Information note – Working from home

The COVID-19 pandemic has significantly impacted the nature of work. The available Australian data relating to the prevalence and characteristics of people that work from home shows that there has been a large increase in those who are working from home since the World Health Organisation announced the COVID-19 outbreak a pandemic (although there was evidence that it was marginally increasing beforehand). These data are provided in detail at Attachment A.

Data from the Australian Bureau of Statistics show that almost one-third of employed persons *regularly* performed some work from home prior to the COVID-19 pandemic. Additional data found that around 3 in 10 employees had home-based work as a workplace entitlement. For those that did work from home, fewer than half had a formal working from home arrangement with their employer.

The highest proportion of employees that worked any usual hours at home (i.e. employees that work any of their normal working hours at their usual place of residence) were in Information media and telecommunications, Education and training and Professional, scientific and technical services. By occupation, Managers and Professionals were most likely to work any usual hours at home.

Based on the Workplace Agreements Database, there were around 350 current federal enterprise agreements that had provisions for home-based work or telework in the December quarter 2019. The provision enables employees to perform some or all their work at home or at another site away from the office. While this represented only around 3 per cent of agreements, it covered just over 20 per cent of employees. Public administration and safety and Financial and insurance services contained the highest proportions of current federal enterprise agreements that contained provisions for home-based work or telework.

Following the outbreak of COVID-19, the responses from government at both the federal and state level placed restrictions on gatherings and social distancing affecting the way businesses operate. To help contain the spread of the virus, employees were encouraged to work from home if it could be done remotely.[1]

In May 2020, the ABS asked respondents if they had worked from home due to COVID-19 in the previous 4 weeks and found that almost 2 in 5 employed persons had worked from home. This proportion would not include those who already worked from home and the pandemic had not impacted their working arrangements. In June 2020, this proportion reduced to 34 per cent as more people were able to return to workplaces as restrictions were eased.

Employees working in more 'hands on' industries such as Retail, Agriculture and Transport and storage were less likely to work from home during the pandemic, while employees in Finance and insurance, Public administration and defence and Communication who can manage their work from home were more likely to do so.

In other research, preliminary findings from an April 2020 survey of 272 Australians, undertaken by researchers at Swinburne University, found an increase in employers with a working from home policy. Over three quarters of managers believe their staff will work from home more often after COVID-19 than they did before it. The main identified benefits of working from home were no commute, greater flexibility and financial savings. The main challenges identified were the

[1]See: Fair Work Commission (2020), *Information note – Government responses to COVID-19 pandemic*, 13 July.

work/home space boundary being blurred, distractions at home and trouble switching off after work.[2]

The Centre for Future Work released a briefing paper, *Working from Home: Opportunities and Risks* which suggests that working from home will likely become more common in coming years and will become the 'new normal' for millions of workers.

Based on a review of employment data for 54 different occupational groupings, it found:[3]

- workers with more autonomy and independence in their work and those who work on a computer have more flexibility to shift work location;
  - this largely overlaps with professionals and managers (although some lower-paid positions such as clerical and administrative jobs are also highly able to be undertaken from home);
- around 30 per cent of the Australian workforce could feasibly work from home (around 4 million workers);
  - achieving this would take time, requiring adjustments to be made and systems established; and
  - it is likely that no more than half of this total (15 per cent of workers) are currently able to work from home full-time.

This research also found that women (36 per cent) were more likely to be able to work from home than men (27 per cent), partly due to their over-representation in the Professional and Clerical and administrative occupations.[4] They estimate that over half of these occupations (as well as for managers) are able to work from home.[5]

[2] Hopkins J and Bardoel A (2020), *WorkFLEX infographic: COVID-19 Work From Home Infographic*, Swinburne University, accessed 16 July 2020.

[3] Pennington A and Stanford J (2020), *Briefing Paper: Working from Home: Opportunities and Risks*, Centre for Future Work, 13 April, p. 2.

[4] Pennington A and Stanford J (2020), *Briefing Paper: Working from Home: Opportunities and Risks*, Centre for Future Work, 13 April, p. 4.

[5] Pennington A and Stanford J (2020), *Briefing Paper: Working from Home: Opportunities and Risks*, Centre for Future Work, 13 April, p. 3.

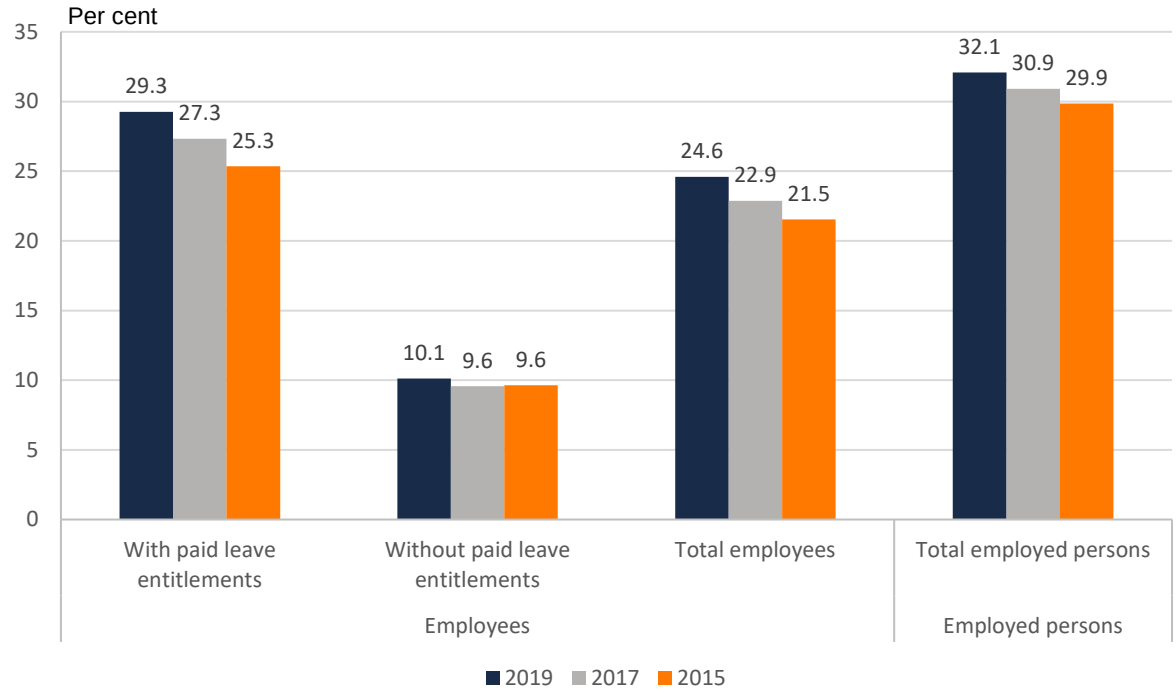
Attachment A – Data on working from home

Working from home pre-COVID-19

Almost one-third (32.1 per cent) of employed persons regularly worked from home in 2019, having steadily increased from 2015, according to the Australian Bureau of Statistics (ABS) (Chart 1).

The number of **employees** that regularly worked from home rose from 21.5 per cent in 2015 to almost one quarter (24.6 per cent) in 2019. Employees with paid leave entitlements (permanent employees) were almost 3 times more likely to WFH regularly compared to employees without paid leave entitlements (casual employees). The proportion of total employed persons that WFH is higher as this includes owner managers of incorporated and unincorporated businesses who are more likely to WFH.

Chart 1: Regularly working from home



Note: Employed persons include employees plus owner managers.

Source: ABS, *Characteristics of Employment, Australia, August 2019*, Catalogue No. 6333.0.

Working from home arrangements by industry

Table 1 provides data on the prevalence of working from home arrangements for employees by industry in 2018 using data from the Household, Income and Labour Dynamics in Australia (HILDA) survey (Wave 18).

Around one-fifth of all employees (21.1 per cent) had worked any usual working hours at home.

- The **highest** proportions of employees that had worked any usual hours at home were in Information media and telecommunications; Education and training; and Professional, scientific and technical services.
- The **lowest** proportions were in Accommodation and food services and Retail trade.

The average hours usually worked at home by employees was 38.5 hours per week.

- The **highest** average number of hours usually worked at home per week were by employees in Other services and Agriculture, forestry and fishing.
- The **lowest** average number of hours usually worked at home per week were by employees in Retail trade; Manufacturing; and Administrative and support services.

Around 3 in 10 employees (30.9 per cent) had home-based work as a workplace entitlement.

- The **highest** proportion of employees that have this entitlement were in Financial and insurance services; Professional, scientific and technical services; and Information media and telecommunications.
- The **lowest** proportions were in Accommodation and food services and Retail trade.

Among employees that do work from home, over 4 in 10 (44.8 per cent) had a formal working from home arrangement with their employer.

- The **highest** proportions were in Information media and telecommunications; Financial and insurance services; and Transport, postal and warehousing.
- The **lowest** proportions were in Education and training and Retail trade.

Table 1: Working from home arrangements, by industry, HILDA survey 2018

	Any usual working hours worked at home	Have home-based work as a workplace entitlement	Has formal working from home arrangement with employer^
	(%)	(%)	(%)
Agriculture, forestry and fishing	21.6	17.3	65.0
Mining	27.0	37.6	59.9
Manufacturing	15.5	28.3	41.1
Electricity, gas, water and waste services	21.9	42.7	37.4
Construction	21.4	25.5	39.3
Wholesale trade	31.6	31.5	51.2
Retail trade	7.9	10.0	31.1
Accommodation and food services	6.4	8.3	45.4
Transport, postal and warehousing	10.4	17.2	68.2
Information media and telecommunications	43.8	63.2	72.2
Financial and insurance services	36.6	79.7	68.2
Rental, hiring and real estate services	38.9	50.0	51.3
Professional, scientific & technical services	40.4	65.9	57.5
Administrative and support services	17.4	31.6	64.5
Public administration and safety	14.9	54.9	53.0
Education and training	43.0	22.8	20.3
Health care and social assistance	11.3	17.8	44.7
Arts and recreation services	14.5	22.4	47.4
Other services	19.0	31.1	46.6
All industries	**21.1**	**30.9**	**44.8**

Note: np = not published because the relative standard error was over 75 per cent. *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, 21.6 per cent of employees work from home in Agriculture, forestry and fishing, and 65 per cent of these employees have a formal working from home arrangement with their employer.

Source: HILDA, Wave 18.

Working from home arrangements by occupation

Table 2 provides data on the prevalence of working from home arrangements for employees by occupation in 2018 using data from the HILDA survey (Wave 18). Some of the main findings include:

- The **highest** proportions of employees that had worked any usual hours at home were Managers, and Professionals. Machinery operators and drivers, Labourers, and Community and personal services workers had the **lowest** proportions.
- The **highest** proportion of employees with home-based work entitlements were Managers, Clerical and administrative workers and Professionals, while Labourers, and Machinery operators and drivers had the **lowest**.
- Among employees that worked from home, Labourers, and Clerical and administrative workers had the **highest** proportions that had a formal working from home arrangement with their employer. Machinery operators and drivers, Community and personal services workers, and Sales workers had the **lowest** proportions.

Table 2: Working from home arrangements, by occupation, HILDA survey 2018

	Any usual working hours worked at home	Have home-based work as a workplace entitlement	Has formal working from home arrangement with employer^
	(%)	(%)	(%)
Managers	45.5	53.2	45.4
Professionals	39.1	44.9	42.1
Technicians and trades workers	11.7	18.6	47.4
Community and personal service workers	5.7	11.5	36.3
Clerical and administrative workers	14.5	45.3	66.6
Sales workers	8.2	10.9	39.8
Machinery operators and drivers	3.6	6.2	26.2*
Labourers	4.1	5.5	69.0

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.

Provisions for home-based work/telework in enterprise agreements

Analysis of enterprise agreements from the Workplace Agreements Database (WAD), maintained by the Attorney-General's Department, finds that there were 354 current federal enterprise agreements covering 508 923 employees that had provisions for home-based work or telework in the December quarter 2019, where employees are able to perform some or all of their work at home or at another site away from the office.

Although the proportion of current federal enterprise agreements that contained these provisions was only 3.3 per cent, they covered around 23 per cent of employees (Table 3).

- Public administration and safety contained the highest proportion of current federal enterprise agreements that contained provisions for home-based work or telework (32.0 per cent), followed by Financial and insurance services (16.1 per cent).
  - Around 78 per cent of employees were covered by these provisions in Public administration and safety and around 76 per cent in Financial and insurance services.
- There were no employees covered by these provisions in Mining; Wholesale trade; and Rental, hiring and real estate services, and a low proportion of employees in Retail trade (0.1 per cent); Agriculture, forestry and fishing (0.1 per cent); and Accommodation and food services (0.2 per cent).

Table 3: Proportion of current federal enterprise agreements and employees covered which have provisions for home-based work or telework, by industry, December quarter 2019

	Proportion of employees (%)	Proportion of agreements (%)
Agriculture, forestry & fishing	0.1	1.1
Mining	0.0	0.0
Manufacturing	2.5	0.4
Electricity, gas, water and waste services	30.9	7.4
Construction	2.2	0.5
Wholesale trade	0.0	0.0
Retail trade	0.1	1.2
Accommodation and food services	0.2	0.5
Transport, postal and warehousing	24.1	1.3
Information media and telecommunications	2.7	4.1
Financial and insurance services	76.3	16.1
Rental, hiring and real estate services	0.0	0.0
Professional, scientific & technical services	46.2	6.2
Administrative and support services	2.8	0.7
Public administration and safety	77.8	32.0
Education and training	14.1	3.4
Health care and social assistance	18.2	3.6
Arts and recreation services	15.0	7.9
Other services	4.4	8.6
All industries	**22.7**	**3.3**

Source: Attorney-General's Department, *Workplace Agreements Database*, December quarter 2019.

Fewer than 1 in 20 employees (4.8 per cent) were covered by a current federal enterprise agreement that had a clause that entitles employees to access payments or reimbursements for undertaking telework (Table 4).[6] Only 0.5 per cent of current federal enterprise agreements contained this clause.

- Professional, scientific and technical services (16.9 per cent) and Health care and social assistance (15.8 per cent) had the highest proportion of employees covered by this clause.
- Most industries either did not have any employees or a very low proportion of employees that were covered by this clause.

[6] This might include, for example, the business covering the employee's IT expenses (computer and/or broadband access) or other matters.

Table 4: Proportion of current federal enterprise agreements and employees with a clause that entitles payments or reimbursements for undertaking telework, by industry, December quarter 2019

	Proportion of employees	Proportion of agreements
	(%)	(%)
Agriculture, forestry & fishing	0.0	0.5
Mining	0.0	0.0
Manufacturing	0.0	0.1
Electricity, gas, water and waste services	4.6	0.3
Construction	0.3	0.3
Wholesale trade	0.0	0.0
Retail trade	0.0	0.0
Accommodation and food services	0.0	0.0
Transport, postal and warehousing	0.1	0.3
Information media and telecommunications	0.0	0.0
Financial and insurance services	0.0	0.0
Rental, hiring and real estate services	0.0	0.0
Professional, scientific & technical services	16.9	1.7
Administrative and support services	2.5	0.4
Public administration and safety	9.6	2.0
Education and training	0.0	0.0
Health care and social assistance	15.8	1.6
Arts and recreation services	0.0	0.0
Other services	1.2	1.9
All industries	**4.8**	**0.5**

Source: Attorney-General's Department, *Workplace Agreements Database*, December quarter 2019

Working from home arrangements and COVID-19

As part of new products developed 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.

In May 2020, the ABS asked respondents if they had worked from home due to COVID-19 in the previous 4 weeks and found that almost 2 in 5 employed persons (39 per cent) had worked from home.[7] However, this proportion would not include those who already worked from home and the pandemic had not impacted their working arrangements. In June 2020, this proportion reduced to 34 per cent as more people were able to return to workplaces as restrictions were eased.[8] More women (56 per cent) were more likely to have been working from home than men (38 per cent).[9]

[7] ABS, *Household Impacts of COVID-19 Survey, Detailed Release, May 2020*, Catalogue No. 4940.0.

[8] ABS, *Household Impacts of COVID-19 Survey, Detailed Release, June 2020*, Catalogue No. 4940.0.

[9] ABS, *Household Impacts of COVID-19 Survey, 29 Apr–4 May 2020*, Catalogue No. 4940.0

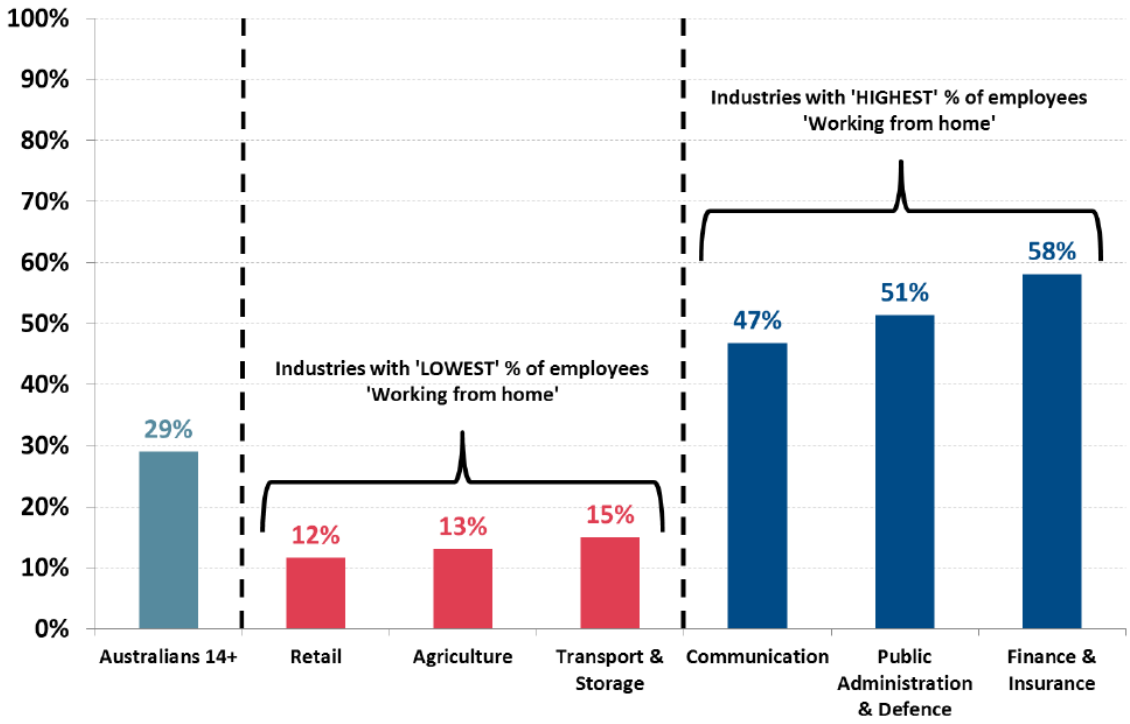
Roy Morgan research analysed those in the workforce who had experienced a change in employment due to COVID-19 that resulted in working from home. The survey, based on 9905 people aged 14 years and over (of whom around two-thirds were working) estimated that over 4.3 million people (or 32 per cent of working Australians) have been working from home during the last few months as a result of COVID-19.[10]

The survey also found that:

- women (33 per cent) were slightly more likely than men (32 per cent) to be working from home;
- those aged 35−49 years (38 per cent) were most likely to be working from home, followed by those aged 25−34 years (36 per cent) and 50−64 years (33 per cent); and
- the youngest and oldest age groups were the least likely to be working from home, with 17 per cent of those aged under 25 years, and 23 per cent of those aged 65 years reporting to be working from home.

Chart 2 presents the breakdown by selected industries. Roy Morgan estimates that more 'hands on' industries such as Retail (12 per cent), Agriculture (13 per cent), and Transport and storage (15 per cent) have the lowest proportions of their workforce that are working from home. By comparison, Finance and insurance (58 per cent), Public administration and defence (51 per cent) and Communication (47 per cent) reported the highest proportions working from home.

Chart 2: Working from home, by selected industries



Note: Survey of Australians conducted from the weekend of 17-19 April 2020 through to 29-31 May 2020. Sample size of 9905 including 6637 working Australians.

Source: Roy Morgan (2020), *Nearly a third of Australian workers have been '#WFH'*, Article No. 8451, 29 June.

[10] Roy Morgan (2020), *Nearly a third of Australian workers have been '#WFH'*, Article No. 8451, 29 June, p. 1.