home since COVID-19	24.3	25.6	24.1	42.2*	24.9
Not currently working from home/ Have never worked from home	62.5	44.4	54.5	44.4*	54.0

Note: \* Proportion has a margin of error greater than 10 per cent, which should be considered when utilising this information.

Source: ABS, Household Impacts of COVID-19 Survey, 29 Apr-4 May 2020, Catalogue No. 4940.0.

11. The most common reason for not working from home was that the type of job could not be done from home (reported by almost 90 per cent of those working paid hours and not working from home) (Table 2).

Table 2: Reason(s) for not working from home

	Sex		Age		All
	Male	Female	18 to 64 years	65 years and over	persons
	(%)	(%)	(%)	(%)	(%)
Type of job can't be done at home*	89.6	87.8	88.5	98.5	88.9
Not offered by employer	2.7	9.0	5.3	<sup>#</sup> 0.0	5.1
No access to internet or proper equipment at home	2.2	4.4	3.2	#0.0	3.0
Other^	6.0	5.2	5.9	1.5	5.7

Note: More than one reason may have been reported. \* Examples include truck driver/deliveries, builder, security, teacher, medical professional. ^ Includes home situation not good for working, personal choice, and other. # Nil or rounded to zero.

Source: ABS, Household Impacts of COVID-19 Survey, 29 Apr-4 May 2020, Catalogue No. 4940.0.

### By occupation in 2018

12. Table 3 provide data on the prevalence of working from home arrangements for employees in 2018 using data from the latest HILDA survey (Wave 18) by occupation.

13. The data show that Clerical and administrative workers were less likely to work any usual working hours at home, however, they were more likely to have home-based work as a workplace entitlement and have a normal working from home arrangement with their employer.

Table 3: Working from home arrangements, by occupations, HILDA survey 2018

	Any usual working hours worked at home	Average hours per week usually worked at home	Have home- based work as a workplace entitlement	Has formal working from home arrangement with employer^
	(%)	(no.)	(%)	(%)
Managers	45.5	29.8	53.2	45.4
Professionals	39.1	34.4	44.9	42.1
Technicians and trades workers	11.7	41.0	18.6	47.4
Community and personal service workers	5.7	146.3	11.5	36.3
Clerical and administrative workers	14.5	30.7	45.3	66.6
Sales workers	8.2	18.5*	10.9	39.8
Machinery operators and drivers	3.6	7.8	6.2	26.2*
Labourers	4.1	137.3*	5.5	69.0
All occupations	21.3	37.9	31.2	45.4

Note: \*Estimates had a relative standard error of between 50 per cent and 75 per cent and should be interpreted with caution. ^Proportions are based on employees that work 'any usual working hours' at home. For example, 39.1 per cent of Professionals work from home, and 42.1 per cent of these employees have a formal working from home arrangement with their employer.

Source: HILDA, Wave 18.

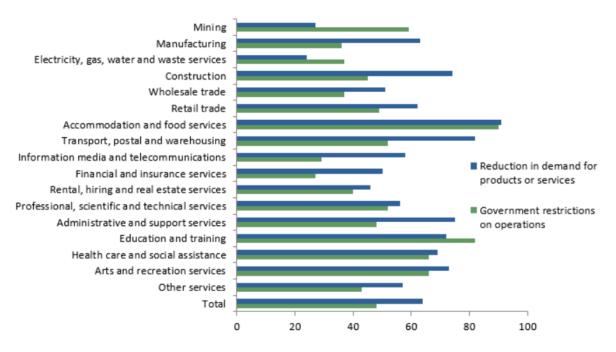
# **Business impacts of COVID-19**

- 14. This section discusses the impact of the COVID-19 pandemic on businesses in the 4 selected industries based on survey data published by the ABS.<sup>4</sup> This release forms part of additional products that the ABS is producing to measure the economic impact of COVID-19.
- 15. In the week from 30 March to 3 April 2020, following the Commonwealth Government's announcements of further social distancing restrictions as well as a number of business support packages, over 60 per cent of businesses reported being impacted by a 'reduction in demand for products and services' and almost half were impacted by 'government restrictions on operations' (Chart 2).
- 16. Over the same period, a higher proportion of businesses in Administrative and support services (almost 80 per cent) reported a reduction in demand for products or services than the average across all industries. However, a higher proportion of businesses in both Administrative and support services and Professional, scientific and technical services (both around half) reported

<sup>&</sup>lt;sup>4</sup> ABS, Business Indicators, Business Impacts of COVID-19, various, Catalogue No. 5676.0.55.003.

that they were impacted by government restrictions on operations than the all industries average.

Chart 2: Business operational impacts for businesses currently trading by industry, week commencing 30 March



Note: Proportions are of businesses currently trading. Businesses could select more than one option.

Source: ABS, Business Indicators, Business Impacts of COVID-19, Week Commencing 30 March 2020, Catalogue No. 5676.0.55.003.

17. In a more recent survey, around one quarter of trading businesses were reported to be operating as normal throughout May and June without the need to modify operations, such as shifting operations online or operating with a reduced workforce (Table 4). Among these 4 selected industries, a higher proportion of businesses in Information media and telecommunications and Rental, hiring and real estate services reported operating as normal in mid-June, which has increased since mid-May, while the proportion of trading businesses operating as normal in Professional, scientific and technical services declined.

Table 4: Businesses operating as normal, trading businesses

	10-17 June	13-22 May	
	(%)	(%)	
Information Media and Telecommunications	32	4	
Rental, Hiring and Real Estate Services	38	22	
Professional, Scientific and Technical Services	26	43	
Administrative and Support Services	26	20	
All industries	25	26	

Note: Refers to trading businesses. Modified conditions include shifting more operations online, or operating with a reduced workforce.

Source: ABS, Business Indicators, Business Impacts of COVID-19, June 2020, Catalogue No. 5676.0.55.003.

- 18. Businesses that reported having modified operations as a result of COVID-19 also provided information on the types of modifications made. These are listed in Table 5.
- 19. The most common modifications were to introduce new hygiene protocols and practices (65 per cent) and limits to the number of people on site (57 per cent). These were the most common modifications reported by businesses in Information media and telecommunications and Administrative and support services (over half in both industries), but also relatively common in the other 2 selected industries.
- 20. However, the most common modification in Professional, scientific and technical services was 'other workforce changes' (over 60 per cent). This included staff working from home or operating with a reduced workforce. This modification was also relatively common among the other industries, and for nearly half of all businesses.

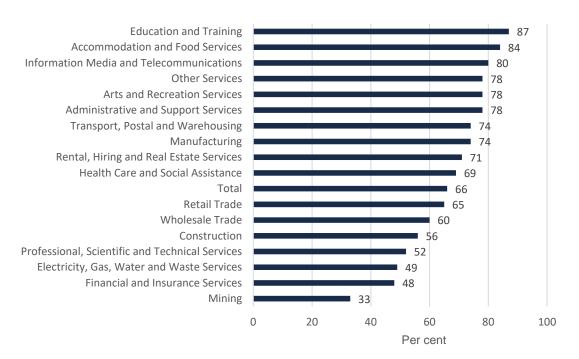
Table 5: Modifications to business operations, 10-17 June 2020

	Information Media and Telecommunications	Rental, Hiring and Real Estate Services	Professional, Scientific and Technical Services	Administrative and Support Services	Total
Limitations to the number of people on site	52	39	50	58	57
Introduced new hygiene protocols and practices	56	44	56	58	65
Changed the types and range of products or services offered	19	9	13	23	22
Changed the way products or services are provided to customers	36	14	42	29	40
Changed operating hours	19	22	25	32	31
Changed payment methods	9	9	2	5	16
Changed suppliers or supply chain	0	4	6	9	9
Changed staff roles or duties	16	18	11	11	25
Other workforce changes (such as staff working from home or operating with a reduced workforce)	39	43	62	49	46
Other	18	1	19	5	13

Source: ABS, Business Indicators, Business Impacts of COVID-19, June 2020, Catalogue No. 5676.0.55.003

21. Between 10 and 17 June 2020, businesses within most of these industries were also more likely to report that revenue had decreased compared with the same time last year: Information media and telecommunications; Administrative and support services (both around 80 per cent); and Rental, hiring and real estate services (over 70 per cent) (Chart 3).

Chart 3: Businesses that reported decreased revenue compared to the same time last year, by industry, % of all businesses



Source: ABS, Business Indicators, Business Impacts of COVID-19, June 2020, Catalogue No. 5676.0.55.003.