Report on Targeted Focus Group Public Consultations for the Australian Fair Pay Commission’s 2007 Minimum Wage Review

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TNS Social Research
July 2007

Report commissioned by the
Australian Fair Pay Commission, 2007

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In 2007 the Australian Fair Pay Commission engaged TNS Social Research Pty Ltd (TNS) to conduct research on the impact on Australians of changes to Federal Minimum Wages.

The research was conducted through a series of targeted focus group consultations held during February and March.

The focus groups were held in all states and territories, in both metropolitan and regional centres.

The attached report discusses the findings of this research.

It is a substantive piece of social research capturing a wide range of views on labour, employment options and the minimum wages.

In conducting the research, TNS explored issues with participants in order to stimulate discussion on broader employment and wage issues before narrowing the focus to specific issues regarding minimum wages and the Australian Fair Pay Commission.

The report highlights some matters, which, while outside the legislative remit of the Commission, provide background to the views expressed and hopefully provide a deeper understanding of the social and economic circumstances of those people affected by the Commission’s decisions.

As these aspects provide a useful context to the Commission’s work, and in the interests of adding to a better understanding of minimum wage issues in Australia, this report has been adopted and released by the Australian Fair Pay Commission.

Yours sincerely

[Signature]

Professor Ian Harper
Chairman, Australian Fair Pay Commission
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Executive summary

In setting and adjusting wages for about 1.2 million workers in Australia, the Australian Fair Pay Commission plays a significant role in the management of the Australian economy. In a similar fashion to other key bodies such as the Reserve Bank of Australia, the Commission is independent from government and makes decisions of major social and economic importance, based on research, evidence, and consultation.

The purpose of the discussion forums is to explore the views of a broad cross-section of the Australian community in relation to minimum wages. This knowledge is used by the Commissioners during their minimum wage deliberations, and also assists the Commission monitor the impacts of its wage decisions on the general population. When setting and adjusting minimum wages, the Commission considers the information obtained through this research in the context of other information gathered, including that presented in written submissions and meetings with key stakeholders. Importantly, these views form part of a continuous information gathering process. As the Commission evolves, information is gathered from a range of sources (including community research) thus adding to the understanding of the Australian labour market and particularly of its low paid segment providing cumulative knowledge to assist in future minimum wage reviews.

For the most recent information gathering phase, the Commission engaged TNS Social Research to conduct a series of targeted small group consultation sessions across all states and territories. The groups involved Australians typically most affected by the Commission's decisions, as well as general consultation with Australians via secure online bulletin board discussions. The timing of these targeted discussion groups, being two months after the October 2006 Minimum Wage Decision, allowed an exploration of the impact of this decision on those most affected and continued the Commission's ongoing program of public consultation and monitoring.

This report presents the findings from these discussion groups.

Summary of findings

1. Who are the low paid?

This study sought to capture the views, experiences and opinions of groups who would be impacted by decisions about minimum wages in Australia. Consequently the scope of the research was deliberately broad, encompassing groups such as low paid workers, young workers and people who are currently unemployed. It was evident from the group make-up and discussions that references to the ‘low paid’ as if they are a homogenous and clearly defined group is to oversimplify matters. There are a myriad of factors which influence the decisions an individual makes about work, and in every individual situation the interplay between these factors differs. Key differential factors evident in the research included:

- **age** (i.e., whether an adult or young person – and then whether living with parents or living independently)
- **family situation** (i.e., whether there are children living at home or not) and **relationship status** (i.e., whether they are single or partnered)
- **household income** (e.g., low paid workers living in high-income households as well as low-income households)
- **unemployed length of time out of the workforce**
- **whether on government benefits**
- **personal factors such as self-confidence, and self-esteem**
• **marginally attached** to the labour force (i.e., if regularly in and out of employment and experiencing spells of unemployment) and
• whether a part-time or casual worker.

The research clearly showed diversity amongst groups and individuals who could be classified as 'low paid' and highlighted that it is not possible to describe a typical low paid worker. To do so would create a stereotype that is not reflective of that variety. The challenge is therefore to understand the lives of low paid workers, and to do that it is necessary to understand the circumstances in which they live.

2. **Work and working life**

a) **The role of work**

All groups started with a general discussion about working and life. Notably, the vast majority of those included in the discussion groups seemed positively disposed towards work: while there were a variety of views presented with regard to particular jobs and work experiences, most saw the necessity to work and many acknowledged that work had some value for them aside from the monetary benefits. Some (a minority), generally younger workers, were less positive towards work and its value to them.

‘Why work?’ was the fundamental question considered by participants. The primary reasons reported by adults and young people living independently were fulfilling needs, wants and personal and social ‘goods’, while for young people living with parents the decision was more often about supplementing pocket money and about moving towards gaining independence and autonomy when they are older.

There were a range of reasons given for why people work. The reasons given spontaneously by participants for working (or wanting to work) can be divided into satisfying basic needs, wants and a certain external good (social or personal). Viewed within this framework the role of work in people's lives can broadly be classified into providing for the basic necessities of life (such as food and shelter), providing for non-essential items or wants (such as holidays and eating out) and providing a personal or social benefit (such as a sense of achievement or satisfaction).

b) **Quality of life**

A key concept spoken around in many groups was that of quality of life. The role of work in people's lives was often determined by their other chosen priorities or life circumstances. Work was discussed in the context of people's broader life experience which varied across the groups dependent on the age, life stage and family status of participants.

Most participants (including young workers and adults) spoke of choices and trade-offs they made in seeking a better quality of life. However, there were some participants whose comments did not reflect this same feeling of control over their own situation. A range of different attitudes towards life and one’s circumstances, together with varying levels of financial literacy, frequently led to discussions about choices (or lack thereof), living within your means and the challenges of achieving a good quality of life on a low income.

The wide range of circumstances of individuals and in particular their age, life stage and family status presented a range of different contexts in which work was considered. While work was clearly of value and offered participants a range of rewards from basic needs to wants and personal fulfilment or social good, for many work competed with other priorities and life choices. These included:
• wanting to have a family;
• spending (quality) time with the kids;
• practical issues such as geographical location of jobs and transport considerations;
• the types of jobs and levels of intensity (‘How hard do I want to work?’ and ‘how much do I want to work?’);
• the interaction of work with the welfare system;
• flexibility in hours and general working arrangements.

c) The decision to work and working patterns

The decisions people made about work depended on the perceived value of work and the role work played in their lives. Despite a range of differences relating to the type of job, the number of hours worked, the working arrangements, a number of shared experiences and common issues were raised by participants. For unemployed people the decision to work at all and, if so, in what capacity was also explored. There were a range of decision factors highlighted through this discussion which are outlined in the sections that follow.

The level of freedom and flexibility individuals reported about their work decisions varied by labour market (industries and locations). In seasonal labour markets, for example, workers had more choice in boom times but needed to be less particular in quieter times. Similarly, in areas of skill shortage workers felt they had more choice and a greater ability to command a higher wage. Decision making processes were also affected by the extent to which individuals reported having control over their situation. In general younger people appeared to be more likely to make trade-offs for more money. Other workers (both older and younger) were more discerning with regard to the quality of life issues outlined earlier and in some cases reported being prepared to sacrifice money for one of the other factors.

The decision to work involved a complex analysis of many different factors. In summary, the factors included some of the following:

• family considerations,
• work logistics and environment,
• type of work,
• employer attitudes and workplace culture,
• cost of living and cost of working.

Many participants, particularly juniors, talked about low paid jobs as a stepping stone toward other things. Being able to ‘get your foot in the door’ and have something on your résumé, recent work experience, etc., was a motivator and made lower levels of pay more acceptable for many and a non-issue for some.

Education held great significance to a number of participants offering opportunity and a chance to move out of low paid work. In particular, parents from culturally diverse backgrounds were keen to ensure their children had access to a good education. Some individuals and families reported being very time poor and struggling to meet the cost of living. This in turn prohibited individuals from studying to develop further skills to move out of a low-paying job or taking the time to look for other work as they did not have the time or the finances to undertake these steps.

The experiences of looking for work and moving from one job to another varied across the groups. A range of issues were reported as affecting a person’s competitiveness in the labour market including skills, experiences, qualifications, health and attitude. Those in more buoyant labour markets reported greater ease of mobility
between jobs. Juniors in particular often reported the ease with which they had found their second or third job. These experiences were in contrast to the long-term and older unemployed who were less positive about their search for work and their opportunities for better or different work. Recent migrants to Australia also reported experiencing a number of challenges when first looking for work, such as racism, lack of English proficiency and no acknowledgement of previous skill sets. Employers also shared a range of anecdotes from recent recruitment experiences which further inform the discussion of entry into and movement within the labour market for workers.

The notion of career emerged in several different contexts including:

- **Study as it pertains to career**: Older participants were less likely to consider undertaking an extended course of study, however there were many who did feel that they needed to undertake some short-term retraining in order to improve their skills and potentially aid them in attaining a higher paid job.
- **Impact of health on career**: Some (older) participants had previously had a career but found they could no longer get a job in that career due to health reasons or lack of recent work experience in the field.
- Some participants saw having a job primarily as a means to an end. They sought or undertook work solely so they could participate in other activities such as social events, recreation or art.
- **Balancing a career and children**: A notion that was confined to (a minority of) women was that there was a clear choice between having a career and having a family.

The significance of this choice was also apparent in women of child-bearing age on low pay – namely the debate around whether they would ever be able to afford to have children. A number of female participants described proactively choosing to take on a low paid or non-career role which provided flexible working hours.

**Juniors** who participated in the groups were asked what they wanted to be or do later in their working life. Responses tended to fall into one of three broad types: bound for a specific career; bound for an unspecified career; or bound for a specific goal that is not necessarily career-focussed (e.g., travelling).

### 3. Wage rates and working arrangements

The wage related discussions covered general experiences and current circumstances. Responses highlighted the varying levels of awareness and importance of these issues and the diversity of views and experiences with regard to wage setting and negotiation. A key issue raised in relation to wage rates was the relationship between pay and working arrangements – casual versus permanent/full-time employment.

#### a) Importance of pay rates

Participants reported choosing to work for a range of reasons with many individuals seeking different things from their working life and making choices at various times in their life, depending on their circumstances. For some, work is done to cover the basic costs of living while for others it is to support a lifestyle and/or buy the extra things. For all of these participants, pay was important. Money provided opportunity and options for a better future. Several participants, particularly juniors and those in more buoyant labour markets, recounted how they had frequently changed jobs in search of better pay.
It was clear from discussions that pay was not always the driving factor in decisions for working or taking on a particular job over others. In several instances, individuals chose to earn less money in order to achieve other goals such as a better work/life balance or a longer term career goal. Individuals and families regularly made trade-offs between pay and other issues / working arrangements.

Further, some deliberately chose a low paid or low skilled job because it offered fewer responsibilities, because it fitted with their lifestyle, or because it allowed them to earn some money in the immediate term rather than studying (unpaid) for a higher paying job.

b) Casual versus full-time work

Discussions on employment and wage rates frequently included a discussion on casual rates of pay, the pros and cons of casual or part-time jobs compared to permanent and full-time arrangements and the likelihood of moving between different work arrangements at different points in one's working life. Through this discussion it was evident that there are a variety of opinions about the benefits of different working arrangements.

Some participants were seeking full-time jobs for security. For these participants, full-time jobs were 'the holy grail' and casual jobs were openly discussed in terms of being 'just' casual, that is, inferior to permanent positions.

Others deliberately sought casual employment for the flexibility and higher rates of pay. Some saw these jobs as perfect for their situation (e.g., saving for an overseas trip) while others saw them as temporary solutions while they worked towards other employment goals, as an opportunity for work experience or to provide income to support further study.

c) Determining wage rates

It was clear from the discussions that despite the importance of pay rates to people, many participants did not have a full understanding of and/or could not describe with confidence what determined their pay rates. For many participants, there appeared to be low levels of knowledge or certainty about determinants of wage rates and employment conditions both generally and specifically (i.e., in their own workplace). There was low level of familiarity with the formal industrial relations environment and a lack of detailed vocabulary in relation to these matters indicated a probable lack of in-depth understanding.

Key determinants of pay rates related to similar characteristics or attributes described for employability generally. Factors such as skills, qualifications and experience were frequently mentioned. Age and personal qualities such as attitude and commitment were also mentioned in several groups. Employee performance, productivity and economic and business factors were also discussed by both workers and employers.

d) Views on minimum wages

The general level of knowledge and understanding amongst the community about working conditions and wage rates appeared to be at a relatively low level. When discussing minimum wages, this lack of understanding was particularly evident among some segments of the population. While several participants – particularly those involved in the Bulletin Board discussions and employers – were more familiar with the concept of minimum wages, it appeared that participants most likely to be affected by the minimum wage and related wage decisions (e.g., those on junior rates) had lower levels of understanding of the concept. They seemed to have lower levels of awareness about what level the federal minimum wage is currently set, and were largely unaware that it had changed recently.
Despite varying levels of understanding, all the groups provided a range of views with regard to the need for minimum wages and what factors should be considered in setting and adjusting minimum wages.

Overall, participants tended to take an altruistic approach when discussing minimum wages, focusing primarily on issues related to social responsibility. The cost of living was consistently raised as the most important issue to consider in setting minimum wages.

The nature of the discussion regarding the determinants of minimum wages often differed to that in the general discussion about wage setting. When discussing how the rate should be considered, attitudes tended to move from a focus on reward for performance and recognition of skills and experience to a discussion around more fundamental issues such as ensuring basic needs are met given the cost of living, and to issues of fairness and protection.

Towards the end of each group, participants were given three stick-on dots and asked to place them on a sheet of paper listing a variety of considerations when setting minimum wages (e.g., cost of living, skills, what other businesses are paying, etc.). They were asked to indicate which of the three factors they believed were most important. Key results include:

• Although cost of living was by far the biggest factor mentioned by all groups, for three of the groups the perceived importance of cost of living was substantially higher than it was for juniors. This might suggest that many juniors are somewhat insulated from the true effects of cost of living by their family situation. What is fair and reasonable was also a substantial factor for all four groups, with between 1 in 5 workers and 1 in 2 employers mentioning this.

• In the discussions there was usually some comment around the idea that skills, qualifications and experience were quite similar, however the juniors and the unemployed groups mentioned all three of factors, while (somewhat surprisingly) the low paid group mentioned none of the them.

• Perhaps not surprisingly, one in five employers indicated that what the business could afford was a factor that should be considered. Both juniors and employers thought that age was important.

When asked what they would do to minimum wages if they were the Australian Fair Pay Commission, surprisingly few said they would put wages up. The question was treated with seriousness. People would carefully consider their response and then the most usual (first) response was that they would probably leave wages alone.

The groups indicated an understanding of the complexity of the minimum wage setting function. The impact of an increase in wages to employment and inflation was evident, partly fuelled by discussions and the cumulative insights that the group discussions elicited. At the conclusion of the group it was often evident to the majority of participants that what they might have first thought was a simple matter was in fact far more complex.

There was general recognition that the setting of minimum wages and the role of the Australian Fair Pay Commission was not easy and that many often competing factors needed to be considered. Overall there was strong sentiment from both workers and employers that an understanding of the impact of minimum wages for individuals, families and businesses (i.e., understanding ‘real experiences’) was important for wage setting.
1. **Introduction**

1.1 **Background and purpose of the consultation**

The Australian Fair Pay Commission was established to set and adjust Federal Minimum Wages to promote the economic prosperity of the people of Australia. The Commission was established under the *Workplace Relations Amendment (Work Choices) Act 2005*. It replaces the wage-setting and adjusting functions of the Australian Industrial Relations Commission, which retains its role as a national tribunal dealing with employment disputes.

In setting and adjusting wages for up to two million workers in Australia, the Commission plays a significant role in the management of the Australian economy. In a similar fashion to other key bodies such as the Reserve Bank of Australia, the Commission is independent from government and makes decisions of major social and economic importance, based on research, evidence, and consultation.

The Commission operates under a cycle of **information gathering** (including consultation), **decision making, communication, and monitoring**. Throughout the process of gathering information, the Commission seeks the views of both key stakeholders and the general population via appropriate mediums.

The purpose of the public consultation is to explore the views of a broad cross section of the community for use by the Commissioners during their decision-making process. The consultation also acts as an input to the monitoring process assisting the Commission to gauge the impact of wage decisions on the general population. These views are considered in the context of all information gathered, including information obtained via written submissions and meetings with key stakeholders. Importantly, these views form part of a continuous process – as the Commission evolves, further information is collated and subsequent views canvassed thus adding to the cumulative understanding of issues for consideration in any wage review.

1.2 **Consultation process**

The information gathering process for the Commission’s October 2006 Minimum Wage Decision included 185 submissions from organisations, businesses, individuals and government. The Commission also held 105 stakeholder meetings either face-to-face or via telephone, 13 open-invitation public consultations across six states, and nine targeted consultation sessions with groups most affected by the decision in both regional and metropolitan areas.

The public consultations were very effective in explaining the Commission’s role and processes and hearing first-hand from the Australian community what are the most important considerations for the Commission in setting and adjusting minimum wages. While the breadth of information gathered through these consultations was extensive, challenges were encountered in attracting the target audience – in particular the low paid, unemployed and employers of the low paid. In response to feedback received from group participants, and to provide further opportunities for the views of people most affected by minimum wage decisions to be heard, the Commission engaged the services of an independent research agency to supplement the general consultation process with targeted focus group research.

A key learning from the October 2006 Minimum Wage Decision public consultation was that small groups, and structured facilitation, seemed to be more effective in exploring,
understanding and clarifying the views of people directly impacted by minimum wages. In response, the Commission has focussed its 2007 consultations on the use of targeted focus groups.

As such, the Commission has acknowledged that the public consultation process requires continual revision in the approach used to gather information to ensure it best captures the voice of the people through a variety of mediums. The Commission will continue to review this process as part of its approach to continuously improving how it can best engage with the general public.

For the most recent information gathering phase, the Commission engaged TNS Social Research to conduct a series of targeted small group consultation sessions across all States and Territories. The groups involved Australians typically most affected by decisions made by the Commission, as well as general consultation with Australians via secure online bulletin board discussions. The timing of these targeted discussion groups, being two months after the October 2006 Minimum Wage Decision, allowed an exploration of the impact of this decision on those most affected; continuing the Commission’s ongoing program of public consultation and monitoring.

This report presents the findings from these discussion groups.

1.2.1 Research audiences

Mainstream face-to-face

In fulfilling its wage-setting function the Commission places great importance on understanding the impact of its wage rate decisions on those directly affected by such decisions. That is the unemployed population and their capacity to obtain and remain in paid employment; providing a safety net for the low paid; and providing minimum wages for juniors, that ensures those employees are competitive in the labour market. Consequently low paid workers, the unemployed, juniors and employers of these groups were the primary target audiences for this research and these groups were consulted in a targeted fashion using small group discussions with structured facilitation.

Mainstream bulletin boards

To supplement the structured small group discussions, two online interactive bulletin boards were conducted. These were used to trial alternative methods for engaging the general public, that is, to reach those who may not attend focus groups. The online medium allows for a variety of participants to share their views and engage in thoughtful exchanges with the freedom that anonymity creates and without the barrier of location. For this reason, it was the ideal mechanism to capture the opinions of a diverse range of participants. The online bulletin board discussions included participants from a variety of age groups, income levels (ranging from people in low paid employment through to high income earners), occupations, family structures and geographic locations, which is not possible in a traditional face-to-face focus group discussion.

CALD face-to-face

Mini-focus groups and in-depth interviews were conducted with individuals from culturally and linguistically diverse communities. The mini-groups and depth interviews were facilitated by Cultural Partners Australia, who specialise in research with these communities.
Mini-focus groups were conducted with Mandarin and Vietnamese speakers, as these groups are significantly over-represented in low skilled and low paid industries, coupled with low levels of English proficiency. The consultations were conducted ‘in language’ where appropriate, by a senior researcher who is a native speaker of each language. People in CALD communities were also included in other groups as they naturally occur, providing greater understanding of this important segment.

Indigenous face-to-face

Mini-focus groups were held with members of the Indigenous community as Indigenous Australians have substantially lower levels of labour force participation and substantially higher levels of unemployment. Additionally the skill composition of the Indigenous labour force represents a barrier to the employment of many Aboriginal and Torres Strait Islander employees. They are over-represented in low skilled jobs, with nearly a quarter employed as labourers or in other unskilled occupations (compared to less than 10% of other Australians).

It should also be noted that this research was heavily weighted toward employed Indigenous people or people likely to have had employment or work experience, and it did not include in the design small rural or remote communities which exhibit more significant issues regarding employment, retention and access.

1.2.2 Locations and group structure

Mainstream face-to-face

Overall this consultation phase included 20 face-to-face targeted consultation groups (often referred to as focus groups), each containing six to eight participants. The focus groups were conducted in a central location and were 1.5 to 2 hours in duration. The group structure was as follows:

- \( n = 6 \) groups with low-paid individuals
- \( n = 6 \) groups with individuals employed on junior rates
- \( n = 4 \) groups with unemployed individuals
- \( n = 4 \) groups with employers of low-paid workers

These four broad groups were identified by the Commission as its priority for consultation as they are directly affected by minimum wage decisions made by the Commission, and thus would be best placed to provide feedback on the impact of the October 2006 Minimum Wage Decision which had been in effect for 2 months.

The focus groups were conducted by experienced TNS Social Research researchers across all states and territories, including a mix of metropolitan and regional areas, and a mix of locations experiencing high and comparatively low levels of economic prosperity:

- Brisbane, Sydney, Melbourne, Adelaide, Canberra, Hobart and Perth
- Tamworth, Coffs Harbour, Bendigo, Shepparton, Cairns, Alice Springs, Darwin, Whyalla, Burnie and Geraldton

Appropriate locations were selected based on the state of the economy and employment levels. The study included a mix of locations – capital cites in all states and territories, larger and smaller regional towns both in coastal and inland locations, and locations influenced by a range of industry and environmental factors (e.g., affected by drought,
employment levels, seasonal tourist labour demands and/or booming or contracting industries). Due consideration was also given to the ongoing nature of the consultation processes and as such regional locations and suburbs within cities that were included in the previous round of public consultations were avoided. The following table shows the location of each targeted discussion group.

**Table 1: Research locations**

<table>
<thead>
<tr>
<th>Date</th>
<th>Place</th>
<th>Group type</th>
<th>Viewed by AFPC</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>Melbourne (Vic)</td>
<td>Low paid 30–44 no children</td>
<td>Yes</td>
</tr>
<tr>
<td>February</td>
<td>Melbourne (Vic)</td>
<td>Employers – (retail industry)</td>
<td>Yes</td>
</tr>
<tr>
<td>February</td>
<td>Perth (WA)</td>
<td>Employers (service – care industry)</td>
<td>Yes</td>
</tr>
<tr>
<td>February</td>
<td>Adelaide (SA)</td>
<td>Juniors – leavers</td>
<td>Yes</td>
</tr>
<tr>
<td>February</td>
<td>Adelaide (SA)</td>
<td>Unemployed – on benefits</td>
<td>Yes</td>
</tr>
<tr>
<td>February</td>
<td>Whyalla (SA)</td>
<td>Low paid 21–29 with children</td>
<td>No</td>
</tr>
<tr>
<td>February</td>
<td>Geraldton (WA)</td>
<td>Low paid 30–44 with children</td>
<td>No</td>
</tr>
<tr>
<td>March</td>
<td>Coffs Harbour (NSW)</td>
<td>Employers – (hospitality industry)</td>
<td>No</td>
</tr>
<tr>
<td>March</td>
<td>Brisbane (Qld)</td>
<td>Unemployed – return to work</td>
<td>Yes</td>
</tr>
<tr>
<td>March</td>
<td>Brisbane (Qld)</td>
<td>Low paid 45+ no children</td>
<td>Yes</td>
</tr>
<tr>
<td>March</td>
<td>Cairns (Qld)</td>
<td>Juniors – school leavers</td>
<td>No</td>
</tr>
<tr>
<td>March</td>
<td>Tamworth (NSW)</td>
<td>Low paid 21–29 no children</td>
<td>No</td>
</tr>
<tr>
<td>March</td>
<td>Sydney (NSW)</td>
<td>Juniors – secondary school</td>
<td>Yes</td>
</tr>
<tr>
<td>March</td>
<td>Alice Springs (NT)</td>
<td>Juniors secondary school</td>
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<td>March</td>
<td>Darwin (NT)</td>
<td>Unemployed – on benefits</td>
<td>No</td>
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<td>March</td>
<td>Canberra (ACT)</td>
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<td>Yes</td>
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<td>March</td>
<td>Hobart (Tas)</td>
<td>Juniors – school leavers</td>
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<td>March</td>
<td>Bendigo (Vic)</td>
<td>Juniors – secondary school</td>
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<td>March</td>
<td>Shepparton (Vic)</td>
<td>Low paid 45+ with children</td>
<td>No</td>
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<tr>
<td>March</td>
<td>Burnie (Tas)</td>
<td>Unemployed – on benefits</td>
<td>Yes</td>
</tr>
</tbody>
</table>

The breakdown and composition of the groups is presented below:

1. Low paid workers

   - Gross personal income from PAID employment to be at or less than $36,400 or part-time equivalent ($700 per week for 38 hour week or $18.42/hr).
   - At least two participants per group on the Federal Minimum Wage ($26,600 pa, $512/week, $13.47/hr)
   - Minimum of two participants of either gender per group
   - Groups made up 21 year olds and over. These included 21–29, 30–44, 45+ age grouping
   - Mix of those with and without dependant children included in each group
   - Mix of full-time and part-time/casuals
   - Occupation/industry varied within group
   - Included limited number of apprentices or those on training wages
2. Unemployed

- Unemployed and actively looking for work
- In last position had gross personal income of less than $36,400 ($700 per week for 38 hour week) or part-time equivalent
- Minimum of two participants of either gender per group
- Unemployed ‘on benefits’ or ‘return to the workforce by choice’
- Occupation/industry varied within group
- Included limited number of apprentices/those on training wages

3. Employees on junior rates

- Aged between 15 and 21 years
- Range of socio-economic circumstances/household incomes
- Three groups of high-school students working part-time/casual; high school students aged 15 to 18 years
- Three groups of school leavers; school leavers included higher education students working part-time/casual hours, and full-time low-paid / junior rate workers typically aged 18–21 years
- Minimum of two participants of either gender per group

4. Employers of low paid workers

- Participants responsible for recruitment of employees in the business
- Businesses employing 2–99 (small to medium-sized)
- Grouped into Industry. Including Hospitality, Services (Community), Services (Trade), and Retail
- Employs workers on low wages: employees have gross personal income less than $36,400 ($700/week for 38 hour week, $18.42/hr). At least two employers per group with staff paid the Federal Minimum Wage (13.47/hr, $512/week, $26,600 pa).
- Must employ at least some low-paid workers other than juniors, apprentices or employees on training wages.
- Had recruited in last six months or intend to recruit within next six months
- Minimum of two participants of either gender per group
- Mix of employers with full-time staff and part-time/casuals

CALD and Indigenous face-to-face

1. CALD low paid employees

The participants represented two CALD communities:

- Vietnamese – 8 in-depth interviews
- Chinese (Mandarin) – 2 mini groups (10 participants)

The research was conducted across four locations in February 2007, namely Sydney (Bankstown and Cabramatta) and Melbourne (Chinatown and Box Hill) and the participants were spread across various segment types, including:

- Income – low income earners, defined as earning $26,601–$36,400 per annum and minimum income earners, defined as earning less than $26,601
- Working arrangements – part-time, casual and full-time
• Family circumstances – with children, without children and single
• Age – under 35 and other
• Migration – recently arrived and established

2. Indigenous unemployed and low paid employees

A series of mini-focus groups were conducted with Aboriginal and Torres Strait Islander people in two settings across two states: one major capital city (Sydney) and the other a major regional city (Townsville). All interviews and group discussions were undertaken by experienced Indigenous researchers. Often these researchers had established networks within the target communities, enabling diverse recruitment and open discussion. In several locations multiple smaller mini-groups were conducted due to the expressed sensitivity of participants regarding their personal information or work issues.

The groups were structured using the following segmentation variables:

• Working arrangements – part-time, seasonal and full-time
• Wage structure – low income, Community Development Employment Projects (CDEP) participants
• Family circumstances – with children and single
• Age – under 35 and other

In total four separate mini-groups were conducted with Indigenous Australians as follows:

**Table 2: Groups of Indigenous Australians**

<table>
<thead>
<tr>
<th>Target group</th>
<th>Age profile</th>
<th>Numbers achieved</th>
<th>Age range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Females (Sydney)</td>
<td>&lt; 40 yrs</td>
<td>n = 5</td>
<td>17–40</td>
</tr>
<tr>
<td>Females (Townsville)</td>
<td>40+ yrs</td>
<td>n = 5</td>
<td>36–45</td>
</tr>
<tr>
<td>Men (Sydney)</td>
<td>&lt; 40 yrs</td>
<td>n = 5</td>
<td>40–52</td>
</tr>
<tr>
<td>Men (Townsville)</td>
<td>40+ yrs</td>
<td>n = 5</td>
<td>44–54</td>
</tr>
<tr>
<td>TOTALS:</td>
<td></td>
<td>n = 20</td>
<td></td>
</tr>
</tbody>
</table>

1.2.3 Research with young people

This research was carried out in accordance with the Australian Market and Social Research (AMRS) Code of Ethics and the National Privacy Principles (NPP). Particular attention was paid to the clauses relating to the conduct of research with young people:

Children are defined as being ‘under 14 years’ and young people are defined as being ‘14–17 years’. In the case of young people, where the information to be collected is ‘sensitive information’ as defined by the Privacy Act, researchers must seek the consent of a responsible adult. (Australian Market and Social Research Society)

In the case of young people, where the information to be collected is sensitive information as defined by the Privacy Act, research organisations should seek the consent of a responsible adult; where research involves any subjects or circumstances that might reasonably be judged to be of concern to parents or guardians of the young person (e.g., sexual activity, violence and drug taking), but does not include sensitive information as defined by the Privacy Act, consideration should be given to seeking the consent of a responsible adult.

(AMRS Code of Ethics)
Accordingly, only those aged 15 and over were included, and as the information sought was not of a sensitive nature it was not necessary to seek parental consent. While parental consent was not expressly required, in reality many juniors (particularly those aged 15–16 and living at home) were contacted via their parents in order to seek their participation.

1.2.4 Observation by the Commission

Many of the mainstream face-to-face groups were observed by Commissioners and Secretariat staff. Commissioners also took the opportunity to address the groups at their conclusion and to answer any questions. As part of the research design, a proportion of groups were conducted unobserved.

Participants were informed about being observed at the time of recruitment and prior to the start of each discussion. The groups that were observed are noted in section 1.2.2.

1.3 Reporting approach and structure

1.3.1 Report style and presentation

One of the primary functions of this study was to gather the opinions of a large number of Australians from different low paid sectors of the community and business. In terms of reporting, this means that the diversity of opinion is reported. Thus, while the report is highly structured, it presents almost all of the different opinions expressed, rather than focussing on just the main or repeated themes. Relative prevalence of opinions or ideas, however, is noted so as to highlight the more commonly held views.

In doing this, a larger number of quotes than is typical for a qualitative research report are presented in the body of the text (clearly indicated in inverted commas and italics with the attribution in square brackets). In addition, where they add meaning or context, short profiles of actual participants are presented.

This report has been structured around comments from participants. It not only weaves themes from the different groups into a wider context, but attempts to show the ‘human face’ behind some of the different circumstances, by including vignettes of particular participants to illustrate and expand on the themes. The names have been changed, and any distinguishing details have been removed, to preserve the identity of those who took part in each location.

1.3.2 How to use this report

A wide range of audiences were included in the study. The perspectives of these different audiences provides for rich discussion and at times diverse opinion on topics of interest. There is value in presenting these views together in a topical structure, hence, the range of emerging issues has been collated from across these subgroups of interest and outlined in three main sections as follows:

- **Section 2: Who are the low paid?** This section describes the scope of the research, which was deliberately broad, encompassing groups such as low paid workers, young workers and people who are currently unemployed. It also highlights the diversity within these broad groupings and discusses the myriad of factors which influence the decisions an individual makes about work.
• **Section 3: Work and working life.** This section contains discussions on attitudes to working, the value of work, experiences with working and different work arrangements and factors influencing decisions to work. It also includes employer views and experiences in recruiting and ongoing employment issues.

• **Section 4: Wage rates and working arrangements.** This section outlines views on pay rates, experiences and choices with regard to different jobs and pay rates and the types of issues considered in determining levels pay in various workplaces. Specific discussion on minimum wages and the priority areas for consideration when setting minimum wages are included in this section.

The general opinions expressed, the diversity of views, and any specific issues raised by particular groups are described and identified in these sections where relevant and appropriate.
Findings

2. Who are the low paid?

This study sought to capture the views, experiences and opinions of groups who would be impacted by decisions about minimum wages in Australia. Consequently the scope of the research was deliberately broad, encompassing groups such as low paid workers, young workers and people who are currently unemployed (refer to Figure 1). However, within these broad groupings there are a myriad of factors which influence the decisions an individual makes about work, and in every individual situation the interplay between these factors differs.

The research also included broader consultations undertaken through two interactive online bulletin boards as well as consultation with employers of low paid workers. The bulletin boards included a cross-section of the Australian population in relation to income, age, household structure, location and occupation which resulted in a healthy discussion of the issues raised. Approximately half of the participants who participated in each bulletin board received income which placed them below the ‘average wage’ and the other half received an income exceeding this.

Beyond these broad groupings various factors related to life stage mean that these groups are also made up of further levels of different life circumstances and situations. An individual’s attitudes and behaviours towards work, work practices and levels of pay were related to these circumstances. Understanding the diversity of views requires an appreciation of the diversity of circumstances. It was evident from the group makeup and discussions that it is oversimplifying matters to view ‘the low paid’ as a homogenous group.
Figure 2 shows just some of the many combinations of circumstances presented via the discussion groups and the associated factors which may influence an individual’s situation, work practices and opinions about wage rates.

**Figure 2: Diverse circumstances evident in the discussion groups**

While there were as many unique situations as there were participants in the groups, as depicted above, there are a number of general factors that contribute to each individual’s circumstances. Each of these will be discussed in turn.

The first factor is **age** (i.e., whether an adult or young person – and then whether living with parents or living independently). Discussions about the young people in this report are somewhat complicated by distinctions by age amongst those earning junior rates. For reporting purposes, while the general term **young people** may be used in some places in the text, in discussing the different sub-groups of those who earn a junior rate of pay the term **junior** will be used. In further distinguishing sub-groups of juniors, the descriptors **schoolies** and **leavers** will be adopted, to indicate their relationship to school, as that was clearly a defining factor.

For those living independently however there are several other factors that impact on lifestyle and capacity to cope on low wages: **family situation** (i.e., whether there are children living at home or not) and **relationship status** (i.e., whether they are single or partnered). For example, single low paid people with dependent children by definition have only one (low paid) income coming in and limited capacity to augment that. The main ways in which the family income could be augmented was by either **finding a higher paid job** in the same hours or by taking on **additional hours of work**. For single people the household
outgoings may not necessarily be half those for a partnered family unit. Those family units with dependent children and two adults have a greater capacity to supplement the total household income as there are two people who can potentially take on work and earn income. Naturally this depended on individual circumstances. For example, there were some family units where the age of the children was reported to make work difficult for the primary caregiver, and further the high cost of child care (see further discussion below) made work unprofitable.

Further, there was a proportion of low paid workers living in high-income households. **Household income** was an additional factor to be overlaid on all the above. As noted above, many young people on junior rates still live at home with their parents and thus they may well be living in high or relatively high income households. In addition there are also people who earn low wages but have a partner who has a high paid job, i.e., predominantly women who have children at home and who may or may not have low skills, but take low paid jobs because those are the jobs that allow more flexibility and part-time working hours (e.g., retail and hospitality). In the groups they are often the people who are working for extra cash or to provide for non-essential items.

Amongst those who were unemployed, circumstance also differed, for example, the **length of time out of the workforce**, whether they were on **government benefits**, and if so, whether that benefit had participation requirements. In the groups there were some unemployed people who had not worked for many years, or who may never have worked and as a result felt they had limited employment choices; while for others not working was a choice. In addition, personal factors such as **self-confidence**, and **self-esteem** impact lifestyle and working decisions. In comparison, those who were more **marginally attached** to the labour force (i.e., in and out of jobs and spells of unemployment) and part-time and casual workers had different experiences of unemployment. Typically different factors drove their decision to work and working arrangements compared to longer-term unemployed people.

The research clearly showed the diversity amongst groups and individuals who could be classified as 'low paid' and highlighted that it is not possible to describe a typical low paid worker. To do so would create a stereotype that is not reflective of that variety. The challenge is therefore to understand the lives of low paid workers, and to do that it is necessary to understand the circumstances in which they live.

In the commentary that follows, the impacts that these factors have on circumstances for different groups of people will be further explored.
3. Work and working life

3.1 The role and value of work

Every group started with a general discussion about working and life. This section outlines the variety of issues raised under this general discussion. It includes an outline of the attitudes to working and the role work plays in the lives of those participants involved in the discussions. This serves as valuable context for the more specific discussions to follow concerning the factors driving the decision to work, experiences of work practices and looking for work, working arrangements and wage rates.

Notably, the vast majority of those included in the discussion groups seemed positively disposed towards work: while there were a variety of views presented with regard to particular jobs and work experiences, most saw the necessity to work and many acknowledged that work had some value for them aside from the monetary benefits. Some (a minority of) generally younger workers were less positive towards work and its value to them.

‘Why work?’ was the fundamental question considered by participants. The primary reasons reported by adults and young people living independently were fulfilling needs, wants and personal and social ‘goods’, while for young people living with parents the decision was more often about supplementing pocket money and about moving towards gaining independence and autonomy when they are older.

3.1.1 Why work: a hierarchy of needs and wants

There were a range of reasons given for why people work. As per the discussions in the previous section about broad influencing factors (i.e., age, relationship status and family), the reasons given spontaneously by participants for working (or wanting to work) can be divided into satisfying basic needs, wants and a certain external good (social or personal). Maslow’s Hierarchy of Needs provides a useful framework to overlay on these findings. This theory contends that as humans meet ‘basic needs’, they seek to satisfy successively ‘higher needs’ that occupy a set hierarchy and that the higher needs in this hierarchy only come into focus once all the needs that are lower down are satisfied. (Refer to Figure 3.)

Viewed within this framework the role of work in people's lives can broadly be classified into providing for the basic necessities of life (such as food and shelter), providing for non-essential items or wants (such as holidays and eating out) and providing a personal or social benefit (such as a sense of achievement or satisfaction). The following section discusses the role work plays in people's lives within these three broad categories.
Basic needs

Basic needs – e.g., to pay the bills, to get the money to put food on the table, to provide for the family.

‘To keep a roof over our head.’ [Low paid, Adelaide]

For many, work was seen as a way of providing for fundamental needs…

‘I work to pay the bills – which is of course of utmost importance.’
[Low paid, Bulletin Board]

‘I’m the main breadwinner in our family. (I) also need to pay off the bills etc, and to be able to provide my family with the things they need.’ [Above average income, Bulletin Board]

‘If I hadn’t worked all these years I never would have my house. My kids wouldn’t have a safe place neither.’
[Low paid, Aboriginal man, Townsville]
For some, it was a matter of being able to afford a house and children…

‘These are basic human rights ... to be able to have a house and children.’ [Unemployed, NT]

‘Thank goodness I don’t have kids. I look at people with kids. I don’t know how they manage. So much for the Australian Dream. Can’t do it on $220 a week.’ [Unemployed, NT]

‘Work pays my rent and puts food on my table; it’s not what I am. I could be a lollypop lady and I would be content doing my job. I could sort out coat hangers or count nuts and bolts because I don’t invest that much of myself in my job. Only as much as I feel is required for the task. I am willing to put in the hard yards and do what is required but my job supports the rest of my life. I am not married to my job.’ [Low paid worker, Melbourne]

Wants

This included holidays, luxuries, private school fees, and just to supplement the family income (for two-income-earner families).

Karen*

Karen’s husband works in sales and marketing – a fairly high pressure job and studying two nights a week with two years to go, so he can’t help with the kids after work. They have two children aged 12 and 7. She wants to get a part-time job to help pay the private school fees – plus the eldest is about to start high school which will mean extra fees.

[Return to work, Brisbane.] *Name changed

‘My husband suggested I get a part-time job so I can earn some money to spend on myself.’ [Return to work, Brisbane]

‘I enjoy having an income to be able to do non-essentials in life for myself and my family that I wouldn’t be able to do otherwise.’ [Minimum wage, Bulletin Board]

In addition, there were some for whom wants might include being able to buy the school photos or to pay for the school excursion or to have a computer (which was increasingly seen as a necessity).

‘School photos are not a necessity, we can do without, but I would still like to be able to buy them.’ [Return to work, Brisbane]

‘All [agencies such as Job Network] assume you have computer access.’ [Return to work, Brisbane]

‘Computers are a big thing in workplaces these days… A lot of the ads say reply to this email address, so you have to have a computer to even be looking for a job.’ [Low paid, Brisbane]
External (social or personal) good

External (social or personal) good – This might include such things as personal achievement, the challenge, the social interaction, making a contribution to society and quite often, simply to fill up the day or to overcome boredom.

For many, social interaction was important…

‘The [low] money is not that important. It’s the social aspects, working with colleagues. It’s pretty down to earth in the … business.’
[Low paid, Brisbane]

‘The social aspects. Someone to talk to.’
[Low paid, regional Victoria]

‘The thing I like most about working is that being a single mother I don’t get much other adult interaction and time to myself… so that’s my time to socialise.’
[Low paid, Bulletin Board]

Others were motivated by the challenge or reward of working and feeling they were making a contribution …

‘A sense that what you are doing matters, that you do it well and are valued by colleagues.’
[Average income, Bulletin Board]

‘Knowing that the type of work I do benefits other families.’ [Above average wage, Bulletin Board]

Whilst for some the reason for working related to avoiding boredom…

‘When you’ve been working all your life you can’t stand sitting around all day doing nothing.’
[Unemployed, NT]

‘Getting out a bit – not sitting at home doing nothing.’ [Low paid, Brisbane]

‘Had to do something. Kids are all grown now.’ [Community Development Employment Project participant, Aboriginal woman, Townsville]

For others it was about combining passion with earning a living:

‘I have done lots of crap jobs and I think work should either support you to do something else that you are really passionate about or you should be passionate about your work, which I now am for the first time in my life, and that’s a real difference in work for me… so my whole concept of work has changed now.’ [Low paid, Melbourne]

‘I have swapped jobs a lot and I am sick of doing that. So now I am thinking – what is it that I really love doing? And that’s why I want to make my art my job. That’s really important.’
[Low paid, Melbourne]
Young people (living with parents) – Thinking about young people, their reasons for working depended on whether they were living independently or living with parent(s). If they were living independently then they too were very much aware of the ‘needs and wants’ elements discussed above, whereas if they were still living with their parent(s) then working was generally more about their wants (even though they might describe them as needs).

In addition to the main themes presented and outlined above, young people offered additional perspectives on why work? Most young people were aware that it was their capacity to obtain and hold a job that would take them out into the world. Thus, for many, working brought with it the prospect of…

‘Independence.’ [Juniors (leavers), Adelaide]

‘Makes me feel like a grown-up.’ [Juniors (mixed), NT]

‘Starting adult life – taking on adult responsibilities.’ [Juniors (leavers), regional Queensland]

‘So I can pay for myself and parents don’t have to pay for everything for me.’ [Juniors (mixed schoolies and leavers), NT]

‘To stop my parents nagging me.’ [Juniors (mixed schoolies and leavers), NT]

Interestingly, while many of the juniors (leavers) who were living with their parents may have been paying an amount for board, this was often only nominal, and many of them were not required to contribute in any other way to the household. It was the exception who said they had to physically contribute in any meaningful way.

‘My mum wants me to cook three times a week.’ [Juniors (leavers), Adelaide]

It would seem that because they had their basic needs taken care of by their parents, many of the young people in the groups did not think about working in terms of being able to meet their own needs. More often, ‘needs’ seemed to be the ability to be able to get around (i.e., have a vehicle) or to have a social life. Thus many young people in the groups talked about being able to afford such things as a vehicle, fuel or a social life.

‘I need money for petrol.’ [Juniors (mixed), NT]

‘I spend it all on my social life. I only have $15 in my bank account after 12 months of work.’ [Juniors (schoolies), regional Victoria]

‘I just work so I can go out more. The more time I work the more time I can do other social things.’ [Junior (leavers), Adelaide]

However, there was also a definite belief that work was fulfilling and helped the individual feel they had achieved something with their life: ‘A sense of achievement. Self-esteem.’ [Juniors (mixed), NT]
In one location the discussions with young people also incorporated a short written exercise called 'Ideawriting'. This consisted of written answers to three questions:

1. If a school friend asked me what I thought they'd like about doing the job I do, I'd say…
2. If a school friend asked me what I thought they wouldn't like about doing the job I do, I'd say…
3. The advice I’d give to someone who was thinking about taking a job that pays the same as the one I have is…

The responses given for each could be clustered into a number of broad themes:

**What their school friend would like about the job they do:***

- **the pay** (e.g., *the pay is good*)
- gain some skills/develop personally (e.g., you will gain some useful skills (that you can use when you travel overseas; your creativity is nurtured)
- **atmosphere** (e.g., *you’ll work with great and friendly staff; can have fun there; get treated with respect; friendly and relaxed atmosphere*)
- **convenient work times** (e.g., *can work on weekends*)
- **availability of work** (e.g., *there’s a lot of work available*)
- **type of work** (e.g., *the type of work is good; you’re not run off your feet all the time*)

**What their school friend would NOT like about the job they do:**

- **the pay** (e.g., *the money sucks; you need to check your pay every time to make sure it’s right*)
- **the boss** (e.g., *the boss is manipulative; boss can be very demanding*)
- **the hours/expectations** (e.g., *hours can get out of hand; early starts and late finishes*)
- **occupational ‘hazards’** (e.g., *dealing with the public – some are really mean and rude; burns from frothing the milk for the coffees; getting rashes from washing dishes*)

**What advice they would give their school friend about taking a job similar to theirs:**

Advice that would be given was mostly about the money (e.g., you can save heaps of money; take it if you can’t find something better paying; try to find a better paying job; don’t do it just for the money; be passionate about it; don’t settle for less than you are worth; find out what options there are for increasing your pay in the future; make sure the money is appropriate for the type of work you will be doing). Other advice included:

- **try it out** (e.g., *give it a go; take the job if you like it*)
- **maintain a balance between work and life** (e.g., *make sure you manage your time efficiently and balance school, work and study*), and
- **atmosphere** (e.g., *you’ll meet good people; it’s good fun at work*)
3.2 Quality of life

A key concept spoken around in many groups was that of quality of life. The role of work in people's lives was often determined by their other chosen priorities or life circumstances. Work was discussed in the context of people's broader life experience which varied across the groups given the age, life stage and family status of participants. Most participants including young workers and adults spoke of choices and trade offs they had made in seeking a better quality of life. However, there were some participants whose comments did not reflect this same feeling of control over their own situation. A range of different attitudes towards life and one's circumstances, together with varying levels of financial literacy frequently lead to discussions about choices, living within your means and the issues for achieving a good quality of life on a low income.

3.2.1 Work in context: priorities, choices and tradeoffs

As outlined earlier, the wide range of circumstances of individuals and in particular their age, life stage and family status presented a range of different contexts in which work was considered. While work was clearly of value and offered participants a range of rewards from basic needs to wants and personal fulfilment or social good, for many, work competed with other priorities and life choices such as:

**Wanting to have a family** was seen by some as an event that required careful planning and saving, whilst for others it was seen to conflict with obtaining a higher paid job, which was likely to involve less flexibility and increased hours.

'I work full time now; it's a good job. I have been there three years but I want to have a family so I won't stay in this job… I can't work part-time there; it's full-time or nothing.' [Low paid, female, regional NSW]

'I need to earn money to save to buy a house. I can't afford to plan for children yet.’[Low paid, Chinese female]

**Spending (quality) time with the kids** was also seen as important. This manifested as claims that children are not being brought up properly. This was an issue of particular pertinence to mothers returning to work.

'(I don't like) not being able to spend enough time with my kids when I really want to.' [Low paid, Bulletin Board]

'I used to do shift work when my kids were younger… due to rostering [I] could often get time off to participate in their school activities.’ [Above average income, Bulletin Board]

'I didn't have children so that I could put them into day care. You miss too much of their lives.’ [Low paid, regional Victoria]

'It is family first… then I fit my work into that… It has always worked for me. If the job did not suit my family needs then I would not pursue it.’[Above average income, Bulletin Board]
For others it was about travel, buying a house, or jobs that fitted well with studying...

‘Hospitality suits me now because it is very flexible and the money is good and I have got four days a week I can do my photography. And I enjoy it – I like talking to people, I like food.’ [Low paid, Melbourne]

‘I work so I can afford to do the things I want to do. I only have a limited amount of time to do that so the more I can earn in those hours the less I have to work to afford the things I want to do. I don’t want to sacrifice my lifestyle for some job. I want to go to my dance classes. I have lots of jobs anyway to be able to afford to do the things I want to do.’ [Junior (leavers), Adelaide]

For each of these individuals, work played a different role in their life given their particular context. Many recognised that this would or had changed over the course of their lives.

‘This job is purely while I am studying. I have been doing it for a long time but I am hoping not to be doing when I finish studying. It’s convenient now; it fits around my study.’ [Low paid, Melbourne]

‘Now I don’t have any responsibilities. Later in life I might have a house and kids then I will need to think about that [a different job].’ [Juniors (leavers), Hobart]

‘When you are doing the ‘means to an end’ type jobs, you can do that for ten years or so and then you might be getting paid two dollars an hour more than you were ten years ago and that’s what has changed my mind a bit. You think – where do I want to go with this. Do I want to be doing this in another ten years?’ [Low paid, Melbourne]

Choices about work were also said to be influenced by practical issues, particularly when incomes were lower. The geographical location of jobs and transport considerations had an obvious impact on the time available for other activities which, in turn, influenced overall quality of life for some individuals.

‘Hospitality jobs are really easy to get and I wouldn’t work any further than ten minutes away from my house. If it’s an hour each way, it’s like an extra two hours you are working and not getting paid.’ [Low paid worker, Melbourne]

‘I only ever look for jobs in the local area.’ [Low paid worker, Melbourne]

‘It’s good to have something not too far from school. Then you can pick them up… you can go there quickly if you need to.’ [Unemployed, regional Tasmania]

Further to this, the types of jobs and levels of intensity of work were also a consideration for some participants. ‘How hard do I want to work?’ and ‘How much do I want to work?’ were questions some participants had asked themselves in making choices about work. This was evident for a few who were older and had health impacts from physically taxing occupations; from working parents who were juggling family responsibilities which made for long, tiring days when combined with paid work; and was also raised by some younger workers who were relatively new to the labour market.
'I work in a production house and it’s a lot tougher, more physical than some other places. You hear lots of complaints. Some of the others are older and they don’t like moving heavy things.' [Low paid worker, Melbourne]

'I try to find work that is not overly taxing, which is good for stationary – it’s indoor work with no heavy lifting. I have already done five years of casual labour in retail and carting papers in a newsagent… so I don’t feel like I need to do that any more.' [Low paid worker, Melbourne]

‘One day I was up on the roof and I said, “Bugger this, I want something easier.”’ [Unemployed, NT]

'I got a job at [company name] because it’s quieter; it’s in a quieter place. I used to work at (other store) but it’s not as busy where I am now, not as many customers, it’s easier.' [Junior (schoolies), Sydney]

The interaction of work with the welfare system was an issue raised in some groups, particularly those with unemployed people or intermittent workers who were more marginally attached to the labour force. Choices about how people balanced their desire to work were also reliant on government allowance and the various tradeoffs associated with increased hours of work. This included consideration of losing benefits (health care cards and rent assistance) and/or the ‘hassles’ with constantly updating Centrelink and having variable payments if they worked casual jobs. This was reported by a few to be a deterrent to working too many hours.

'I earn only an extra $80 a fortnight compared to if I stayed on the parenting payment and stayed at home.' [Low paid, Aboriginal woman]

'I only work the hours I need to. Besides, if I worked any more then I would lose money from Centrelink.' [Juniors (leavers), Hobart]

'I have a few casuals who tell me they can’t work more than two days a week because they will lose everything [Centrelink benefits]. They have worked it out. It doesn’t really encourage them to work.' [Employer, retail, Melbourne]

Other employed/employer groups also frequently raised the welfare system when discussing minimum wages. (See Section 4 for full discussion.)

Employers recognised that some workers, particularly younger workers, were somewhat discerning about their employment choices and working arrangements. Some commented on employee attitudes to work and decisions about the hours or shifts they were prepared to do in seeking a certain quality of life.

'I have the young ones but they can’t work, they want to play netball, they have things on… they only want to work when it suits them.' [Employer, retail, Melbourne]

‘They [uni students] want the weekends and full-timers don’t like the weekends, so it works well.’ [Employer, retail, Melbourne]

A few employers recognised that understanding and providing employees with flexibility helped to retain good employees. Other employers were also conscious that even though employees were casual and wanted flexibility in hours, they also sought some certainty and consistency in their hours of work. Providing some certainty was reported to help in managing a steady casual labour force over time.
‘I know I like consistency so that’s how I treat them [casuals]… If it’s not busy and I want to send them home, they might not come back; they might get another job… I don’t like to stuff people around… Even when it’s in the quiet months I like to give them all at least some hours. Even if it’s only four hours a week, at least I see them once a week.’ [Employer, hospitality, regional NSW]

Some were keen to take advantage of the hours and lifestyle of the available workers, creating a situation which suited workers and employers. Others acknowledged that some people ‘just wanted a job’, and some felt that casual workers expected they would be on call and might look for these arrangements.

‘You have to find good people and have enough people who can work at different times so that you can cover everything. Throughout Christmas time casuals are contracted. Lots of people who go to school, who just want to work for extra money for a car… the contracts are from November to January. The incentive for them is to make a lot of sales then you would keep the good ones on. There are some people who come in each year just for the Christmas contract. It’s good to have that flexibility.’ [Employer, retail, Melbourne]

It was mentioned by some workers and employers that ‘other employers’ were not as accommodating of the desires of workers in this regard.

3.2.2 Living within your means: financial literacy

As discussed in Section 2, low paid workers are not a homogenous group. The different life circumstances such as overall household income, dependent children, etc., meant that different experiences were reported with regard to managing money and the need to focus on living within their means (i.e., not everyone was in a low income household). Despite the diversity, living on a low household income was a central issue for many participants in the consultation. How well a person can manage financially on a low wage or government allowance was said to be a very important factor in attaining good quality of life, and being able to live within your means was described as the main way of achieving this, by both adults and juniors.

The various anecdotes shared through the group discussion revealed that approaches varied depending on attitudes to money, lifestyle and the cost of living, levels of financial literacy and skills in budgeting. One group of workers were particularly content with the lifestyle they had chosen despite being on low incomes. These participants were younger and single with fewer financial responsibilities but all were living independently or not reliant on partners or family and came from a major capital city.

‘Quality of life is how well you can live with how much money you earn.’

[Juniors (leavers), Adelaide]
Aaron

Aaron decided to move from one capital city to another for lifestyle and environment. He came to Melbourne on holiday and a scouting mission for opportunities. He went around and gathered about ten business cards from businesses providing the same services and where he wanted to live. He then emailed résumés when he got back to Sydney. He found a job easily doing what he had been doing for ten years in Sydney. He works 38 hours a week in a permanent job. He has enough money to get by and live simply. He chooses not to own a car and uses public transport. He is not interested in buying a house. He wasn’t looking for more money or more responsibility in his job even though he had experience. He was interested in a job that meant he didn’t have to work too hard and had time to enjoy his life outside of work. He chooses to spend time on activities that don’t cost a lot of money and is not interested in acquiring assets, so a low paid/low responsibility job suits him.

[Low paid, Melbourne.] *Name changed

Some participants reported that if a person could budget and manage to live on the money they earned they would generally have a reasonable quality of life. Many participants expressed a very pragmatic view in relation to budgeting and living within their means:

‘Of course you can only afford to have and do what you can afford to pay for. So if I had more money, I would do more things. My pay rate is currently low, so I only do what I can afford.’ [Low paid, Bulletin Board]

‘Because I earn not as much money as I would like to, I have to cut down on going out and budgeting [sic] my money a lot better.’ [Low paid, Bulletin Board]

‘I get angry with people who can’t manage on the money when they’re on the dole. You have to live within your means. There are lots of little things you can do to cut down. Cut down on clothes and second hand furniture.’ [Low paid, regional SA]

Many claimed that it was becoming increasingly difficult to get by, as costs continued to increase. In a few locations it was claimed that increases in costs outstripped increases in wages.

‘Very, very slowly, in small increments so that we hardly notice, we are getting further and further behind.’ [Low paid, Brisbane]

‘The price of everything seems to be going up but my minimum wage hasn’t.’ [Low paid, Bulletin Board]

‘Cost of living goes up all the time whereas some companies don’t tend to do their annual reviews, so you are actually going backwards.’ [Store manager, retail, Melbourne]

In addition to some making a conscious choice to live simply within their means, other participants appeared to adjust to lower incomes and were not seeking more income or better paying jobs. Participants talked about the different strategies they or others used in order to manage, including:
Budgeting: Living within your means meant understanding what you can afford to buy and being able to budget – balancing expenditure against the money coming in:

‘Having your own money and learning to budget it.’ [Juniors (leavers), Adelaide]

‘Of the money we get, by the time I take out money for food, the phone, the rent, and everything else, there’s nothing left over. Not even enough for a beer.’ [Return to work, Brisbane]

‘Because I don’t earn as much as I’d like to, I have to limit my entertainment spending, which is a good thing because I should really be saving for a deposit for a house. But it’s hard to save when you are only 21, wanting to go out and explore the world and on a minimum wage.’ [Low paid, Bulletin Board]

The ability to manage well on the income received was seen as an achievement; those who managed seemed proud of the fact that they could do it. Several participants across all the groups also pointed out that it would be lot tougher if this were America, where there was no unemployment benefit or no capacity to get income supplements or rental assistance.

Other strategies that people used to help them manage included reducing their expenses, boosting their income or accepting external support.

Reducing expenses: The primary strategy that was talked about was to reduce expenses, and this usually involved a re-categorisation of needs and wants. Things that formerly were seen as essentials might no longer be thought so, thus while a mobile phone might have previously been seen by many (especially the children, according to parents) as a requirement (an integral part of maintaining a social life), it was something that was categorised as a ‘luxury’ when times got tough.

‘My son wants to get a new mobile phone because his old one isn’t fancy enough. He wants one with a camera and Internet access. He has no idea.’ [Low paid, regional Victoria]

‘You change your lifestyle to fit the amount of money you have.’ [Juniors (mixed), NT]

Another way of reducing costs that was mentioned by a couple of people was reducing the food bill, by eating low-cost items:

‘Some families either don’t eat or they eat rice every night when the money gets low. They just add different things to it for a bit of variety.’ [Return to work, Brisbane]

‘Prices have gone up; people are only buying essentials. Cut down on the luxuries.’ [Low paid, regional Victoria]

‘Non-essentials get the miss these days. People are tightening their belts.’ [Low paid, regional Victoria]

Increasing income: For some people on low pay, one way to make ends meet was to either increase the number of hours worked (with one employer or an additional employer) or to find an alternative job that pays a greater amount for the same hours. This is discussed further in Section 3.3.

‘When I need money I just go out and do one [trades] job. I can manage doing that because it’s only for a few weeks.’ [Unemployed (on parenting payment), NT]
Outside support: In the worst case, one person talked about attaining support from a welfare agency.

Coralie*

Coralie has been registered for work with a disability Job Network for two years. They told her they would help out with training and equipment for vision impairment, but she reported that nothing has happened. She has numerous ongoing health issues. She feels she can’t get the training she needs in order to be employable and she reported feeling pressured by Centrelink to be working. She has a tertiary qualification and in the past really wanted to start her own business, however she has also developed a vision impairment (catarrhs), which was made worse by the drugs she has been on for her other illnesses, and that has made it impossible for her to do much because she now can’t see to read. She and her husband, who works in a low-paying job, have two children aged 19 and 15. She says she periodically has to go to welfare agencies for food.

[Return to work, Brisbane] *Name changed

Saving: Saving seemed to be more widely mentioned amongst juniors than it was amongst adults.

‘When I was 13, I saved up for a car and once I had one I just spent it.’ [Juniors (leavers), Adelaide]

‘You spend what you earn. The more you earn the more you spend. You save up to get what you want.’ [Juniors (leavers), Adelaide]

‘I hope in the near future I will be able from our savings to find a place to start our supermarket.’ [Low paid, Chinese female]

However, this might be the result of juniors having fewer responsibilities due to living with their parents, and many adults believing that they had no capacity to save, since some adults claimed they were battling to make ends meet:

‘I find I am getting further and further behind. Years ago I used to be able to save to buy a new TV or fridge or whatever. Now my savings go on living expenses like telephone and power.’ [Low paid, Brisbane]

In considering how they need to tightly manage their money it was claimed by a few people that banks make it hard for the low paid. Their primary complaint was the (high) interest rates charged on credit cards. It was also claimed by one or two participants that some people don’t really understand the concept of ‘credit’ and therefore do not know how to manage their credit card. But it was also apparent that others did understand how to manage credit.

‘Yes, you can get to live outside your means with a credit card.’ [Return to work, Brisbane]

‘I refuse to have a credit card. I don’t buy anything unless I can pay cash for it. It’s too easy to get out of hand.’ [Unemployed, NT]

For younger workers in the discussion groups, different attitudes to money were observed depending on their living arrangements. Young people living at home reported having fewer expenses and that it was on leaving home that they usually became financially responsible
for themselves. Many older teenagers concurred with views expressed by parents that the true value of money was not obvious to them until it was their own money they had to spend. There was also an acknowledgement that there was satisfaction to be gained from doing things for yourself, however this was together with awareness that parents may still act as a back-stop, if need be:

‘Earning your own money changes the way you think about money. I used to make my parents spend a lot of money. If your parents are shouting, you buy the best; now I buy what I can afford.’ [Juniors (mixed), NT]

‘I took it all for granted; now I realise you have to work to get things for yourself.’ [Juniors (mixed), NT]

‘I appreciate it more – it’s my own efforts.’ [Juniors (mixed), NT]

‘Parents always bail you out – even though they threaten not to.’ [Juniors (mixed), NT]

Financial literacy could well be an issue for low paid workers (younger and older), however as this was not directly canvassed in every group, understanding about the extent to which this could be contributing to current living standards and decisions about working would require further investigation.

3.3 Decision to work and working patterns

Group discussion covered a range of scenarios and choices that people made about work and working patterns. Decisions people made depended on the perceived value of work and the role work played in their life (see previous discussion). However, regardless of the role of work – which job, how many hours, what arrangements, for whom, etc. – a number of shared experiences and common issues for those in the labour market. For unemployed people the decision to work at all and, if so, in what capacity was also explored. There were a range of decision factors highlighted through this discussion which are outlined in the sections to follow. Experiences looking for work provide further context for the discussion of wage rates and determinations presented in Section 4.

3.3.1 Decision factors

The level of freedom and flexibility individuals reported about their work decisions varied by labour market (industries and locations). In seasonal labour markets, for example, workers had more choice in boom times but needed to be less particular in quieter times. Similarly, in areas of skill shortage, workers felt they had more choice and a greater ability to command a higher wage.

Decision making processes were also affected by the extent to which individuals reported having control over their situation (refer also to Section 3.3.4 Attitude and Outlook). In general younger people appeared to be more likely to make trade-offs for more money:

‘I am saving for a house so [pay rate] makes a huge impact. I just took a big pay rise; I will sacrifice lifestyle for a year or two to make some money.’ [Above average wage, Bulletin Board]

Other workers (both older and younger) were more discerning with regard to the quality of life issues outlined earlier and in some cases reported being prepared to sacrifice money for one of the other factors:
‘Pay rate in my job increases as the operational side decreases. I prefer to remain operational, so I choose to take a lower pay rate.’ [Average income, Bulletin Board]

‘I used to work as a receptionist and it was good money but I got sick of working in an office. I did retail and that’s about $5 an hour less but I wanted to get out of sitting in an office; I hated it.’ [Low paid, regional NSW]

‘There are always times when you have to make sacrifices, and if a job was going to pay less but would eventually get me to where I want, I would consider taking it.’ [Low paid, Bulletin Board]

The decision to work involved a complex analysis of many different factors. In summary, the factors included some of the following:

- family considerations
- work logistics and environment
- type of work
- employer attitudes and workplace culture
- cost of living and cost of working

**Family considerations** including the capacity to work from home (usually parents with young children), the availability and affordability of child care and family commitments featured quite highly in the discussions amongst those in the different (adult) groups included in the consultation process. There were a number of facets to these considerations, the most frequently mentioned being the need to provide for the children:

‘I like my current job. I believe I am capable of much more but family commitments come first. Perhaps when my children are older (if I am not too old by then) I would consider pursuing promotional opportunities.’ [Above average wage, Bulletin Board]

‘The job I have now is in school hours which is a good thing, and I think I will be in this job until my little one is old enough to look after himself after school.’ [Low paid, Bulletin Board]

‘The most important thing is finances, especially if you have children. You must work hard.’ [Low paid, Chinese female]

Other factors of importance might include:

- **Choosing or changing a job in consultation with the family**, because the family’s input is important:

  ‘My kids asked me to stop working night shift after two [fruit] seasons. I hardly saw them as I had to sleep in the daytime. The kids hated it.’ [Low paid, regional Victoria]

  ‘My firm folded up their operation here and offered me a job in Melbourne. I talked to the wife and kids but they did not want to go, so we decided to stay in [place]. Luckily I found another job quickly.’ [Low paid, regional Victoria]

- **The need to provide children with good role modelling** – i.e. illustrating a ‘good work ethic’:

  ‘It doesn’t really matter what the job is – as long as it’s a job, and they see you working hard at it.’ [Unemployed, NT]
‘Kids need to see the work ethic and have good values.’ [Return to work, Brisbane]

‘I want my kids to see me working. I want to be a role model for them.’ [Low paid, Aboriginal woman]

Mothers were often faced with the choice of putting their child(ren) into child care in order to return to or undertake work. Several women raised the issue that staying home for an extended period of time to look after children may make it difficult to find employment due to skills becoming outdated or lack of confidence.

**Work logistics** including the hours of work, ability to work around school hours (particularly for mothers) and study commitments (for both juniors and those studying part-time) were key factors impacting working decisions. (Refer to ‘quality of life’ discussion in Section 2.2.) For some participants, travel logistics were an important consideration:

‘They sent me to a job interview in [place]. It was going to take me an hour and a half to drive there. Why can’t they send someone who lives over there to the job? It would not be worth it for me.’ [Unemployed, Adelaide]

‘Public transport is bad in [place]. Buses are irregular and they don’t go anywhere you want to go.’ [Unemployed, NT]

‘If you have to work late, you can’t get home.’ [Unemployed, NT]

‘The buses are unsafe. People are always getting bashed up on the bus – including the driver.’ [Unemployed, NT]

‘It’s still a long walk home when you do get the bus.’ [Unemployed, NT]

The physical **work environment** was a negative factor for some participants, for example in hot climates like Darwin when there was no air-conditioning or in dirty or unpleasant (e.g., ‘smelly’) workplaces such as on a poultry farm or in a cheese factory.

As a highly relevant issue for most people, the **type or nature of work** was an area that received considerable comment. Especially amongst juniors, a hierarchy of job types was evident, with work in particular industries being seen as more desirable. For example, working in retail was seen to be more desirable than working in the fast food industry.
Hierarchy of jobs

In one location (regional Victoria) juniors (schoolies) were asked to workshop the idea of good versus bad jobs. To do this they were asked to place all the sorts of local jobs they could think of onto a continuum of good to bad. They were then asked to nominate what features made a job good or bad. The results of this exercise are shown in Figure 4.

**Figure 4: Good and bad jobs and features of jobs**

**Good types of jobs**
- Restaurants
- RSL clubs
- Bank
- Supermarkets
- Bread factory
- Retail
- Butcher
- Washing dishes
- Kebab shop
- Fast food outlet (chicken)
- Fast food outlet (burgers)
- Chicken farm/factory

**Features of good jobs**
- Good money
- Good (fun) co-workers
- Good hours
- Friends able to visit
- Learning new skills
- Getting experience
- Time management
- Being busy (time doesn't drag)
- The boss

**Bad types of jobs**

**Features of bad jobs**
- Bad money
- Dealing with the public
- Bad hours (too many; too little; only available at inconvenient times)
- Bad for health
- The routine
- Bad work

The discussion revealed that for juniors the defining characteristic of ‘good’ jobs was that they were of **high status** (e.g., working in a restaurant, because the money was good) and bad jobs were seen as being of **low status** (e.g., working in a chicken factory, because of the nature of the work – all those chickens and raw meat – and the perceived negative health impacts of working there. The one exception that was then pointed out in the hierarchy they had agreed on was working in a supermarket. While on one level that was seen as ‘good’ (i.e., clean work and reasonably well paid for the type of work), it was also seen as low in status.

Interestingly, while **good money** was at the top of the list of desirable features, there were said to be worse things than **bad money**, namely dealing with the public, bad work hours and negative health impacts. However, at the end of the debate it was apparent that despite the unanimity of the hierarchy outlined and taking into account the acceptability of the general broad principles participants agreed on, there were jobs that some people believed were more desirable (better for them personally) than others.
Employer attitudes towards employees, both negative and positive, and workplace culture played a part in decisions to work. Many participants in the consultation were positively motivated by aspects of their workplace culture; for some it provided a social outlet and the opportunity to interact with their co-workers, while for others a supportive environment provided a sense of accomplishment and self-worth.

There were a number of facets to these considerations:

• Positive interactions with co-workers:
  ‘I enjoy the interaction with other like-minded people. I like the type of work I do as it is always a challenge. I have met lots of great people through my work.’ [Average income, Bulletin Board]

• The social interaction with colleagues and clients was seen as a positive aspect of working. In response to the question, ‘What are the good things about working?’, many participants mentioned the people they work with, the social aspect of work and interaction with other people (mentioned particularly by women with children).

Indigenous women in particular valued the sharing of common stories and broadening of social networks and friendship circles facilitated through work.

‘It’s really good when I’m here. I get to meet other women who are like me and know what I go through.’ [CDEP participant, Aboriginal women, Townsville]

The cost of living and the cost of working:
The costs of actually working were an important issue for low paid and unemployed people. These tangible costs can mean people decide it was not profitable for them to take a particular job. The costs associated with working very often entered the debate when talking about jobs and working in general. These costs include such things as:

• Buying appropriate clothes
  ‘You need clothing to go to work – extra clothes if you have to work in an office for example, if there’s no uniform. And shoes. Also need make up and crap like that. Plus the petrol to get there.’ [Return to work, Brisbane]

• Loss of the Health Care Card: For those on unemployment allowance or low pay, the cost of working debate includes the analysis about at what point the Health Care Card might be forfeited.

• Loss of subsidised housing: Particularly in Darwin, much was made of losing subsidised housing if a person were to earn too much money over a period of time:
  ‘Housing is a big issue in Darwin!’ [Low paid, Brisbane]
  ‘More or less forced to buy a house here. Can’t afford to rent.’ [Low paid, Brisbane]
  ‘Once you earn over $1000 a week you are not eligible for government housing.’ [Low paid, Brisbane]
  ‘When my marriage broke up I got a Housing Commission house. I am really lucky. A lot of people are not so lucky.’ [Low paid, Brisbane]
‘When I was 16 the older I got the more the rent when up. The rent has gone up even more with my brother turning 18. The older we get, I don’t know where it stops but the more we earn, the more it goes up.’ [Low paid, regional NSW]

- **Child care:** People (particularly women returning to work) reported factoring in the costs of child care to any decision to work. Mothers noted not only the price of care but also the difficulties in finding a suitable available place and balancing the workload between home and work – all costs to the family.

  ‘There just isn’t any child care. Once your kids are over 12, what are you supposed to do?’ [Unemployed single mother of six, regional Tasmania]

  ‘The other night when I was driving home I saw this young woman leaving a local child care centre. It was dark and she had a backpack on her back and was carrying a baby and had another little kid by the hand. I thought to myself – she must be so tired when she gets home and then she probably has to get the dinner, clean up and then do it all over again the next day.’ [Return to work, Brisbane]

### 3.3.2 Stepping stones

Many participants, particularly juniors, talked about low paid jobs as a stepping stone toward other things. Being able to ‘get your foot in the door’ and have something on your résumé, recent work experience, etc., was a motivator and made lower levels of pay more acceptable for many and a non-issue for some.

  ‘I try and give myself work experience [through different casual jobs]’ [Low paid, Aboriginal woman, Sydney]

  ‘I was sick of being on the dole and tried really hard to obtain a job. At the time I was lucky to be offered a job as a packing process worker, which I took right away even though it was not the kind of job I wanted.’ [Low paid, Vietnamese male, Melbourne]

  ‘I will take on a job if it will bring me closer to my career goals.’ [Low paid, Bulletin Board]

Kathy*

Kathy is a single mother who is the sole provider for her two children, the youngest of which is 12 months old. Karen took redundancy from a reasonably well paid job several years ago to be a stay-at-home mother. After a period of voluntary work in catering to keep her skills sharp, Kathy has recently taken a job in corporate catering, which pays significantly less than her previous job. She sees this as an issue personally in providing for her children, but professionally as a positive move because she can see how she will move up within the organisation, have interaction with professional, driven people and receive training without incurring the cost herself.

[Low paid, Indigenous women, Sydney] *Name changed

While views on junior rates varied (see later discussion), many juniors working in their first jobs accepted that without work experience they could not ask for high wages.

  ‘You need to have some work experience; you need something on your résumé.’ [Junior (leavers), Hobart]
Some reported that it was skills and experience that gave them choices:

‘Working in the restaurant makes it easy to find a job. You learn a lot of skills and it makes it easy to look for another restaurant which might suit you better. They say once you get into the restaurant world you can move around easily if you have good skills. This means you can make some of your own decisions. If the boss is too mean you can move on. If the workmates are not giving you fair treatment, you don’t have to feel trapped.’ [Low paid, Chinese male]

‘I picked any job because any job was better than no job, and they wanted to keep me there so they kept paying me more. I started off as the lowest paid and now I am the highest paid. As you go up in skill level you get paid more. They encouraged me to go up in skills level. When I first started out I figured any sort of pay is better than none at all... One day I want to run my own business.’ [Low paid, regional NSW]

For some culturally diverse communities, notions of career advancement, skills development and moving out of a job were reported to be unfamiliar to them:

‘In China we did not need to worry too much about pay rates, location, hours etc.’ [Low paid, Chinese male]

‘In the past in China, after job or career training/education, you were assigned jobs. You did not have a choice for the first two years.’ [Low paid, Chinese female]

A number of working Indigenous women felt that through work they were able to develop their skills set. Developing skills as a part of work was seen more broadly as contributing to a greater sense of self-worth. However, in the main there was little discussion among Indigenous participants regarding specific skill development for careers, other than those on apprenticeships or with a clearly defined role and workplace.

‘I try and give myself work experience [through different casual jobs].’ [Low paid, Aboriginal woman, Sydney]

Education held great significance to a number of participants, offering opportunity and a chance to move out of low paid work. In particular, parents from culturally diverse backgrounds were keen to ensure their children had access to a good education. Some individuals and families reported being very time poor and struggling to meet the cost of living. This in turn prohibited individuals from studying to develop further skills to move out of a low paying job, or taking the time to look for other work as they do not have the time or the finances to undertake these steps:

‘Training and education to me are the way out of a low paid job. But it costs to get that, so it seems a bit of a catch 22. Can’t pay for the training, can’t afford the time to go, can’t pay for someone to look after the kids to train, etc., etc., Sometimes it may just be the luck of the draw, in the right place at the right time with the right person and they can get you out of the hole. But often, it’s a no-win; people just get stuck there. Sometimes, they also don’t want to move out of the safe zone that they are in.’ [Low paid, part-time worker, Bulletin Board]

‘I spent nearly $10,000 on study to get my registration here, but because of my limitation with English I could not work in a hospital. I was lucky that they recognised some of my subjects, otherwise I would have had to spend $15,000 to qualify.’ [Low paid, Chinese female]
When I studied for the child care, during those two years, I had to care for my children. Nobody helped me. I just had 3 or 4 hours sleep: from 3.00am to 6.00am. I am content now to have the kindergarten job even with a small income, as well as being able to look after my two girls. [Low paid, Chinese female]

Individuals who may have professional or trade qualifications from their country of origin are unable to gain recognition for these qualifications or gain credit for their studies if they choose to study in Australia. Some participants reported being unable to use their qualifications to gain better employment due to poor English skills. For these individuals the experience is frustrating and depressing, as many only have the option of entering into an unchallenging job which is low paid.

Jimmy*

Jimmy arrived in Australia more than six years ago. He worked in China as a marketing representative for an air-conditioning company. Poor English meant he could not find such a job here. He has to work as a kitchen hand in a Chinese restaurant, full-time. He feels that he cannot afford to go looking around for better paid work because he has a child.

I have no choice but to work in a Chinese environment in the restaurant kitchen. There is no other possibility. If you want to survive, you need to work.

[Low paid, Chinese, metropolitan area] *name changed

A number of participants were undertaking vocational studies and believed that study will enable them to secure a better job in the future:

I got ahead by studying, both on-campus and through external studies, so I could get ahead. Education is the way out, I think. It is a choice if one doesn’t want to educate oneself. [Low paid, single mother, Bulletin Board]

Ken*

Ken is aged between 21 and 35 years and is from Vietnam. He is single and has been living in Australia for the past 10 years. Currently he is studying a Masters degree in the field of Business Administration and on the side he is working in a casual clerical job. Ten years ago as a newcomer, he was studying part-time Bachelor of Arts, Accounting and working part-time as a kitchen-hand/coffee maker to fund to his study. At that time he thought the job he had was a good one as it gave him a chance to develop and practise his English. After obtaining an Accounting degree and wanting to have a better future, he was determined to do further study – an MBA which will hopefully lead to a better income, more employment opportunity and more control in life.

[Low paid, Vietnamese, metropolitan area] *name changed
3.3.3 Looking for work

The experiences of looking for work and moving from one job to another varied across the groups. A range of issues were reported as affecting a person’s competitiveness in the labour market including skills, experiences, qualifications, health and attitude. Those in more buoyant labour markets reported greater ease of mobility between jobs. Juniors in particular often reported the ease with which they had found their second or third job. These experiences were in contrast to the long-term and older unemployed who were less positive about their search for work and their opportunities for better or different work. Recent migrants to Australia also reported experiencing a number of challenges when first looking for work, such as racism, lack of English proficiency and no acknowledgement of previous skill sets. Employers also shared a range of anecdotes from recent recruitment experiences which further inform the discussion of entry into and movement within the labour market for workers.

Job search experience

Participants shared experiences of their current and previous jobs and how they had come to find these positions. Through these stories it was evident that many had found jobs easily while others struggled more with finding the right opportunities:

‘People tell you there are no jobs out there… That is not so… There are plenty of jobs out there. I am in my 40s and have trained, skilled and studied myself into a high paying job with benefits. If you know exactly what you want and make a plan to get it, I can see no reason why you could not achieve that goal you are after.’ [Above-average income, Bulletin Board]

Many participants from non-English-speaking backgrounds reported that they were unable to get the jobs they wanted due to their poor English and as a result are only able to take on jobs which do not require communications skills, such as unskilled work or jobs within their community where their own language is spoken, such as in a Chinese restaurant. A number of respondents also noted that their poor English language skills make them a target of racist remarks and discrimination.

‘The lack of English, qualifications which are not recognised here, and missing out on good luck, makes it hard to get the job you want.’ [Low paid, Chinese female, Melbourne]

Jasmine*

Jasmine arrived in Australia from Vietnam with no professional skills and not being able to speak English. She chose to work as an outworker as she was not confident looking for any other type of job and could not speak the language. Working from home she was able to look after her child and earn money, even though it was a small amount compared to other jobs.

After joining the outworkers’ network she was given the opportunity to study English and to undertake a childcare course. She felt that this represented an opportunity to change her life. After completing the course she obtained a full-time position as a childcare worker.

[Low paid, Vietnamese, metropolitan area] * name changed
Some participants in labour markets with fewer opportunities felt that while there was work, the type of work was limited to casual jobs only, or to work in locations or for employers that was not appealing (e.g., factory work, farming, physical work). Particular industries were also said to only offer casual jobs with limited hours so making up a full-time wage required finding multiple jobs:

‘There are only really casual jobs here.’ [Unemployed, regional Tasmania]

‘It’s hard to get a full-time job here. Lots of people have lots of casual jobs.’ [Employer, hospitality, regional NSW]

Ways of finding employment varied. Juniors, in particular, reported finding employment via word of mouth or personal recommendations:

‘My sister got me a job at [retail outlet]. She already worked there.’ [Juniors (leavers), Adelaide]

‘Yeah, most of my jobs have been through friends already working there.’ [Juniors (leavers), Adelaide]

‘It’s more about who you know, not what you know. I had a job at [a fast food outlet]. A mate from there got a job at [name] and then she told me they were looking for more people, so I went there.’ [Juniors (leavers), Adelaide]

Those who were unemployed and eligible for government employment services spoke of these agencies and assistance with mixed views:

‘I got my job through [employment agency]. Yeah, they sent me there…’ [Junior (leaver), Hobart]

‘They send you for interviews all over the place but they got no idea. They’re just getting paid off our backs (employment service agency).’ [Unemployed, Aboriginal man, Sydney]

For some women, returning to work after having a period out of the workforce to raise their children invoked feelings of trepidation. Participants used terms such as ‘daunted’ or ‘frightened’ to describe their feelings about going back into the workforce, and when asked to explain in more detail, many lacked confidence and felt they had limited or dated skills. Even those who have only been out of the workforce for a short period of time reported feeling disadvantaged because of swiftly changing technology and a lack of familiarity with computers. For some, even the process of looking for work itself was daunting:

‘Even looking for a job, I don’t know, it’s hard. I don’t have a résumé, interviews and that; I don’t know what to do.’ [Long-term unemployed, single mother]

Employability and potential barriers to entry

Participants expressed well formed views on the sorts of qualities that made people employable. Employability was said to derive from a number of factors:

• **Experience**: Many participants were keen to attain work experience in order to build their skills to make themselves more employable. This was particularly evident amongst participants with no or limited skills, and amongst recent migrants:
'Working in the restaurant makes it easy to find a job. You learn a lot of skills and it makes it easy to look for another restaurant which might suit you better.' [Low paid, Chinese male]

Many of the women who were in the ‘return to work’ group agreed that their lack of recent work experience made it difficult for them to obtain a (desirable) job. Advancements in technology had also resulted in them feeling there was a big gap in their skills, particularly in relation to computers. Not surprisingly, the longer a person had been out of the workforce, the more pronounced this belief seemed. This was also true of other low paid workers and unemployed males:

'I know I could be an asset to a business – I have great personal skills – but no-one is going to take me on. I have been out of the workforce for too long. They are going to have to take me on trust because I have no current work experience. No references. They are going to compare me to someone out of high school – but I can guarantee that I would be more reliable than a schoolgirl who wants to go off and meet up with her boyfriend.' [Return to work, Brisbane]

'They reckon there’s lots of jobs around. But I have no idea where they are and how you get one.' [Unemployed, NT]

‘But I can’t get one – I’ve got no computer skills.’ [Unemployed, NT]

• **Skills, training/education and qualifications:** These are all seen as facets of competitiveness in the labour market. It often seemed that those on low pay had low levels of skill, training and/or education, but this was not always the case, as there were always a few in each group who had sufficient skills but for other reasons such as age (several had been retrenched), health, location or lack of recent experience, still could not get a job in their field of expertise.

’It’s hard when you have no education, you’re dyslexic and you can’t spell. I can only do the hands-on stuff – not the paperwork.’ [Low paid, Brisbane]

‘I have a lot of experience from years ago – but age and lack of recent experience and lack of contacts and networking… I have no contacts to get back into the workforce. I’m a highly trained person and it [job network] is just not appropriate for professionals.’ [Return to work, Brisbane]

• **Age:** Some participants felt that age influenced employability, with many older participants feeling it was difficult for them to compete with younger people:

‘No, it is not easy. The employment market is very competitive and people my age [over 50] face difficulty competing with others who are younger.’ [Low paid, Vietnamese female]

In contrast, participants in the juniors groups described the ease with which they were able to obtain work and move between positions.
**Bec**

Bec is 17 and has had four jobs. She has two jobs at the moment, one because it provides her with training and the other because it has better pay. She has changed jobs a few times to try something else / work in a different place. She says she can get jobs in hospitality easily and it pays more than fast food/takeaway work. She tried a restaurant in the city but didn't like the hours and the people much so she went back to her old job where she is now training to be an assistant manager. She doesn't really like it there and intends to leave but the training it good for now and they give her lots of hours.

[Juniors (leavers), Sydney] *name changed*

**Attitude:** Attitude towards work was recognised as an attribute that was valued in the workplace:

‘When I first started my apprenticeship I had trouble getting out of bed. I was always 10 minutes late. One fellow cracked the shits and I got a bit of abuse. I was always late to school. This was even earlier. It was pretty hard to get to work on time. Now I've got used to it. They evaluated at the place how well you were doing – number of days late, and so on – and they had a sort of mentor to help you improve and cope with things.’ [Juniors (leavers), regional Queensland]

‘I have had to put so many (young people) off because their clubbing on a Friday night is far more important than actually turning up for work. It's hard because you know they are good kids, but they just can't cut it when it come(s) to doing what they are being paid to do.’ [Above average income, Bulletin Board]

**Presentation/attractiveness** or appearance was also listed as a quality that some employers valued.

‘My first jobs were hard to get but now I find it easier. Depends on what it is. If you just hand in a résumé they don’t give you a job. If you go face-to-face they give you a job. Go in there and ask for a meeting. I put my photo on my business card. They wanted attractive people. I certainly get more interviews with a photo.’ [Juniors (leavers), Adelaide]

‘…the local cinema – they pick attractive people.’ [Juniors (mixed), NT]

‘…and the music hall does too. They both pick attractive people.’ [Juniors (mixed), NT]

‘It's about presentation, look…. in customer service it's important.’ [Employer, hospitality, regional NSW]

**Health issues:** Some participants had a health issue that made it difficult for them to get or retain a job or even training, while others had multiple and compounding health issues combined with other factors that further negatively impacted on trainability and made it even harder for them to find work.
Liz

Liz was a self-employed signwriter for 16 years. She says there is plenty of work out there but she couldn’t get any of it. She is registered with an employment service. She suffers from depression and anxiety. She did a bus driving course: ‘They sent me on training. I passed the test, and everything. But I just couldn’t do it. I just couldn’t pick up the people."

[Unemployed, Adelaide] *name changed*

George*

George is in his forties and was a hairdresser for many years. In his last position he was teaching hairdressing. Then he had a health crisis and since then he has been doing cognitive behaviour therapy and meditation to learn to cope again. So he is not actively looking for work – just looking in general. Because of his anxiety and depression, if he gets an interview he feels he is going to blow it anyway. ‘They put you in position you don’t want to be in. I’ve been to a few job interviews, but you can see the look on their face. Sorry mate.’

[Unemployed, Adelaide] *name changed.*

Sally*

Sally previously had an antique shop but it was a struggle as ‘people are not buying antiques any more – they tend to go for Ikea these days’. She bought her own shop but it was going backwards. Then she got pregnant but lost her child. When her child died she had mental health issues. She then went cleaning houses for a while. After that she thought she’d try retail. She is pregnant again now and feels that employers won’t even give her an interview.

[Unemployed, Adelaide] *name changed*

Access to training

Participants with limited skills often felt it was difficult to gain access to training. A major factor was a lack of understanding regarding how to go about seeking training and limited knowledge of available sources of financial assistance for training (in the form of training credits and vouchers). A few participants also claimed that employers are not interested in training their employees these days, and instead sought to employ people with the exact skills they needed.

In several discussion groups there was considerable interest when someone in the group described how they receiving training through a government support scheme via training vouchers or training credits.

‘I got a skills voucher. The companies that do the training advertise them; you can get them if you’re over 30. ‘How do you get them, darl?’ [Return to work, Brisbane]"
‘Yes, getting extra training is very important when you’re trying to get back into the workforce.’ [Return to work, Brisbane]

‘In particular, computer skills are very important. Without those skills you are not going to get a job. Technology has changed so fast.’ [Return to work, Brisbane]

It was repeatedly claimed that employers are increasingly less likely to provide on-the-job training. Instead they expected employees to possess all the skills necessary to fulfil the role:

‘There was no training at my old place. They expected you to know how to do things. I was getting into trouble for doing things wrong, but no-one ever explained how to do it in the first place. Just had to work it out yourself.’ [Juniors (leavers), regional Queensland]

‘Employers don’t want to provide even basic training. You need to have the exact skills they want.’ [Low paid, Brisbane]

‘Ads for jobs are intimidating. You think “I could never do that” – but it’s probably basic when you boil it down. They say things like must be a “highly motivated” self-starter. You have to be some kind of a super person to get the job.’ [Low paid, Brisbane]

3.3.4. Attitude and outlook

Not surprisingly the group discussions highlighted that an individual’s overall attitude and outlook influenced how they felt about work, the decisions they made in relation to work and the role and impact of work on their lives. In many cases an individual’s outlook was related to the degree of control they felt they had over their work situation and their rate of pay. Those who felt they were in control tended to be more positive and aspirational in relation to work, whilst those who felt less control were more likely to feel trapped by a low paid job.

Researchers observed a diversity of attitudes and approaches to work and working life which reflected differences in outlooks and feelings of control over one’s current and future circumstances. While attitudes varied independent of demographic characteristics, some older people in low income households living with dependant children were less optimistic than younger single people or juniors living at home.

There were a number of factors or attributes that were identified through the group discussions as potentially having an impact on the outlook or mindset of participants. The following discussion highlights the diversity of attitudes and indicates that the ‘low paid’ do not necessarily react in the same way given the same circumstances. Responses and reactions are influenced by outlook and attitude, factors which transcend demographic characteristics.

Following is a discussion of some of the key factors which were found to influence attitude and outlook:

• **Level of pessimism or optimism about the future**: Naturally, levels of optimism and pessimism varied between individuals and whilst there were many participants who faced circumstances which could be described as difficult or challenging, attitudes ranged from those who seemed to be quite content, to those who were frustrated and pessimistic about their future.
‘I want to have a job, but it’s too difficult. They don’t take you seriously. It’s demoralising.’
[Unemployed, Adelaide]

- **Perceived level of control:** The degree of control participants felt they had over their situation impacted their overall attitude towards work. The discussions revealed a diversity of attitudes and views in relation to perceptions of control:

  ‘It’s important I get another chance at a job. Any job’ll do. I got it in me. I just need the right chance.’ [Unemployed, Aboriginal man]

Across the groups, participants who appeared to be the most frustrated were often those with the least capacity to change their working circumstances. This may be because they had limited skills and saw little prospect of changing this, or they had many responsibilities or were in a single-income household. (A double-income household was seen to provide greater opportunities for at least one party to improve their capacity to earn.)

- The **degree of aspiration** varied among participants, with some participants feeling content in a low paid role or resigned to a low paid position, whilst others aspired to a higher paid position or a position using their skills:

  ‘I still hope, one day I will be able to get back to my real profession and not waste what I have learned.’ [Low paid, Chinese female]

  ‘I will be working hard for the next generation. I don’t know how many decades it will take… I still have hope that my life will be changed in the future.’ [Low paid, Chinese female]

- **Attitude towards change and risk** also impacted participants’ outlook:

  ‘Work is an active and interactive thing. I have done a lot of jobs that were not like that and I felt like I started to die inside… I have done lots of crap jobs and I think work should either support you to do something else that you are really passionate about, or you are passionate about your work, which I now am for the first time in my life, and that is a real difference in work for me.’ [Low paid, Melbourne]

3.3.5 Jobs and careers

The idea of ‘career’ was discussed both directly, in terms of career aspirations, and indirectly, in relation to working decisions within the groups. However, overall the groups highlighted that the older people get, the less likely it seems that they think in terms of career. Thus the juniors and younger low paid and unemployed participants quite willingly engaged in a discussion about ‘career’, whereas older low paid and unemployed – i.e., those who have been in (or out of) the workforce for many years – seemed less aspirational and were more likely to talk about taking any job at all costs.

The notion of career emerged in several different contexts including:

- **Study as it pertains to career:** Older participants were less likely to consider undertaking an extended course of study, however there were many who did feel that they needed to undertake some-short term retraining in order to improve their skills and potentially aid them in attaining a higher paid job.

- **Impact of health on career:** Some (older) participants had previously had a career but found they could no longer get a job in that career due to health reasons or lack of recent work experience in the field.
• Some participants saw having a job primarily as a **means to an end**: They sought or undertook work solely so they could do the things they like to do. For these participants ‘career’ was not a primary consideration. Rather their focus was on what work could provide for them in terms of their lifestyle and (often) their family.

• **Balancing a career and children**: A notion that was confined to (a minority of) women was the idea that there was a clear choice between having a career and having a family.

  
  
  **Kirsty**

  Kirsty works at a local telecommunications company call centre on a casual basis. She aspires to be a stay-at-home mum and so is not studying anything. She says: 'I don’t want a career. I want to be a stay-at-home mum. I have one child already. My partner is a full tradesman plasterer. We want to have lots of kids. That’s all I have ever wanted to do.’

  [Junior (leavers), Adelaide] *Name changed

  The significance of this choice was also apparent in women of childbearing age on low pay – namely the debate around whether they would ever be able to afford to have children.

• **More than one career in a lifetime**: Many participants felt that the notion of a single career is no longer relevant:

  'I am going to have lots of careers. There are so many things I want to try. I think it’s good to have many options. I might have a career in advertising or media for 10 years and then become a teacher.' [Juniors (leavers), Adelaide]

  'I can’t see myself doing the same thing for 50 years. I haven’t thought too much about it [career].' [Juniors (leavers), Adelaide]

• **Active decision to take on a non-career role**: A number of female participants described pro-actively choosing to take on a low paid or non-career role which provided flexible working hours:

  'I’m pretty fussy. I won’t do work unless I enjoy it. I refuse to do work that I hate. I saved money so I could go overseas. I only came back to get a career and then I am going to save more money and go overseas again.' [Juniors (leavers), Adelaide]

  **Juniors**

  Many of the juniors laughed at the notion that their current job might in fact be the start of their future career. This was perhaps understandable given that many of them were still at school or university.
It should be noted that this study is not a comprehensive coverage of all the different sub-groups of junior workers – for example there was a deliberate lack of inclusion of apprentices and trainees, since they will be the subject of a comprehensive and specific study of juniors expected to happen later in 2007. There were also very few young leavers who are not undertaking further study. In any future study of this group these gaps would need to be addressed.

At this stage in their life, many of those included in the groups did not see a link between their current job and their future career. The majority of them viewed their current employment as a ‘means to an end’ – a way to pay for entertainment and ‘wants’ while they are working towards what they really want to do for the rest of their lives. This was the most widespread view expressed, as many of those in the groups were currently studying and very few had embarked on employment that was related to what they saw as their major career path. Thus, work was seen as one step on the way to somewhere else.

All those who took part in the groups were asked what they wanted to be or do later in their working life. Responses tended to fall into one of three broad types: bound for a specific career; bound for an unspecified career; or bound for a specific goal that is not necessarily career focussed. Each of these is discussed in turn.

- **Bound for a specific career**
  
  In terms of career, there were those who were quite focused on a particular career or occupation as an end point, including such things as:
  
  - **opening their own business** such as a bar or a photography studio;
  - **attaining a trade or skill** (either through a degree or apprenticeship or traineeship) in which they would later be employed, such as acting, engineering, business or electrician.

  Some of these young people have aspired to their career since they were very young, whereas others have discovered what they want to do through work in the area.

- **Bound for an unspecified career**
  
  There was another group of young people who could not yet define what they wanted to be, and talked about: ‘…trying to decide what I want to do for the rest of my life’. These young people were still thinking about what type of career they may choose, and were not clear about which area that career might be in and were often relying on trying different fields of study at university to help them narrow down the choices.

Andy*

Andy is at university doing sports exercise and education. He says he had to settle on this as it was the only thing he was interested in that was available in his town (he was formerly doing economics and environmental management in the city). However, he has since decided he doesn’t like it (‘I’m a quitter. I never stick to anything once it gets too hard.’) and plans to shift into business psychology next week. He says: ‘I have no idea what I want to do really.’

*Name changed
'I am not sure what I want to do for the rest of my life. It's a pretty big commitment to choose a career when you don't really know what you want to do. So I have been trying different things to see what I'd like.' [Juniors (leavers), Adelaide]

'Everyone is looking for something they are going to enjoy. If you're choosing a career you need to choose something you are going to like.' [Juniors (leavers), Adelaide]

“You have to have realistic expectations about what you will get a job in. Realise you’re not going to be Miss Universe.” [Juniors (leavers), Adelaide]

• **Bound for a specific end point that is not necessarily career focussed**

Some young people viewed their work goals in the shorter term and talked about being able to take their skills and travel to Europe and elsewhere in the world, prior to settling down.

'I'm going to travel to Europe for a couple of years when I finish my degree.' [Juniors (leavers), Cairns]

'When I finish my apprenticeship I am going to head over to England and work over there. I hear there's a good market for trades skills.' [Juniors (leavers), Cairns]

'I want to go to Dubai. You can earn good money over there – it's tax free and you get a car and house provided. Just to set myself up.' [Juniors (leavers), Cairns].

• Finally, there was also a young man in one group who had a plan to succeed in life through attaining financial security. As he was the only person who expressed these views (although there was another young man in the same group who also had a share portfolio), it is not possible to assess how widespread these views might be amongst young people in general.

Simon*

Simon is aged 18. He hated school and left as soon as he could. He has been a diligent saver and had sufficient money to put a deposit on a house when he was 17 but had to wait until he turned 18 in order to qualify for the First Home Buyers Grant. He plans to retire when he turns 30 and is working towards that by developing a financial plan. The plan has evolved by actively seeking information and advice from others. He already has shares and has supplemented his superannuation. He made the decision to take a lower paid job with the potential to work a large amount of overtime, so that he has the means to accumulate funds more quickly. He drives a 'bomb' and prefers to do without now so he can have more at a later date. He contrasts himself to his mates, many of whom bought expensive cars and are now shackled to work to pay them off. He believes they will always be behind. He might in the future shift back home so he can save more quickly.

[Juniors (leavers), Cairns] *Name changed
4. Wage rates and working arrangements

Discussions in all forums started by canvassing views on work and working life (as outlined in previous sections) and then moved specifically to where wage rates featured in this context. The wage related discussions covered general experiences and current circumstances. Responses highlighted the varying levels of awareness and importance of these issues and the diversity of views and experiences with regard to wage setting and negotiation. A key issue raised with regard to wage rates was the relationship between pay and working arrangements - casual versus permanent/full-time employment.

Discussion then moved to the concept of minimum wages and which factors are important in determining minimum wages. This section presents the findings from this segment of the discussions.

4.1 How important are pay rates?

4.1.1. Choices and experiences

As presented earlier, participants reported choosing to work for a range of reasons, with many individuals seeking different things from their working life and making choices at various times in their life, depending on their circumstances. For some, work is done to cover the basic costs of living, while for others it is to support a lifestyle and/or buy the extra things. For all of these participants, pay was important. Money provided opportunity and options for a better future. Several participants, particularly juniors and those in more buoyant labour markets, recounted how they had changed jobs in search of better pay.

‘The amount you earn dictates your clothing – how you equip yourself for work. Shoes and clothes for keeping up appearances.’ [Unemployed, NT]

‘It is as important as the air you breathe.’ [Low paid, Vietnamese male]

‘Without money you cannot move an inch.’ [Low paid, Chinese male]

‘Without money you cannot reach what you want.’ [Low paid, Chinese male]

‘Pay rate is important. If my job was poorly paid I would look elsewhere. Because I am paid well my family has annual holidays and we take the children overseas. I recently went for a promotion for more money, but if the position was not paying well I would not have applied. My salary has enabled my husband and I to live close to the city.’ [Above-average income, Bulletin Board]

‘I used to work at [place] but I hated it there. It was hard work and they didn’t pay much. That’s why I went to [new place]. They pay more.’ Junior (schoolie), Sydney

While pay was important to many people, not all participants felt that they had a lot of choice about their pay or current circumstances:

‘I have thought about leaving. I am paid $11 per hour, full-time with entitlements. The pay is so small, not enough for me to pay our living expenses. At the moment I can’t get anything better than this job.’ [Low paid, Chinese male]
’It [my pay rate] has a huge impact [on lifestyle] but I don’t have any control over my rate of pay.’ [Low paid, part-time, female, Bulletin Board]

’I have thought about leaving my current employment, but I know that it is not an easy task any more in securing a job which is flexible and suitable for study.’ [Low paid, Vietnamese female]

‘Taking a low paid job is sometimes out of the control of the worker particularly when they can’t find well paid work in their field and don’t wish to go on the dole but still support their family. Young people leaving school often have no choice, particularly in the food industry which considers [sic] of many junior casual works [sic] who can’t dictate to their employers how much they should be paid.’ [Above-average income, Bulletin Board]

It was clear from discussions that pay was not always the driving factor in decisions for working or taking on a particular job over others. In several instances, individuals had chosen to earn less money in order to achieve other goals such as a better work/life balance or a longer term career goal. Individuals and families regularly made trade-offs between pay and other issues/working arrangements.

’I would take any job, as long as it fitted with my health (condition). I would work for less if it means I could leave to pick up my son when I need to.’ [Unemployed, regional Tasmania]

’My pay rate is not that much of a concern as long as it is not below the award because I work during school hours and don’t have to worry about child care.’ [Low paid, part-time worker, Bulletin Board]

Further, some deliberately chose a low paid/low skilled job because it went with fewer responsibilities, because it fitted with their lifestyle, or because it allowed them to earn some money in the immediate term rather than studying (unpaid) for a higher paying job.

’I need the money and also the interaction with other people. I take pride in doing a good job and this is much more satisfying than staying at home. If I could, though, I would have returned to University and had a career. This however simply doesn’t fit with my family and financial commitments.’ [Single mother, part-time worker, average income, Bulletin Board]

’I used to be a manager and became very ill with the pressure of being on call 24hrs a day and the pressure of meeting all the time. I became very ill and had to leave so I am scared to take on anything too exciting. I would love to work nights just filling shelves at a supermarket as that would fit in with the kids.’ [Low paid, part-time worker, Bulletin Board]

’Pay rate in my job increases as the operational side decreases. I prefer to remain operational so I choose to take the lower pay rate. There are positions I could apply for that will be not operational with higher pay rates, but I won’t be applying for them.’ [Above-average income, Bulletin Board]

4.1.2 Employers and labour costs

For employers the cost of labour was reported to be critical to their business viability. Particularly in service industries (retail and hospitality), employers reported constantly worrying about employment decisions and the cost of employees.

Restrictions on wage rates imposed from outside the workplace (either from head office or from regulations) were seen to be problematic for attracting and retaining good staff in tight labour markets. The employers in the Perth group were keenly aware of the impact
of wages on their industry and the market place (community services – primarily child care and aged care). For each of them there were different issues:

- For child care employers, any increase in the Federal Minimum Wage has an immediate impact on the profitability of the child care centre and would almost certainly translate directly to an increase in the fee charged to parents. They understood that this in turn would impact on the affordability of child care for working parents and mean that the parents’ decision to work might become less financially viable.
- In the aged care sector, employers are acutely aware of the impact of the ‘booming economy’ driven (in WA) by mining and resources development. Although employers of aged care workers felt they needed to pay higher wages, the sector is predominantly funded by government grants that are tied to pre-determined funding levels and base rates of pay for workers in the sector. This therefore prevents employers from adjusting wages in order to attract staff. These employers are competing in the labour market with mining companies who are paying large amounts to attract people to work out of the city, and this makes finding staff difficult.

Similarly, the price of the competition in the local labour market was said to significantly drive wage rates and conditions, as cited in Canberra and in regional tourist towns:

‘People can just go to the public service where they pay really well.’ [Employer, business services, Canberra]

‘The resorts take a lot of our staff. It’s attractive – the uniforms, the prestige, the perks – They can offer above-award wages.’ [Employer hospitality, regional NSW]

Several employers raised the need to pay above award to keep good staff while others (generally smaller businesses) reported that they were unable to afford to pay anything over the minimum required. The situation of larger versus smaller business and the different impacts on business of wage costs were raised by some employees and small business owners. It was inferred that larger businesses (e.g. the larger retail and food chains) could afford wage increases much more than small business could. See also Section 4.4 for discussion of wage rate determinants and the impacts of changes.

4.1.3 Moving from unemployment to working

As discussed in Section 2, unemployed people are not a homogenous group. The individual circumstances of participants lead to a variety of views about looking for work, entering the workforce and acceptable levels of pay. Not all unemployed people in the study were on government allowance. Views differed between those who were on allowance when compared to those who were not, with the latter group being less concerned about income levels (as they were typically not in a low income household). However, even within these subgroups there was diversity of opinion.

Those not on allowance and in high income households were generally, but not always, less concerned with the levels of pay. For these participants issues of greater importance were more likely to be hours of work, location or enjoyment. For those in low income households/those on allowance, the level of wages was a particular point of discussion and a more significant issue for job choice. Some job seekers were more selective than others about the type of work and the level of pay:
'I have worked it out. I won’t work for less than $500 a week. After I take out petrol, clothes, lunches and the stuff I lose from Centrelink, it’s not worth it.' [Unemployed, single male, regional Tasmania]

'I told them that I wouldn’t work weekends for anything less than $25 an hour. But of course someone else said they would do it for $20 cash-in-hand, so they gave it to them.’ [Unemployed, single mother, regional Tasmania]

Moderator: What’s a reasonable wage?
'I won’t work for less than $15 an hour. Everything’s going up.' [Unemployed, Darwin]

'$12 or $13 an hour. I’m eighteen years old. I don’t have that many bills.' [Unemployed, Darwin]

‘One job they offered me $18 an hour. I won’t get my tools out for that. I know it’s a rip-off. I told them I would work for $22 an hour.’ [Unemployed, Darwin]

'I know families who have 6 kids and it’s not worth it for them to work. They lose too many benefits.' [Low paid, regional SA]

The situations of single mothers were described as complex, given the further challenges of raising children alone, particularly teenagers. Earning sufficient money to pay for child care and other expenses, while also losing access to the Health Care Card, transport subsidy or rent assistance, when combined with having less time to be with the children, made low paid employment unattractive for many.

Leila*

Leila is a single mother of six children, has not worked in some time and is afraid of the process of looking for work (‘It’s scary’). She wants to be able to work and also spend time with the children, particularly to be there when the kids come home from school. She has thought about options and felt that there aren’t any low paid jobs that would pay enough to make a difference unless she worked a lot of hours (too many hours). She now wants to study to be able to get a better job (not an unskilled one) because she feels there is no future in low paid work given her family circumstances.

[Unemployed, regional Tasmania] *name changed

Not all unemployed people were focused on the level of pay offered, prepared instead to take any work just to be working:

‘Because I knew the environment in China it is much easier to find the job you want. When I started to work here it was just to stay alive. The work I do here I would never do in China. I am even ashamed to tell my family and friends what kind of work I am doing.' [Low paid, Chinese female]

‘When I was accepted as a dim-sum waitress, I was happy. At least I could get some income to support my family. It is better than just being at home doing nothing.’ [Low paid, Chinese female]
Sally*

Indigenous, single mother of four, living in a Housing Commission home. Currently she is employed as a child care assistant and earning approx $29,000 working 80 hours a fortnight. Also when needed she will work as a kitchen hand/waitress where she earns $14.00 per hour. She believes that owning her own home is unrealistic and just a dream and something that she will never be able to give her kids. Currently she earns only an additional $80 per fortnight compared to the parenting payment and supplements if she decided to stay home. In absolute terms then, she effectively earns $1 per hour for her 80-hour fortnight. This to her is very disappointing, since the 80 hours does not include all the house work required when she gets home. Sometimes she questions why she works and the main reasons are because ‘$80.00 is better than nothing’, a ‘need to survive as I am living below the poverty line in regards to trying to feed my kids’, ‘not working is depressing’, and she ‘wants to be a role model for her kids’. Most importantly she enjoys adult interaction during the day when the kids are at school, and work provides this.

[Indigenous, Sydney] *name changed

In contrast, some participants including some migrants, Indigenous participants, older unemployed and those in less buoyant labour markets clearly found the search of work difficult, frustrating and demoralising. Some had given up ever finding a job. In this context the rate of pay was not a driving factor in their decision, as they believed it was all too hard, regardless of pay:

‘It’s too hard. They only want younger people… Why bother?’ [Unemployed, over 45 years, regional Tasmania]

‘I’ve been on CDEP for years everywhere I been. Only ever had trainee jobs but the funding always runs out.’ [Aboriginal woman, regional Qld, CDEP participant]

‘I had just one month of unemployment. I felt really hopeless. I wanted to go back to China to find work and give up my dreams here.’ [Chinese male]

4.2 Casual versus permanent work

Discussions on employment and wage rates frequently included a discussion on casual rates of pay, the pros and cons of casual or part-time jobs compared to permanent and full-time arrangements and the likelihood of moving between different work arrangements at different points in one’s working life. Through this discussion it was evident that there are a variety of opinions about the benefits of different working arrangements.

Some participants were seeking full-time jobs for security. For these participants, full-time jobs were ‘the holy grail’, and casual jobs were openly discussed in terms of being ‘just’ casual, that is, inferior to permanent positions:

‘I just keep on having casual or part-time work. It is not very secure or safe.’ [Low paid, Chinese female]

Moderator: So is that a full-time job?
‘Oh no, no, it’s just casual.’ [Low paid, Melbourne]
Others deliberately sought casual employment for flexibility and higher rates of pay. Some saw these jobs as perfect for their situation (e.g., saving for an overseas trip) while others saw them as temporary solutions while they worked towards other employment goals, as an opportunity for work experience or to provide income to support further study.

**Cynthia**

Cynthia is married and has two children. She has been living in Australia for the past 20 years. From the moment that she arrived in Australia as a refugee she started working in a mail centre. She worked there for 16 years as a mail sorter until taking a redundancy package. After that she stayed home for a while and during that time looked for jobs. She would prefer a casual part-time job that suits her other commitments such as taking and picking up the kids from school. She found a job working as a food handler making sandwiches as ordered, frying chips and making salads etc. at a take-away shop for 25 hours per week between 9am and 3pm.

[Chinese, low paid, Sydney] *name changed*

For some, particularly juniors entering the labour market and working to support themselves while studying, casual jobs were a deliberate choice but not an arrangement they felt would be for long:

‘I will quit my casual job once I finish my study and then obtain a full-time job in my field.’
[Low paid, Vietnamese male]

‘I work casual now because the pay is better but I want to buy a house so I will have to go full time then because you can’t get a loan when you’re casual.’ [Junior (leaver), Hobart]

It was evident that some workers had felt trapped in these types of positions, feeling that they were not leading anywhere. Some of those who had worked as casuals for a number of years described these jobs as ‘means to an end’ type jobs:

‘I have done every job you could probably imagine and I have had lots of times that I haven’t worked as well, and that is not that much fun either… When you are doing the means-to-an-end type jobs, you can do that for ten years or so and then you might be getting paid two dollars an hour more than you were ten years ago and that’s what has changed my mind a bit. You think, Where do I want to go with this. Do I want to be doing this in another ten years?’ [Low paid, Melbourne]

‘After years of gruelling casual work and lots of jobs, I was working in a café and my current boss came to the café and offered me the job. This year I have decided to make it my career. I am going to study to be a naturopath and so my whole concept of work has changed because I was doing all these kinds of means-to-an-end types of jobs for money, casual jobs, and I have lots of different interests and I still hadn’t worked out what I wanted to do, and this has just happened and it wasn’t what I expected.’ [Low paid, Melbourne]

Finding a situation which met all of a person’s needs – income, hours of work and satisfactory type of work – seemed to be difficult. Especially for working parents, finding time to be with children when on a low income was reported by some to be a struggle.

‘Part-time work does not bring in much money, but full-time means there is not time to look after the children. It is hard to know which way to go.’ [Low paid, Chinese, female]
Lucy

Lucy is studying pharmacy at university and is in her second year. She has worked at a supermarket for over three years as a casual check-out operator. She finds it boring and tiresome but stays there for the money which is helping her through university. She would earn more money if she took extra shifts at the supermarket but she has also taken on a casual job working in a pharmacy as an assistant. She gets paid less per hour in this job but she really enjoys it because she feels she is helping people and it is related to her long-term career choice.

[Low paid, Hobart] *name changed

Just as the views of workers differed, so did the views of employers with regard to casual and full-time employees. In particular industries such as hospitality and retail, casuals were the preferred working arrangement. Employers spoke at length about the risks to their business of making the wrong employment decisions and how casual arrangements gave them the flexibility to give someone a go but let them go if it didn’t work out:

‘Putting on the first full-timer was a big decision. Because you’re stuck with them, you’re locked in. The laws and process for terminating staff are tough on small business. You can hide a bad worker among a hundred but with small business you have got to get rid of them… Especially in customer service, bad employees really make an impact on business.’ [Employer, hospitality, regional NSW]

There were differing views around the work ethic and commitment of casuals compared to permanent staff. While some employers admitted they did not expect loyalty from casual staff as they would come and go, others felt they were the more productive part of their labour force:

‘Casuals work harder to keep their job. If they don’t come in, they don’t get paid but permanents can have days off. Reliability becomes a challenge. It depends on the person you choose.’ [Employer, hospitality, regional NSW]

‘If I call in someone who is casual they go full tilt.’ [Employer, travel industry, Melbourne]

Some employers felt that casuals may not be as loyal to the business or represent it as well given that they may not have a long-term commitment to it, while others reported that their full-time staff may get complacent and therefore not give as high a standard of service. Having newer staff coming into the business/a turnover of casuals helped to freshen the service:

‘There are benefits of the casuals… because full-timers get tired; it’s a tiring business. It can be mundane. New casuals are refreshing and enthusiastic.’ [Employer, hospitality, regional NSW]

There was some discussion of employer abuse of casuals and while no participants admitted to this themselves, most employers told a story of someone they knew or something they had heard:

‘You hear some terrible stories. Some neighbouring businesses have a rotation of casuals. Once they got to the super threshold [the number of days worked after which super must be paid] they go. They do the wrong thing. They don’t pay them on the books. People don’t like that; it’s not right.’ [Employer, hospitality, regional NSW]
Others included the willingness of employees to work flexible hours to be part of what
determined their pay, rewarding employees for this flexibility (see also Section 4.4 for what
determines pay):

Moderator: What determines wages in your workplace?
‘Various measurements inc. experience, people skills, selling ability, willingness to accept
training, knowledge of computers and our IT systems, ability to work casual hours required
by us.’ [Manager/business owner, Bulletin Board]

4.2.1 Other employment arrangement issues

While casual and permanent arrangements were the most frequently discussed working
arrangements with regard to pay rates and the trade-offs that individuals and families
made, several other related issues concerning working arrangements were raised in some
forums. Many of these concerned the hospitality industry in particular.

• Cash-in-hand jobs:
The prevalence of cash-in-hand jobs was raised in several contexts. In some cases it
was said to be driven by employee needs and requests:

‘We get asked by people not to go on the books. But I like to sleep at night!’ [Employer,
hospitality, regional NSW]

And for others, in labour markets where work was sometimes hard to find, workers were said
to take lower levels of pay/cash-in-hand when offered by employers just to have work:

‘Because people want to have a job. Some people will work for peanuts and they can’t stand
up for themselves. People take advantage of people.’ [Employer, hospitality, regional NSW]

‘The number of applicants shouldn’t have anything to do with pay rates.’ [Low paid, Brisbane]

‘Shouldn’t do, but if there are 100 people who want the job and someone says “I’ll do it for
$5 an hour”, who do you think is going to get the job?’ [Low paid, Brisbane]

‘Increasingly that’s the way things are going.’ [Low paid, Brisbane]

• Casual jobs, particularly in hospitality, were said to rarely cover full-time equivalent
hours, and several workers and employers described how employees would have
several jobs in order to make up a full week’s wage. This need for multiple jobs was
reported to encourage cash-in-hand and/or less formal work arrangements because
second and third jobs attracted higher income tax rates.

‘The second job is taxed so highly that it encourages cash-in-hand for the second job – they
can earn more then. But they are resentful that they earn less [for cash in hand].’ [Employer,
hospitality, regional NSW]

• The unsociable hours of hospitality and weekend work for many workers (retail and
hospitality in particular) was reported to have both advantages and disadvantages:

‘Weekends, yeah. Working in hospitality you never get a weekend!’ [Low paid, Melbourne]

‘I wish that the rest of the world would realise that there is no such thing as a Monday to
Friday business world any more. Hospitality workers never have a weekend!’ [Employer,
hospitality, regional NSW]
‘I don’t mind the weekends, that’s when you earn the most money… It fits in with my school.’
[Low paid, Melbourne]

4.3 Determining wage rates

All groups were asked about the wage setting arrangements in their current workplace or in the workplace of recent jobs they had held. It was clear from this discussion that despite how important pay rates were to many people (see previous section), it was apparent that many participants did not have a full understanding of and/or could not describe with confidence what determined their pay rates. There was minimal familiarity with the formal industrial relations environment and the lack of vocabulary indicated a potential lack of in-depth understanding. Key determinants of pay rates related to similar characteristics or attributes described for employability generally with skills, qualifications and experience frequently mentioned. Age and personal qualities such as attitude and commitment were also subjects for debate in several groups. Employee performance, productivity and economic and business factors were also discussed by both workers and employers.

4.3.1 Awareness, understanding and involvement

For many participants, there appeared to be low levels of knowledge or certainty about determinants of wage rates and employment conditions both generally and specifically (i.e., in their own workplace). In discussion groups, when first asked what determined wages at their workplace, some participants were unsure of the question and asked for clarification or hesitated before answering. Several admitted to not knowing but ‘guessed’ at what they assumed would be involved:

Moderator: What determines pay rates at your workplace?
‘Not a clue – I guess it is based on the rates out in the market.’ [Full-time worker, average income, Bulletin Board]

‘I’m not sure, but the amount of pay rise you get is determined by your work ethic and how much work you put on.’ [Full-time worker, low income, Bulletin Board]

‘I have no idea. I have never been in a position to have any input into pay rates/scales.’ [Part-time worker, single mother, average income, Bulletin Board]

Information seemed to be pieced together, on an ‘as needs’ basis. Groups of employees seemed to exchange information about their wages and employment conditions through the group discussions, seeking advice and information from one another, especially in regard to perceived inequities. A variety of attitudes and behaviours were evident with some participants concerned that they were being paid incorrectly and others more comfortable even though they were unsure as to what exactly determined their pay rates.

Various levels of involvement in pay setting were evident. A few participants recounted having negotiated their wages directly. This was more common among higher paid workers, but did occur among those with less experience.

‘The rate of pay was determined when I started work. I was given a starting figure with pay to be looked at every year on the day I started. I also can discuss with my boss the inflation rate of things in the market place that affect my income. I keep an accurate ledger of what I spend and what I earn. I do share this with my boss and he does take on board what I have to say. He also uses my ledger to give pay increases to the other workers on my team. To me it is a win-win situation (well, so far).’ [Full-time, high income, Bulletin Board]
Amy

Amy has three different part-time jobs while she is studying a media degree at university (i.e. personal assistant, nanny and marketing jobs). She lives at home with her mother, pays board and does a portion of household chores. Her attitude to employment is that there is an ‘acceptable’ hourly rate to be paid for her work. Once she established herself in her workplace she told her employer that she would work hard and they would not be sorry they took her on, but she was only prepared to work for $x an hour. They opted for paying her the higher rate. Her rationale was that she only has a limited number of hours available to work and that in that time she has to earn enough to support herself, go to university and be able to do things she wants in her leisure time.

*name changed

Others reported being unable to take anything other than what was offered:

‘I don’t think we have any power to bargain with the boss.’ [Low paid, Chinese male]

‘When the offer of a job is in front of you, you take it because it is better than being unemployed.’ [Low paid, Chinese male]

In some groups, and particularly on the Bulletin Board, discussion included comment on the capacity of low paid workers to negotiate their pay. Several thought that low paid workers were not in a position to negotiate:

‘I could not afford to take on a low paid job; some people in low paid jobs don’t really have any control of their pay, i.e., unskilled jobs.’ [Full-time, above average income, Bulletin Board]

‘Workers don’t have much choice because they usually don’t have the skills or training to bargain for better wages.’ [Bulletin Board]

Whether negotiation over pay rates were feasible or not, the decision to take the job at that rate/with those conditions was felt by several participants (workers and employers) to be something the individual could control:

‘Surely this is an individual decision that can only be made taking into account your own and therefore family requirements. The rate offered is mostly not controlled by an employee but it is ultimately his decision to accept or not.’ [Business owner, Bulletin Board]

‘As long as you live within realistic means then anything is possible. It can be the choice of the worker if they’re willing to negotiate for what they think they are worth.’ [Low paid, Bulletin Board]

‘As an employer I place little relevance on what I think are questions for the prospective employee, viz. childcare costs, Govt benefits, number of applicants, cost of working, price of housing. Each employee has to decide on the importance to them of these matters and make a decision on whether they want the job or not.’ [Business owner, Bulletin Board]

In one juniors’ group, the accepted behaviour was reported to be to find another job rather than negotiate wages with a current employer. Almost all participants in this group had had two or more jobs as they moved from one to another for better pay and/or conditions. This was felt to be possible because it was fairly easy to find another job:
4.3.2 Formal industrial relations

Discussion of how wages were set in different workplaces evoked mention of more formal wage setting arrangements as many people relied on awards or took wages and conditions as a given based on awards or agreements:

‘I can’t do anything. I can not negotiate anything; that’s what we are offering and that’s it… We are on award, the minimum. I could only circle age (on the handout). After twenty one everyone gets the same.’ [Employer, retail, Melbourne]

‘I don’t get it. The minimum wage doesn’t take any of this into account [looking at handout]. It’s just the minimum wage.’ [Employer, retail, Melbourne]

‘Our workers are all over 18 so the rate of pay is a standard award; casuals get more but no benefits; managers get more; 90% are paid the same.’ [Low paid, Bulletin Board]

For some it was a ‘black and white issue’, not one for discussion:

‘It’s straightforward. What the law says – the award. It’s the Bible in business. I have always been a law-abiding citizen; can’t help myself.’ [Employer, hospitality, regional NSW]

‘They [employers] just pay the minimum they have to. No one pays over the award much any more.’ [Low paid, Brisbane]

There was variable knowledge of the formal industrial relations system and wage setting arrangements. Many had a basic vocabulary and the term ‘award’ was well known. While knowledge was not tested it did appear that it was fairly superficial and many were accepting of existing arrangements rather than questioning, seeking to understand or influence them.

‘I get an award wage and a bonus of a small amount because of all the extra things I do at work compared to the rest of the staff. I am a manager in training.’ [Low paid, Bulletin Board]

‘The pay rates differ from the different union agreements which each employee fell under once they were put on by the company though the rate varies for age, experience and promotion.’ [Low paid, Bulletin Board]

‘I am paid whatever the government award is for my position.’ [Above-average income, Bulletin Board]

While some employers were actively looking at awards (mostly searching on the internet), even among employers there were some who were not overly familiar with how wages were determined:

‘I have been through all the awards. My employees are fairly highly paid as casuals so I am going through to see if they can be under a different award, so I can pay them less. But how do you know that the award’s changed?’ [Employer, retail, Melbourne]

‘What do you mean? We have rates and that’s it. We just go a percentage above the… whatever it’s called… the [someone else: ‘the award’], yeah, the award.’ [Employer retail, Melbourne]
‘It’s hard to figure out. I am hiring this person but if it’s a 17-year-old then will they be paid more or less than a full-timer if they work on Saturdays after a certain time... it’s a bit complicated.’ [Employer retail, Melbourne]

4.3.3 Age (junior rates)

Particularly in the groups of younger workers and amongst employers, age was often mentioned spontaneously, early in the discussions, as a key driver of wage rates in today’s workplaces. For many it was a given that wages would vary by age. This was not something they had given much thought to previously.

‘Age – yep, I’m just following the award... I don’t consciously hire younger people. I like the more mature ones but if they are younger, yep, they get paid less.’ [Employer, hospitality, regional NSW]

‘Age is the biggest thing that determines what you get paid. Every year it goes up.’ [Low paid, 21-year-old, regional NSW]

While age was accepted as a determining factor, once challenged there was usually a debate and a range of views expressed as to the fairness and appropriateness of today’s junior wage rates. Participants were able to see advantages and disadvantages of rates that varied by age, although they generally did not initially express a balanced or well-considered position without challenge or prompting. In general it appeared that some arguments had not considered all aspects of the debate and at times appeared contradictory. For example, while participants would suggest that experience at work and in life should influence wage rates (i.e., more life experience should mean higher rates) many of these same participants would later argue that pay rates varying by age were discriminatory. The relationship between age and experience and how best to determine wages given these two factors was clearly a complex issue. The key themes of the discussions are highlighted below.

On face value, participants (particularly young workers) thought that different age-based rates were at least difficult to explain if not unfair:

‘Working in retail – I started at [large supermarket chain] – knowing that every year as you get older, it goes up till you turn 21. I liked it at the time but it’s quite funny. From when I was 20 to 21, it went up a lot, a hundred dollars a week just for being 12 months older. It’s a bit over the top.’ [Low paid, regional NSW]

It seemed unfair to some participants when discussing low skilled/unskilled jobs where there was said to be no apparent difference in work or output associated with age:

‘It seems unfair. Just because you are a different age doing the same job, why should you get half the amount? Why should they get $7 an hour when someone over 21 gets $14 an hour for doing the same thing?’ [Low paid, regional NSW]

‘But they [employers] can take on a 16-year-old and pay them half. There is no skill in weeding plants.’ [Low paid, Brisbane]

Some employers were adamant that younger workers had less experience and needed more training for more skilled jobs so should be paid less (or not employed in those jobs), while others thought age did not determine skill level.
'Can’t be 17, 18-year-olds… not everyone can take the pressure. We are very client-orientated… Young people who have not travelled or haven’t got the experience, they can’t really talk with confidence to the clients… how can an 18-year-old do that? I think it depends on how much time and money are you prepared to invest in a young person. If it’s a week and you train them to make juice and take the money, that’s okay. But for me [in the travel industry] I would need to train them for a whole year. I did consider the apprenticeship type scheme, that’s government supported. If I thought the young person was bright I would invest a bit of time so I can see a long term benefit.’ [Employer, travel industry, Melbourne]

'I think it should all be individual. We have a lot of 18-year-olds stepping into a manager’s position. They might not have the experience but that doesn’t mean they can’t make budget, have goals. We have some 18-year-old managers who are fantastic. But they come in on a junior award.’ [Employer, retail, Melbourne]

Some participants felt that employers took advantage of younger workers to find cheap labour and make more profits:

‘That’s why [large chain] make so much money. Look at the age of people working there; they pay them peanuts.’ [Low paid, regional NSW]

‘I agree that experience, the skills of person and the ability to adapt quickly are important factors that should determine wages, whereas age, whatever the law says, are poor excuses used by bosses to pay minimum wages.’ [Bulletin Board]

Older juniors or ‘leavers’ (i.e., those who have left high school and were either working or studying and working) generally saw themselves as different from the younger school-based juniors, i.e., those still at school. For one thing, many older juniors tended to describe themselves as, ‘…moving towards adulthood and taking on adult responsibilities…’ On the other hand some younger/school-based juniors were described as having ‘…a bad attitude to work…’; and as a consequence the older juniors thought that there should be a distinction in wage rates. It was also asserted that younger/school-based juniors did not have the same levels of responsibility and living expenses that the older ones had and therefore did not require as much to live on.

Some participants felt it was reasonable that younger people, living at home without responsibility or needing to support themselves, could be paid less.

‘If they got too much they’d just spend it on junk anyway. They only need a bit of extra pocket money.’ [Juniors (mixed), NT]

‘I was working there [large fast food chain] when I was young. I wasn’t thinking about the hourly rates… When you are 14 or 15 you don’t have to support yourself so it’s just like pocket money for you.’ [Low paid, regional NSW]

Junior rates seemed less straightforward when considering older teenagers and/or young people who were living independently on junior wages. There was a widely held view that ‘one size does not fit all’ and an acknowledgement that some young people have the same level of commitment and responsibility as older people:

‘Age is a big thing with the cost of living. People at my work who are 15 or 16, considering the money they get an hour, like $8 an hour, it’s a joke; that is just crazy. Considering when you are at school, even when you are 16 now and you want to go out to the movies with your friends, it costs at least $20.’ [Low paid, regional NSW]
‘Especially kids, 17 and 18, moving out of home and trying to do things. That makes a big difference.’ [Low paid, regional NSW]

The determination of the adult wage as 21 years seemed difficult to rationalise in many groups, and again the relationship to the cost of living was a key theme raised in discussions:

‘Why 21? Even at 18 you are classed as an adult. Cost of living as an 18-year-old costs you the same as when you’re 40.’ [Low paid regional NSW]

Several participants, in both younger and older groups, commented on the potential for young people to be exploited through lower pay rates and a general lack of knowledge about their rights.

‘Young people leaving school often have no choice, particularly in the food industry, which consists of many junior casual workers who can’t dictate to their employers how much they should be paid.’ [Above-average income, Bulletin Board]

‘I worked at [fast food place] for a few months. It was a rip-off. I had to complain about my wage every time they paid me. They always paid me the wrong amount. I eventually got sick of it and quit.’ [Juniors (mixed), NT]

At least one or two participants in each junior group and some employers expressed the view that young people are often ‘much better’ than older people, especially with regard to attitude and in terms of tasks requiring the use of computers or technology:

‘Juniors, the cheaper ones, which are great. Often they tend to work harder than the adults. They are very keen; it’s fun; they have money to play with. They are motivated.’ [Employer, retail, Melbourne]

‘I see it a lot in my job. The older drafters tend to spend a lot of time planning the entire thing before they start, because in the old days if they made a mistake they’d have to start over from scratch. With AutoCAD you can just move things around if they don’t fit. I find I am much faster than the older drafters because that’s how I learnt – with the new technology.’ [Junior (leavers), Cairns]

Not all employers shared this view, however, with many prepared to pay more for older workers who may be more reliable and interested in a longer-term career. The industry and customer base also seemed to have an impact on these hiring decisions as evidenced in the retail employers group held in Melbourne:

‘I would rather pay someone more if they are going to make me more money.’

‘I know where you are coming from and I used to think like that, but I would rather hire an adult who I know the customers would relate to more. They would rather buy from a 40-year-old than an 18-year-old.’

‘Depends on the industry though, doesn’t it? Like in a juice bar, you have already decided you want the juice. It doesn’t matter how old the person is. They don’t need the rapport. A teenager can do the job.’

‘We will not hire unless it’s a person we think will stay, and if they are mature – early thirties and older – they are more reliable, dependable, loyal and it looks like it is their career. They are not studying, or thinking, “What do I want to be?”’
‘If I don’t come in at 15% wages I don’t get my bonuses. So there is that choice: do I take on the junior and make less sales, or pay more for an experienced person who makes more sales?’ [Employer, retail, Melbourne]

When prompted with the idea that lower rates of pay may provide young people with a start in the workforce, given that they have no experience, many participants concurred. This was evidenced by several participants, particularly in the young workers group (21_29 years) or juniors (leavers) group. Several participants were in their second, third or fourth jobs, having first started in a very low paid retail or hospitality position. Some of these workers acknowledged the start that these first jobs gave them:

‘It’s a good start, though. It helps in your future; you get excellent references.’ [Low paid, regional NSW]

It was acknowledged when prompted that young people might find it difficult to get their first job without lower rates, and further to this, most employees agreed that, if put in the employers’ place, they too would hire younger workers in order to save costs:

Moderator: Would young people get jobs without the lower rate?
‘Probably not. A lot of people hire them [young people] because they are cheap.’
‘I probably would do that if I was in business, but it’s mean.’ [Low paid, regional NSW]

When prompted with the question, ‘What would happen if the junior rate were to be abolished?’, juniors did not unanimously support the idea. Some young people were able to articulate the idea that even though it would mean more money in hand for them, it might not be altogether desirable in the long term.

4.3.4 Skills, qualifications and experience

In many work places, wage rates were reported to vary depending on the skills and formal qualifications of workers:

‘Qualifications – however it is generally irrelevant whether that is obtained in the field or via education training. (Yes – WITHIN various jobs that matters, but as a general rule – the more trained or experienced, the more qualified, therefore the more you should be paid). ’ [Full-time, average income, Bulletin Board].

‘Staff with university degrees are paid about 30% more than those with only TAFE diploma.’ [Full-time, average income, Bulletin Board]

‘Yes, there are different pay scales for different skills. We have professional people, then para-professional, then unskilled. Education qualifications are also taken into account. People are allowed to work part-time in their position if appropriate. Age has absolutely no bearing on pay scale.’ [Full-time para-professional, high income, Bulletin Board]

‘Yes, there are differences; the more skilled, the higher the pay.’ [High income, sales, Bulletin Board]

In addition to formal skills and qualifications, experience was said to be an important factor in determining pay. Many workers reported that this was considered in their current pay rates as well as something they recommended should be taken into account when talking about wage setting generally. The links between education and experience, i.e., the value of skills gained through formal education versus those gained through on-the-job training were strongly debated in many forums:
‘I really do agree that people should be paid for education qualifications. However, upon thinking and looking at where I work, education is very well, but you must be able to put this into practice. We have some staff with exactly the same degrees but are virtually not up to scratch… So the workplace becomes inequitable and unfair. Education and skill must go hand in hand.’ [High income, Bulletin Board]

‘I agree totally that education should be rewarded. I do not have a university degree but I have 27 years’ experience. I believe this should have some value also. If you are doing the job and doing it well with or without university qualifications, you should be paid accordingly. We have a young girl working as a receptionist who has a teaching degree. She is a lovely girl, good at her job, but I can also do the job equally as well, so why should she be paid more than me?’ [Average income, single mother, Bulletin Board]

Employers also underlined the importance of experience and on the job ‘know-how’:

‘You need the experienced people. The young people I have got on, a lot of them they don’t have those life experiences. They tend to make things up; customers get annoyed and complain. Mature people, even if you are paying them more, you are increasing the sales, so it’s worth it.’ [Employer, retail, Melbourne]

‘If it is a brand new person who is new to retail they would get less than someone else who knows more.’ [Employer retail, Melbourne]

4.3.5 Employee performance, productivity and value to the company

Both employers and workers agreed that the harder a person worked, the more they produced or the better they performed should have an impact on their wage rate. Many participants spoke about the value of employees to the company and the belief that higher contributions relative to other employees should be rewarded. Contribution to the company may also extend to the concept of being indispensable to the business, and therefore high pay should be part of a company’s retention policy. Recognising contribution and performance in this way was also felt to be motivating for workers:

‘You should get paid what is fair and reasonable, like if you work on a farm, it’s hard work… It improves productivity and efficiency as well if you are getting rewarded for the work.’ [Low paid, regional NSW]

‘It also depends how important you are to the company.’ [High income, Bulletin Board]

‘Are you worthwhile to the company. Are you dedicated and do you really go above the average person in what you do? The more you do, the more you should get paid.’ [Bulletin Board]

‘If you are worth keeping, you are worth more.’ [Above-average income, Bulletin Board]

‘I believe people should be rewarded for input, innovative strategies and ideas, time they spend on a task and commendation for a job well done. I am going through Quality Assurance process, and my work doesn’t appreciate the time or effort put in to achieve high quality standards of work.’ [Bulletin Board]

‘Everything on its merit… if you produce twice as much, you earn twice as much.’ [Employer, travel industry, Melbourne]
4.3.6 Other employee attributes

Discussion groups frequently raised the less tangible or measurable qualities of employees as determinants of wage rates. Employees who had the right attitude would not only be more likely to be hired in the first place, but were also said to be more likely to be promoted or rewarded with higher pay rates or bonuses. Attitude encompassed a range of concepts including commitment, willingness to work hard and take on more responsibility, a strong work ethic – including dedication to task/effort – and other qualities such as ability to get on with others, take responsibility, be reliable and adapt quickly.

'It's even the little things; do they come 5 minutes before their shift; if they call in sick are they devastated they had to call in. You know who is telling the truth... the people who ask you the questions; you know which ones are the good ones.' [Employer, retail, Melbourne]

Life experience was mentioned by employees, both older and younger, as something that would and should be valued in the workplace. Similarly, employees who were said to offer maturity, the ability to make sound judgements and take responsibility for decision making with customers, etc., were reported to be of higher value. Some said these employees should be paid more:

'Recognition and respect for others, practical life (non job-specific) skills, ability to adapt quickly, people/relational skills.' [Bulletin Board]

'If you have a degree and no work experience, I would look at that very differently. You need life experiences.' [Employer, retail, Melbourne]

In addition to recognising the experience and skills of a person who had been employed at a workplace longer than others, there was a notion that length of service alone should be recognised as loyalty and commitment to the business:

'If you have been there 4 years, 5 years, it's a loyalty thing. A lot of people don't stay in a job for that long. They should reward you.' [Low paid, regional NSW]

Seniority was a closely related concept which was also identified as a factor affecting rates of pay. Those who were more senior in the workplace, i.e., had been there longer or had more responsibility, for example were supervisors, were deemed to be deserving of higher pay rates:

'I don't think they are paying me enough. I started off as a sales assistant and then two years ago we got a new system and we needed a duty officer and I got appointed that job and I still get paid the same rate. I have more responsibility now. Like, if I stuff up my job it stuffs up the whole system.' [Low paid, full-time worker, regional NSW]

'I am only casual but if I supervise at work I get 15% extra.' [Low paid, regional NSW]

Employer and employee relations were also cited by some workers as determinants for wages. People who got along with the boss or who the boss liked were said to get higher wages. Being able to fit into a workplace and get along well with other employees was something supported by both workers and employers as an important factor in deciding a person's worth to the company:

'There are different wages for different people. Personality – how you get on with people – it makes a difference.' [Unemployed, Darwin]
‘Capabilities, effectiveness, ability to respond to a crisis, working well with others.’ [Bulletin Board]

4.3.7 Environmental, economic and business factors

It was clear, particularly from employer comments, that the local labour market impacted the rates of pay in different locations. Labour market conditions, such as levels of competitiveness and demand and supply issues (skills shortages) and seasonal factors, were all cited as determinants for pay;

‘A lot goes on what other businesses pay, what is the going market rate.’ [Employer, retail, Melbourne]

Particular industries and occupations were suffering from skill shortages which were reported to be driving wages up. For example, mining in WA was said to be influencing wages generally in the state. Skills shortages in accountancy and other office-based work in Canberra was also cited as an area where finding people at reasonable pay rates was difficult:

‘Just trying to fill entry-level positions – I have people coming out of school who want to start as trainees and they want $35 to $40k. It’s just not happening. I can’t do that, but they go to the public service.’ [Employer, Canberra]

In other labour markets workers were more likely to comment that it was difficult to get a good job:

‘I feel crap about not working. Quite frankly, I could get a really crappy job tomorrow but I don’t want a crappy job – I want a good job.’ [Unemployed, Adelaide]

Another aspect that was deemed to be important was that jobs were perceived (by those in rural areas, at least) to be in greater supply in local regional areas than they were in city locations. Alternatively, if not in greater supply, then certainly more ‘available’, since many participants said that as far as getting a job was concerned, it was not what you knew but who you knew that was of most value. In fact, in regional areas people did appear to have wider social networks. Those in regional areas seemed to be in a good position to make an assertion about regions versus city, since some of them had tried to find jobs in the city, most usually in attempting to undertake university study (and often unsuccessfully due to financial constraints).

Not only did labour markets vary across locations, but occasionally within the one location. Various labour market conditions could exist over the course of the calendar year. In Coffs Harbour, for example, employers spoke of working very hard over summer to ‘store their chestnuts’ for the colder months when very few tourists would visit the area. They agreed that summer was an ‘employees’ market’ and winter was an ‘employers’ market’.

This also affected particular retail stores in other markets, for example selling camping/outdoor equipment, where they were busy in summer and quiet in winter:

‘In winter it’s really quiet. We only keep the reliable ones on, so it’s the good workers who get the shifts in quiet times.’ [Employer, retail, Melbourne]
In many locations people reported that there were many jobs available due to the perceived ‘boom’. This was widespread – not just in the city areas, but also in rural areas such as Geraldton (WA); Alice Springs (NT); Cairns (Qld) and Whyalla (SA). Several of the junior participants asserted that:

‘There are plenty of jobs around… and anyone who says they can’t get a job is lying.’ [Juniors, Alice Springs]

‘I got three jobs the very day I arrived in Alice Springs.’ [Juniors, Alice Springs]

In some locations the boom appears to primarily manifest as a ‘building’ boom (i.e., Cairns, Qld and Darwin, NT) – whereas in other locations (e.g., Whyalla, SA and Geraldton, WA) it was mainly talked about as a ‘mining’ boom. Thus, depending on the attributed cause of the boom, those are the areas in which the jobs are perceived to be. In either case, it was the trades that were seen to be in the biggest demand, and while it was the traditional blue-collar workers who were directly in line to benefit from the current environment, there was also perceived to be a flow-on effect to all other areas of the community. This was due to the increased money that was now available for other goods and services.

Broader environmental factors such as the drought were also mentioned as obviously affecting all businesses in the area, not only farmers:

‘We have been going through a very slow time. Farmers are not building that new shed, not putting on that pergola.’ [Low paid worker, saw mill, NSW]

Specific industry impacts, such as a local manufacturer downsizing and the impact of global trends, were also mentioned.

There were also issues raised in terms of the life stage of the business, e.g., employers starting out versus those in business longer. There was a perception that larger businesses had greater flexibility over wage rates and were generally more able to cope in challenging labour markets than small business. One new employer was concerned about making the business work and was more risk-averse, considering the total wage bill:

‘I would like to pay them the minimum I can and then look at bonuses later. At the moment I am working a lot of hours to keep my wages down, but that’s not how I want it to work. I have a lot of staff turnover. It’s not their life career here working at a juice bar.’ [New employer (less than 12 months), Melbourne]

‘Maybe a larger company can get away with it more, but for smaller business it [wage rises] can kill you.’ [Employer, retail, Melbourne]

4.4 Views on minimum wages

As discussed above, the general level of knowledge and understanding amongst the community about working conditions and wage rates appeared to be at a relatively low level. When discussing minimum wages, this lack of understanding was particularly evident among some segments of the population. While several participants – particularly those involved in the Bulletin Board discussions and employers – were more familiar with the minimum wage, it appeared that those participants most likely to be affected by the minimum wage and related wage decisions (e.g., those on junior rates) had lower levels of understanding of the concept. They also had lower levels of awareness about what level the minimum wage is currently set, and were largely unaware that it had changed recently.
Despite varying levels of understanding, all the groups were able to provide a range of views with regard the need for minimum wages and what factors should be considered in setting and adjusting minimum wages.

Overall, participants tended to take an altruistic approach when discussing minimum wages, focusing primarily on issues related to social responsibility. The cost of living was consistently raised as the most important issue to consider in setting minimum wages.

4.4.1 Awareness and understanding

Amongst adult participants, the concept of the minimum wage was raised following a discussion of how individual pay rates are determined in workplaces. It is important to note the order these matters were raised, as the specific discussion on the concept of the minimum wage followed the general discussion about wages and wage rates.

There appeared to be generally poor levels of understanding about what the minimum wage actually was. It may be that the concept is something that people more readily associate with others than with self. As a result, people seemed to refer back to the earlier discussion in attempting to understand how it related to what they had just said about the setting of pay rates generally. Although many people might understand what the term ‘minimum wage’ means in its literal sense, they seemed to have greater difficulty articulating what it means for them.

It regularly occurred that a discussion about the concept of minimum brought into the discussion the terms ‘award’ and ‘above award’. Indeed, people seemed more familiar with the terms ‘award’ and ‘above award’ than with the term ‘minimum’. There was also very little understanding of the actual minimum rate in dollar terms. Thus, people gave a range of responses:

‘I don’t know what the minimum wage is.’ [Low paid, Brisbane]

‘I’m sure it’s about $18 an hour.’ [Low paid, Brisbane]

‘The average wage is a lot more – $50,000 a year.’ [Low paid, Brisbane]

‘The average wage is $55,000.’ [Low paid, regional Victoria]

‘The minimum is around $9 an hour.’ [Low paid, regional Victoria]

‘Kids get even less than that – they only get a percentage.’ [Low paid, regional Victoria]

‘Minimum depends on what industry rates are. There is no one level.’ [Unemployed, NT]

The existence of junior rates seems to further confuse the concept of the minimum. Many wondered: how can there be a minimum when junior workers earn less than that? Also, some adults in the groups indicated they were being paid less than the minimum, and for them the concept of a minimum was even more elastic.

Further indicating a lack of understanding about the function of a minimum rate of pay was the fact that when subsequently asked how the minimum might be decided, some people thought that personal factors and attributes such as experience and skills should go into the mix.

‘It’s based on the cost of living.’ [Low paid, regional Victoria]
‘Also the skill involved. A doctor requires a lot of skill.’ [Low paid, regional Victoria]

‘Moderator: What factors should Fair Pay consider when setting the minimum?’
[Unemployed, NT]

‘Attitude – how you get along in the world.’ [Unemployed, NT]

‘Experience, attitude and respect for others.’ [Unemployed, NT]

‘Qualifications.’ [Unemployed, NT]

There was also limited understanding of the concept of the minimum wage. It was evident that there was an underlying belief that the government (or someone) does have some sort of role in wage setting. When asked how employers decided what to pay, the answer often was along the lines of ‘as little as they can’ or ‘what the law says’ thereby indicating that there was a conceptual understanding that a baseline or minimum exists. As well, some regarded the Centrelink benefit threshold as a marker for some kind of minimum. The gap between the level of ‘the dole’ and the minimum wages was raised in many groups. (See later discussion of factors for consideration.)

There was a low level of knowledge about the wage setting regime in Australia. When asked who sets the minimum wage, a variety of responses were recorded. The first type of response indicated a guess at the body or agency that owns the task:

‘Industry.’ [Low paid, regional Victoria]

‘Government sets the limits. The new IR laws set the scene for employers to do whatever they want.’ [Low paid, regional Victoria]

‘Commerce and industry.’ [Unemployed, NT]

‘Howard has set it to the minimum point it can be.’ [Low paid, regional Victoria]

‘Different unions.’ [Return to work, Brisbane]

‘State awards.’ [Return to work, Brisbane]

‘Before today I didn’t even know there was a law that controls the minimum wage in Australia.’ [Average income, Bulletin Board]

Among the junior groups, the concept of minimum wage was presented differently to that for the adult groups. Juniors were asked to consider the idea of the junior rate, thus their comments were related specifically to that concept. Typically, there was poor understanding of the fact that junior rates are based on set percentages of the adult minimum, depending on the age of the worker. However, most junior workers knew there was a junior rate (although most did not necessarily refer to it as that) and that it was related to their age. (See previous discussion under age and wage determination.)

Juniors seemed to know what their friends get paid for the work they do in different workplaces and there seemed to be more openness to discussing actual hourly rates among these groups. Juniors seemed to know where and what the best paying places of employment work were. This was evidenced by discussions that arose in one group around a ‘hierarchy’ of jobs (see previous discussion).
Junior workers living with their parents seemed to be the most mobile, job-wise, and more likely to seek out better hourly rates than would older workers. This may be because they are employed in part-time or casual roles and therefore have greater flexibility and a lesser dependence on their wages for financial survival.

There seemed to be a lack of comprehension about the differences between the minimum rate and what they were actually paid. In general, young people did not seem to correlate the two amounts or note any differences between the two; they were more likely to note differences between what they earned and what others earned. The fact that junior workers seemed to earn a wide range of pay rates possibly further contributed to a general lack of understanding about there being any kind of set minimum. Juniors were, however, highly aware that their wages would go up almost annually although it was not clear whether this was due to adjustments to Federal Minimum Wages, or to them turning a year older, or to a combination of the two.

4.4.2 Attitudes and opinions

While a variety of opinions were expressed, the group discussions typically focused on issues of social justice and protection of the more disadvantaged in society when discussing the concept of minimum wages:

‘I can understand how you would need something like this [a minimum wage] because we have heard some terrible stories… some people do terrible things [to their casual workers]… not everyone can stand up for themselves.’ [Employer, hospitality, regional NSW]

The issues became quite complex for business owners who were appreciative of rising costs of living and the costs of raising a family, but at the same time were struggling to keep their own businesses afloat. Employers who in earlier comments had been business-focused usually conceded there was a need for minimum wages to protect workers:

‘I think there has to be a minimum wage. Because I know that there will always be people who pay as little as possible: “I am trying to work out how I can pay as little as I can.” You will always find someone who is willing to work for less than the minimum wage so you do need to have minimum standards.’ [Employer, retail, Melbourne]

‘Cost of living goes up all the time whereas some companies don’t tend to do their annual reviews, so you are actually going backwards.’ [Employer, retail, Melbourne]

‘Unfortunately, as an employer, I think it’s partly our responsibility to cover these costs. Otherwise you [employees] do go backwards.’ [Employer, retail, Melbourne]

While the majority of employers felt minimum wages were necessary, some felt it was an impediment to a free market. The existence of a cash-in-hand jobs market and the (perceived) lack of enforcement of payment of minimum wages also caused some employers and workers to question the value of having a minimum wage:

‘Why do you have to [raise wages to cover the cost of living]? If that person doesn’t produce more, why would you pay them more because petrol has gone up? All these costs have gone up for you, too. If they have produced 20% more, then pay them more, but not because petrol has gone up!’ [Employer, travel industry, Melbourne]

‘If an employer offers someone $2 an hour and can find someone who is happy to work for that, who is to say they can’t come to that arrangement together?’ [Employer, accounting, Canberra]
4.4.3 How is it determined?

In general, group participants seemed not to understand how the minimum wage was calculated. Many assumed the minimum wage was based on the cost of living, and furthermore, some believed it was linked to the cost of living. While the terms CPI and the cost of living were used interchangeably, there was a widespread belief that the minimum wage responded to changes in the CPI:

‘The minimum wage goes up with the cost of living.’ [Unemployed, Darwin]

‘Varies by state and by cost of living. There’s also an allowance for living up north.’ [Unemployed, NT]

However, others were not so certain that wages were increasing in line with CPI and claimed that wages were getting further and further behind the CPI:

‘The cost of living is going up all the time and the pay rates aren’t going up at the same rate, so we’re getting further behind all the time.’ [Low paid, Brisbane]

‘I’m sure they’ve got some general calculations so they can work out what they can bring it down to and still keep people buying goods, keeping the economy going. Can’t have the retailers going broke.’ [Low paid, Brisbane]

Approaches for determining the minimum wage ranged from ‘pulling a number out of the air’ to careful consideration of relevant factors and public consultation:

‘Trial and error.’ [Low paid, Brisbane]

‘I am not sure what factors are taken into account at the moment. I think they just pull a number out of a hat.’ [Low paid, Bulletin Board]

‘They’d have to go out to worksites and see what people actually do.’ [Low paid, Brisbane]

‘Surveys to see how much it costs to run families or households. Public consultations on different family groups. Different situations in lots of different households. The equity of it all.’ [Low paid, Brisbane]

‘I would imagine that all interested parties put their views across. Business would express the idea that industry could not afford any increase. Social justice would say ’pay more’. I would like to think the CPI would be considered.’ [Above-average wage, Bulletin Board]

Among many, there was an expectation that the minimum wage was set ‘by someone’ and that regular adjustments to it are inevitable. But there was also a sense that any adjustment is just something that happens – is not something that needs to be understood – and certainly is not something they would have input into.

‘There is nothing you can do about it so you just don’t dwell on it.’ [Employer, hospitality, regional NSW]
4.4.4 What should be considered?

The nature of the discussion regarding the determinants of minimum wages often differed to that in the general discussion about wage setting. When discussing how the rate should be considered, attitudes tended to move from a focus on reward for performance and recognition of skills and experience to a discussion around more fundamental issues such as ensuring that basic needs could be met, given the cost of living and to issues of fairness and protection:

‘I have no idea what the minimum wage is but I’m sure it is too low to actually live on. I believe we all should have the right to be able to afford to have basic necessities: a roof over your head, clothing, nutritional food, affordable and accessible healthcare and basic education.’ [Average income, Bulletin Board]

‘They should be looking at the disparity between high-income-earners and those on basic wages so that people are paid fairly for the work they do.’ [Above-average wage, Bulletin Board]

‘I would like to know how much the minimum wage has gone up in the past ten years, and how much the costs of living has gone up in comparison to the actual wage… I think that’s what needs to be addressed… There are a lot of people getting wealthier in this country but a lot of other people going the other way.’ [Low paid, regional NSW]

In discussion, the general issues raised related to the capacity for an individual to manage on the wages earned, thus survival was top of mind.

‘To try to keep people above poverty.’ [Return to work, Brisbane]

‘The rates we are talking about are really only just subsistence.’ [Low paid, regional Victoria]

Not surprisingly, therefore, the cost of living was overwhelmingly the most often mentioned factor across all groups:

‘Maybe the cost of living needs to be taken into it; everything is getting more expensive. Being a home owner, the price of housing interest rates go up – it makes it harder. It goes up and up and up, but your pay stays the same.’ [Low paid, regional NSW]

‘Cost of living – everything seems to be going up but wages aren’t increasing like that. A lot of people are finding it hard. With interest rates going up, sometimes it can be an extra $400 a month, but what can you do?’ [Low paid, regional NSW]

‘I assume they take into account commodities required for living.’ [Low paid, Bulletin Board]

‘Inflation, cost of living, e.g., price of food, petrol, interest rates.’ [Above-average wage, Bulletin Board]

However the cost of living was not seen as the only factor that should be considered. A range of other issues were mentioned and these are identified briefly below:
• **Cost of housing.**
  ‘They’re only talking about living, not people buying a house. They would only be considering people who are renting.’ [Low paid, regional Victoria]

While housing might also be seen as part of the cost of living, people were quick to point out the difference between those renting and those purchasing their own home. The discussion around renting versus buying tended to consider the ‘great Aussie dream’ of owning your own home, and many thought this ‘dream’ would become a thing of the past. While many participants might currently own (or be paying for) a house, the idea of committing to a mortgage of the magnitude that would be required given the cost of housing today, filled many people with dismay.

• **Petrol prices**
A further consideration for many when considering the cost of work was the price of fuel in the current price environment. Vehicle running costs were also a factor given that owing a car was largely seen as an imperative, especially in areas with poor public transport (i.e., regional centres).

‘Car upkeep and petrol.’ [Unemployed, NT]

• **Cost of working**
The cost of working was a huge issue for those on low incomes, and especially so for those on unemployment benefits. Costs of working included transport, clothes, loss of Health Care Cards, materials or tools, and lunch and were seen to erode the incentive to work.

A further factor impacting on the cost of working was the travel time to work. Indeed, the time it takes to get to and from work was seen to effectively lower the wage rate received. As a result, the jobs required a large travelling distance were not desirable.

Travel time was of particular concern to parents who stated that it reduces the time spent with the children or being together as a family. Parents (predominantly women) talked about taking weekend work and then giving it up because they had no time with their partner. This was a particular issue for mothers, when confronted with the prospect of putting their children in day care and returning to work.

• **Child care**
The cost of child care was said to be a major impediment to parents working:

‘Child care fees make it impossible – can’t afford it.’ [Unemployed, NT]

However, while child care costs were often said to be unaffordable for those on low wages, it was often mentioned that child care workers receive little remuneration for the work they do. Indeed, there was some empathy expressed for child care workers, given the relatively low rates of pay they receive for caring for children. Another issue was the shortage of places that are available to enable parents to go to work, and this was suggested by many as an impediment to work.

Finally, the issue of **after-hours care for teenagers** was also a factor. Some parents said their (older) children might begin to misbehave if left unattended after school, and hence the decision to take on full-time work, or work longer than school hours was less favoured. There was a belief expressed in some groups that the prospect of
delinquency increased when there was a lack of supervision of teenaged children: ‘Kids are left to themselves more and more. Hardly see them. The kids don’t know their parents. We are heading for a whole generation of delinquent children.’

‘We already have!’ [Return to work, Brisbane]

- The welfare system and incentives to work

Many participants claimed there needed to be a greater gap between the level of unemployment benefits and wages paid for work, or there would not be sufficient incentive to work. The following comments from a group of retail employers illustrates this point:

‘That’s a tricky subject [the dole]. You wonder why so many kids don’t want to work. It is too high what, they get… I am thirty and when I went to school, I didn’t know anyone who was on the dole, not one… It was unheard of that you get benefits. But nowadays, there are kids everywhere from all different socio-economic backgrounds on the dole.’ [Employer, retail, Melbourne]

‘As a single mum I don’t make that much more working. I don’t know what the dole is, but with what I pay with petrol and day care, I could stay at home and probably be the same if I didn’t work… obviously you have to want to work.’ [Employer, retail, Melbourne]

‘I just don’t think there is enough of a gap with the minimum wage and what they get. It’s hard and you don’t want to say ‘tough love’ and all that – its hard. I don’t know everyone’s story but it seems to be too much.’ [Employer, retail, Melbourne]

‘Are we raising a culture of kids who think it is not worth working?… They work out whether they will earn more working… instead of being a fully functioning person, with no disabilities… You need to work; everyone needs to work.’ [Employer, retail, Melbourne]

- Business capacity

The capacity of employers to pay was also a factor raised by both employers and workers:

‘We have all those costs – GST, milk, freight… they are always going up. You get to think that you need to put your prices up, but if you are working in a competitive market, you can’t.’ [Employer, hospitality, regional NSW]

‘There are lots of outgoings in small food business. You have to make a lot of coffees to cover that!’ [Employer, hospitality, regional NSW]

‘They don’t seem to consider the employer… What if I am not doing well? What if I go bankrupt? What if I have to close the shop? It has to be balanced. Employers, small business especially, are not given much help. Unemployed, and low paid workers – what about employers?’ [Employer, travel, Melbourne]

Many Bulletin Board participants also raised higher-level economic factors in the discussions:

‘I believe they should include cost of living, CPI Index, inflation rates, hours worked, ability of employers to pay.’ [Above-average wage, Bulletin Board]

‘Probably connected to the farce they call the cost of living index, which compares the price of things that most people do not buy anyway.’ [Average income, bulletin board]
‘Inflation and economic related things.’ [Above-average wage, Bulletin Board]

‘The economy, GDP, current trends throughout the world.’ [Low paid, Bulletin Board]

‘I would say inflation is what they go on… mark-ups of all things since the last year or last 5 years would be taken into consideration. Oh yes, and what the minimum people would be willing to accept!’ [Above-average wage, Bulletin Board]

**Overall summary of priorities**

Towards the end of each group, participants were given three stick-on dots and asked to place them on a sheet of paper listing a variety of considerations when setting and adjusting minimum wages (e.g., cost of living, skills, what other businesses are paying, etc.). They were asked to indicate which of the three factors they believed were most important. In total 124 participants took part, of whom 15 were employers, 48 were low paid, 40 were juniors, and 21 were unemployed. The major factors deemed to need consideration varied by group, as shown below. Only the factors that were chosen by at least one fifth of participants are shown.

**Table 3: Key factors to consider in setting the minimum wage (in order of prevalence in ratings)**

<table>
<thead>
<tr>
<th>Employers</th>
<th>Low paid</th>
<th>Juniors</th>
<th>Unemployed</th>
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<tbody>
<tr>
<td>• Cost of living</td>
<td>• Cost of living</td>
<td>• Skills of the person</td>
<td>• Cost of living</td>
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<tr>
<td>• What is fair and reasonable</td>
<td>• Cost of working</td>
<td>• Age</td>
<td>• Qualifications</td>
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<tr>
<td>• Age</td>
<td>• What is fair and reasonable</td>
<td>• Cost of living</td>
<td>• Experience</td>
</tr>
<tr>
<td>• Comparison with receiving government benefits</td>
<td>• Qualifications</td>
<td>• Experience</td>
<td>• Skills of the person</td>
</tr>
<tr>
<td>• Qualifications</td>
<td>• Experience</td>
<td>• What is fair and reasonable</td>
<td>• What is fair and reasonable</td>
</tr>
<tr>
<td>• What the business can afford</td>
<td></td>
<td></td>
<td>• Price of housing</td>
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<td></td>
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<td>• Cost of working</td>
</tr>
</tbody>
</table>

Although cost of living was by far the biggest factor mentioned by all groups, for three of the groups the perceived importance of cost of living was substantially higher than it was for juniors. This might suggest that many juniors are somewhat insulated from the true effects of cost of living by their family situation. What is fair and reasonable was also a substantial factor for all four groups with between one in five workers and one in two employers mentioning this.

In the discussions there was usually some comment around the idea that skills, qualifications and experience were quite similar, however the juniors and the unemployed groups both mentioned all three of these factors, while (somewhat surprisingly) the low paid group mentioned none of these.

Perhaps not surprisingly, one in five employers indicated that what the business could afford was a factor that should be considered. Both juniors and employers thought that age was important.

**4.4.5 What happens when the minimum wage changes?**

Those on low wages were generally aware of when their wages went up, although they might not always know that adjustments in the Federal Minimum Wage might be driving this.
It appeared from the groups that some people did not know whether they were getting paid the correct amount or not, and some employers were unclear as to how they would know the rate has changed. However, many were aware there was a telephone number that workers could call to advise them on the appropriate rate of pay for particular awards or industries. It would appear, however, that workers do not monitor wage increases to any great extent and therefore rely on their employer to pass on any increases as and when they come.

Individuals appeared to develop their thinking about the impacts of wages as the group process developed. While responses to some issues appeared to be ‘black and white’ at the beginning of discussions, participants often left the group thinking that the setting of minimum wage rates was more complex than at first thought.

While some firm views were expressed, there was a diversity of opinion and a growing understanding of the complexity of issues once existing ideas and statements were challenged. Groups tended to articulate an argument incrementally. For example, while on the face of it a pay rise would be welcome and would make their life easier, there was often also a recognition that this would provide short-term relief because the price of everything else was also likely to go up (inflation). In fact, many acknowledged that an increase in wages might force some employers out of business, which in turn would be bad for the economy generally and bad for them in particular.

It is difficult to ascertain how widespread this level of understanding or these individual views might be, or to anticipate whether people in general (particularly young people) would reach similar conclusions on their own, since this thesis tended to develop cooperatively within the group, with each person adding to and building the story.

Nevertheless, several ultimately agreed with the view that small businesses ‘hurt’ when wages are increased:

‘It is a huge impact. It’s upsetting. It hurts. The sort of business we are in, six weeks a year we are frantic and we earn money for the rest of the year. When a wage rise comes it eats into that money you have stored away.’ [Employer, hospitality, regional NSW]

‘I can see the point. I do all the pays and a lot of the work and we are a fairly small show and I could see that if we were to have to pay more… We have been going through a very slow time… farmers are not building that new shed… We usually run with four or five blokes and if we have the extra pay then now is the time that we would have to look at letting a couple of them go. My boss has always been very fair. He pays the award and then a bit extra. I can see the point of the small business owner, of how it could get hard for them if they had to pay extra. If they had to pay four people, he might employ three people instead at the higher rate.’ [Low paid, regional NSW]

Again, some felt that big business would experience less impact of wage rate increases compared to small business:

‘I don’t think it would affect a big business like that. The amount of money they make!’ [Low paid, regional NSW]

Implementation of changes was also said to have some good and bad effects on business:
I would increase the minimum wage with the old saying, “A fair day's pay for a fair day’s work” – could never be fairer. In my experience I have found that a boss that is willing to look after their employees will generally find an increase in productivity, and in my profession that couldn’t be better. The more product that we can produce, the more product we have to sell.’ [Low paid, warehouse worker, Bulletin Board]

‘There was a huge increase a while back and we had to back pay, and it was so complicated. It took so long to get the system right… all different wages and ages and shift times and days… It took so long to work it all out, to get the system right. Then there was so much back pay, eight months of pay, by the time we had it all worked out.’ [Employer, retail, Melbourne]

4.4.6 Determination of the minimum wage by participants

When asked what they would do to minimum wages if they were the Fair Pay Commission, surprisingly few said they would put wages up. The question was treated with seriousness. People would carefully consider their response and then the most usual (first) response was that they would probably leave wages alone:

‘I probably wouldn’t change them. I just assume they have worked out what they should be… that they have got it right.’ [Low paid, Brisbane]

‘These things they have to consider are hard… all the fluctuations in the market.’ [Low paid, Brisbane]

‘And there are different factors whether you are the employer or the employee.’ [Low paid, Brisbane]

‘I’d leave it the way it is.’ [Low paid, Brisbane]

‘If you put it up everything else will just go up.’ [Low paid, Brisbane]

An understanding of the complexity of the issues and the impact of an increase in wages was evident, partly fuelled by discussions and the cumulative insights that the group discussions elicited:

‘Employers wouldn’t have as big a profit or in some cases be able to continue, but poorer workers would have more chance of buying affordable housing or have more disposable income to spend, which in turn could stimulate other areas of the economy.’ [Above-average wage, Bulletin Board]

‘I would try to increase minimum wage as I think those people are really struggling to have decent quality of life but realise that this may have a big influence on the economy in general, e.g., may force consumer goods process higher, interest rates etc.’ [Above-average wage, Bulletin Board]

‘I think they should have to sit down and work out exactly what people can afford on the minimum wage. The Treasurer should look at all the things and what they cost. People on the minimum wage have an extremely hard time. [It should be worked out] so that a family can survive on one wage.’ [Return to work, Brisbane]
‘They need to have a really good understanding of what it costs and the impact on the actual business. There is a domino effect. If wages go up then it’s either a cost to us, the business owner or a cost to the community because prices go up.’ [Employer, hospitality, regional NSW]

At the conclusion of the group it was often evident to the majority of participants that what they might have first thought was a simple matter was in fact far more complex. There was general recognition that the setting of minimum wages was not easy and the role of the Fair Pay Commission was challenging, given that many competing factors needed to be considered. Overall there was strong sentiment from both workers and employers that an understanding of the impacts for individuals, families and businesses (i.e., understanding ‘real experiences’) was important for wage setting.
Appendix A: Discussion guides and handouts

Discussion guide: employer groups

This discussion guide is intended as an outline only. There will be considerable scope within the discussion for exploring issues as they arise. Questions are indicative only of subject matter to be covered and are not word-for-word descriptions of the moderator's questions. Given the breadth of material to be covered, not all topics will be explored in detail in all groups.

1. **Introduction – 5 mins**
   - Introduction to the study (about business and employment activities)
   - Purpose of this discussion group – What we are here to talk about is employment and business decisions. Talk about your experiences, learn from you, understand business perspective
   - Role of TNS Social Research as objective third party, no hidden agendas, you can be open and frank with us
   - Confidentiality issues – taping, client viewing if applies

You are part of a national study where we are consulting with people in all states and territories, city and country, to understand their experience and ideas. It has been commissioned by a national statutory body and I am going to tell you a bit more about them later. We have some people observing who are from that organisation.

Session structure: Discussion, few activities, info session (meet the organisation)

Facilities, mobile phones, talk one at a time, agree to disagree (not about consensus)

2. **Round table intro – 5 mins**

Begin by going around the table asking participants to introduce themselves and say:

   - Something about the business you work in?
   - What sort of employees (occupations and employment status – casual, part-time, etc.) do you have?

3. **Recent employment practices – 20 mins**

   - Do you generally find it easy to fill positions? Why? Why not?
   - Tell me about the last job that you filled, what happened with that?

EXPLORE a few case study examples

   - Why were you employing someone (replacement or new job)?
   - How did you decide what type of position…
     - Employee? Contractor?
     - Apprentice? Trainee?
     - Casual? Permanent?
     - Junior or older?
     - Full-time part-time?
Have you ever had a vacancy that you couldn't fill? Tell me about that.

- Was that related to your business? your industry? or the type of occupation? Skills shortage? Pay rates?

What are the things that matter most to you when you make a decision about employing someone or not?

- Prompt with: pay rates, time, money, type of job (senior/junior, skilled/unskilled), risk to the business, competitiveness, attributes
- How did you decide what sort of pay they might get? EXPLORE

What makes a good employee for your business?

- Are there particular things? Is this different for different types of jobs? How?

Do you find that employees usually stay with you for a long time? Why? Why not? EXPLORE if they were pushed out (conditions/treatment) or pulled out (other options, better pay/conditions elsewhere etc)

What do you do to keep them?

4. Wage rates and wage decisions – 40 mins

How are wages determined in your workplace?

Explore for

- different types of employees

Probe for

- younger,
- older,
- casual,
- permanents,
- part time full time,
- skilled unskilled

What kinds of things do you consider when you decide how much to pay people?

1. Show Sheet 1

Hand out with different drivers – skills, attitude, supply, worth/value to the business, experience, age, wage rate/labour cost, govt subsidy available, length of service, level of commitment, long term prospects, what I can afford, what I am required to pay by the award, education levels, age, seniority, experience, social justice, training fair and reasonable, what other employers pay, training, juniors, incentives for retention.

PROBE fully on attitudes and perceptions about what is important – what is in scope
Real examples

Remember a time when wages went up for your employees, a specific example. Tell me about that, what happened?

How often do wages go up?

How do you find out about wage increases?

Explore fully

Why did they go up? What happened? What were the circumstances?

Were there impacts on your businesses? What about competitiveness?

What other impacts were there?:

• The employee?
• Other employees?
• You as business owners?
• Did business strategies change? Did employment strategies change?

Minimum wages

Who sets the minimum wage? (If hasn’t come up already)

2 Show Sheet 1 again

Now thinking about the minimum wage – What’s important in setting what the minimum wage should be?

5. The Commission – 30 mins

If not raised already

Before today had you heard of the Australian Fair Pay Commission?

• If so: What do you know about them? Who are they?

Were you aware that they had made a wage review in October 2006? And that minimum wages went up in Dec 2006?

If not aware, then give brief outline: The Australian Fair Pay Commission is an independent, statutory body responsible for setting and adjusting Federal Minimum Wages to promote the economic prosperity of the people of Australia.

The Commission was established in December, 2005. The Commission replaces the wage-setting and adjusting functions of the Australian Industrial Relations Commission, which retains its role as a national tribunal dealing with employment disputes. The Commission uses a combination of commissioned research, meetings with stakeholders, public consultations and written submissions to inform its wage-setting decisions. A statutory body: government-appointed body set up to give advice and be consulted for comment upon relevant issues affecting matters of public interest.
When the AFPC make their decision, what factors do you think they consider?

What factors do you think they should consider? What should the decision be based on? SHOW list of attributes (SHEET 2) – DISCUSS

If you were in their position, if you could be the AFPC for a day, what would you do with minimum wages in Australia?

• Why?
• What impact do you think that would have?

3. Show Sheet 1 Again

Look back at the sheet of things to consider when setting pay rates – pretend you are the AFPC – Here are three dots. I want you to put them on the three key things you would consider if you were setting the minimum wage.

THANK and CLOSE: Thank you for your time today. We’ve got a lot of good ideas from you. These will go together with the other issues raised in similar groups around the country to help the Commission in their job.

Hand out incentives.

Now we have a short session about the Commission – they would also like to thank you personally. Introduce the Commissioner.
Discussion guide: workers groups

This discussion guide is intended as an outline only. There will be considerable scope within the discussion for exploring issues as they arise. Questions are indicative only of subject matter to be covered and are not word for word descriptions of the moderator’s questions. Given the breadth of material to be covered, not all topics will be explored in detail in all groups.

1. **Introduction – 5 mins**

   - Introduction to the study
   - Purpose of this discussion group – What we are here to talk about is employment and decisions we make about work and life. Talk about your experiences, learn from you, understand your perspective
   - Role of TNS Social Research as objective third party, no hidden agendas, you can be open and frank with us
   - Confidentiality issues – taping, client viewing

You are part of a national study where we are consulting with people in all states and territories, city and country to understand their experience and ideas. It has been commissioned by a national statutory body and I am going to tell you a bit more about them later. We have some people observing who are from that organisation.

Session structure: Discussion, few activities, info session (meet the organisation)

Facilities, mobile phones, talk one at a time, agree to disagree (not about consensus)

2. **Round table intro – 5 mins**

Today’s topic is about working and other activities people have in their lives. Everyone’s situation is different, people have different things going on in their lives at different times. Perhaps we could go around the table and introduce ourselves, tell us a bit about yourself and something about your situation at the moment: are you working full time? Are you studying, looking after children, or working in a casual or part time job?

3. **Lifestyle and work choices – 30 mins**

   - How do you feel about working at the moment? AND/OR Finish this sentence: ‘I work because…’
   - What do you think are the good things about working?
   - What about bad things about working? What things don't you like about working?
   - Have you ever been unemployed? How would you feel about being unemployed?
   - What about your current job – think back to when you got that job. What did you think about when you took on that job?
   - What was important to you in that decision?
   - Have you ever thought about leaving? Why would you leave/stay?
   - Probe – what about employer attitudes?
   - Do you find it easy to find the kind of job you want? Why? Why not? EXPLORE FULLY
   - Thinking about your life and the sort of employment decisions you have made in the past. What are the things that matter to you most when you make a decision about taking on a job? Or the hours that you work? PROMPT WITH:
     - pay rates,
     - hours,
     - location/transport,
– childcare costs and availability,
– type of job (senior/junior, skilled/unskilled),
– family tax benefits,
– other benefits,
– employers.

What other things are important for you? PROBE…

• family
• career
• relationships
• buying a house
• travelling

• health
• finances
• community
• having children
• where does work fit in?

How would you describe your current lifestyle?

IF time allows and/or you feel you need the stimulus material to get the discussion going:

🎉 HAND OUT SHEET 3: CURRENT LIFESTYLE
Thinking about your life in general, the people you spend time with, the places you go and the things that you do… Take a moment to think about it, look at the words on this page and circle all those you think describe your current way of life.

• That’s your life now, what about in the future? Do you think it will change in the future? Why is that?
• What would you need to change your lifestyle from the one you have now to the one you would like in the future?
• How much control do you think you have over your future lifestyle?
• Do you think you will be in the same job? Why? Why not?

4. Working and wage rates – 30 mins

• What impact does rate of pay have on the things you want to do in the future?
• How important is money to you in the future you described?
• How much is enough? How much do you need? What affects how much you need?
• How are wages determined in your workplace? EXPLORE FOR DIFFERENT TYPES OF EMPLOYEES
  – Younger versus older
  – Casual/permanent /
  – Part time/full time
  – Skilled/unskilled
  – Industry
• What sorts of things do you think determine how much people get paid?

🎉 HAND OUT SHEET 1: THINGS TO CONSIDER
• PROBE FULLY on attitudes and perceptions about what is important
• Of all of these things, which are the most important to you?

Minimum wages

Now thinking about the minimum wage – Who sets the minimum wage? (If hasn’t come up already)
5. The Commission – 20-30 mins

If not raised already

Before today had you heard of the Australian Fair Pay Commission?

• If so: What do you know about them? Who are they?

Were you aware that they had made a **wage review in October 2006**? And that **minimum wages went up in Dec 2006**?

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*If not aware, then give brief outline:* The Australian Fair Pay Commission is an independent, statutory body responsible for setting and adjusting Federal Minimum Wages to promote the economic prosperity of the people of Australia.

The Commission was established in December, 2005. The Commission replaces the wage-setting and adjusting functions of the Australian Industrial Relations Commission, which retains its role as a national tribunal dealing with employment disputes. The Commission uses a combination of commissioned research, meetings with stakeholders, public consultations and written submissions to inform its wage-setting decisions. A **statutory body:** government-appointed body set up to give advice and be consulted for comment upon relevant issues affecting matters of public interest.

When the AFPC make their decision, what factors do you think they consider?

What factors do you think they should consider? What should the decision be based on? **SHOW LIST** of attributes – **DISCUSS**

If you were in their position, if you could be the AFPC for a day, what would you do with minimum wages in Australia?

• Why?
• What impact do you think that would have?

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*REFER TO SHEET 1 AGAIN*

Look back at the sheet of things to consider when setting pay rates – pretend you are the AFPC – put dots on the key things you think you would consider in setting the minimum wage.
THANK and CLOSE: Thank you for your time today. We've got a lot of good ideas from you. These will go together with the other issues raised in similar groups around the country to help the Commission in their job.

Sign for attendance, hand out incentives.

Now we have a short session about the Commission – they would also like to thank you personally. Introduce the Commissioner.
Discussion guide: unemployed groups

This discussion guide is intended as an outline only. There will be considerable scope within the discussion for exploring issues as they arise. Questions are indicative only of subject matter to be covered and are not word-for-word descriptions of the moderator’s questions. Given the breadth of material to be covered, not all topics will be explored in detail in all groups.

1. Introduction – 5 mins

• Introduction to the study
• Purpose of this discussion group – What we are here to talk about is employment and decisions we make about work and life. Talk about your experiences, learn from you, understand your perspective
• Role of TNS Social Research as objective third party, no hidden agendas, you can be open and frank with us
• Confidentiality issues – taping, client viewing

You are part of a national study where we are consulting with people in all states and territories, city and country to understand their experience and ideas. It has been commissioned by a national statutory body and I am going to tell you a bit more about them later. We have some people observing who are from that organisation.

Session structure: Discussion, few activities, info session (meet the organisation)

Facilities, mobile phones, talk one at a time, agree to disagree (not about consensus)

2. Round table intro – 5 mins

Today’s topic is about working and other activities people have in their lives. Everyone’s situation is different, people have different things going on in their lives at different times. Perhaps we could go around the table and introduce ourselves, tell us a bit about yourself and something about your situation at the moment: are you looking for full-time or part-time work? What else you are doing… Are you studying? looking after children? working intermittently?

3. Lifestyle and work choices – 30 mins

• About the decision to work…
• How long have you been unemployed? How do you feel about being unemployed?
• How do you feel about looking for work at the moment?
• What do you think are the good things about working?
• What about bad things about working? What things don’t you like about working?
• Do you find it easy to find the kind of job you want? Why? Why not? EXPLORE FULLY
• Thinking about your life and the sort of employment decisions you have made in the past. What are the things that matter to you most when you make a decision about taking on a job? Or the hours that you want to work? PROMPT WITH:
  – pay rates
  – cost of working (transport clothes)
  – benefits you might lose (Health Care Card, transport)
  – income tax
  – hours
  – location/transport
– childcare costs and availability
– type of job (senior/junior, skilled/unskilled)
– family tax benefits
– other benefits
– employers.

• What other things are important for you PROBE …
  – family – health
  – career – finances
  – relationships – community
  – buying a house – having children
  – travelling – where does work fit in?

• How would you describe your current lifestyle?

IF time allows and/or you feel you need the stimulus material to get the discussion going:

🔗 HAND OUT SHEET 3: CURRENT LIFESTYLE
Thinking about your life in general, the people you spend time with, the places you go and the things that you do… Take a moment to think about it, look at the words on this page and circle all those you think describe your current way of life.

• That’s your life now, what about in the future? Do you think it will change in the future? Why is that?
• What would you need to be able to change your lifestyle from the one you have now to the one you would like in the future?
• How much control do you think you have over your future lifestyle?
• How important will your job in that future?
• Do you think you will be in the same job? Why? Why not?

4. Working and wage rates – 30 mins

• What impact does rate of pay have on the things you want to do in the future?
• How important is money to you in the future you described?
• How much is enough? How much do you need? What affects how much you need?
• How have wages been determined in the places you have worked? How do employers decide how much they will pay you? EXPLORE FOR DIFFERENT TYPES OF EMPLOYEES
  – Younger versus older
  – Casual/permanent
  – Part-time/full-time
  – Skilled/unskilled
  – Industry

• What sorts of things do you think usually determine how much people get paid? What factors are considered by employers?

🔗 HAND OUT SHEET 1: THINGS TO CONSIDER
• PROBE FULLY on attitudes and perceptions about what is important
• Of all of these things, which are the most important to you?
Minimum wages

Now thinking about the minimum wage – Who sets the minimum wage? (If hasn’t come up already)

★ REFER TO SHEET 1 AGAIN
What things are important in setting what the minimum wage should be?

5. The Commission – 20–30 mins

If not raised already

Before today had you heard of the Australian Fair Pay Commission?

• If so: What do you know about them? Who are they?

Were you aware that they had made a wage review in October 2006? And that minimum wages went up in Dec 2006?

If not aware, then give brief outline: The Australian Fair Pay Commission is an independent, statutory body responsible for setting and adjusting Federal Minimum Wages to promote the economic prosperity of the people of Australia.

The Commission was established in December, 2005. The Commission replaces the wage-setting and adjusting functions of the Australian Industrial Relations Commission, which retains its role as a national tribunal dealing with employment disputes. The Commission uses a combination of commissioned research, meetings with stakeholders, public consultations and written submissions to inform its wage-setting decisions. A statutory body: government-appointed body set up to give advice and be consulted for comment upon relevant issues affecting matters of public interest.

When the AFPC make their decision, what factors do you think they consider?

What factors do you think they should consider? What should the decision be based on?
SHOW LIST of attributes – DISCUSS

If you were in their position, if you could be the AFPC for a day, what would you do with minimum wages in Australia?

• Why?
• What impact do you think that would have?

★ REFER TO SHEET 1 AGAIN
Look back at the sheet of things to consider when setting pay rates – pretend you are the AFPC – put dots on the key things you think you would consider in setting the minimum wage.
THANK and CLOSE: Thank you for your time today. We've got a lot of good ideas from you. These will go together with the other issues raised in similar groups around the country to help the Commission in their job.

Sign for attendance, hand out incentives.

Now we have a short session about the Commission – they would also like to thank you personally. Introduce the Commissioner.
Discussion guide: junior groups (at school)

This discussion guide is intended as an outline only. There will be considerable scope within the discussion for exploring issues as they arise. Questions are indicative only of subject matter to be covered and are not word-for-word descriptions of the moderator’s questions. Given the breadth of material to be covered, not all topics will be explored in detail in all groups.

1. Introduction – 5 mins

- Introduction to the study (about work and pay)
- Purpose of this discussion group – What we are here to talk about is about factors surrounding work and pay. Talk about your experiences, learn from you, understand your perspective
- Role of TNS Social Research as objective third party, no hidden agendas, you can be open and frank with us
- Confidentiality issues – taping, client viewing if applies

You are part of a national study where we are consulting with people in all states and territories, city and country to understand their experience and ideas. It has been commissioned by a national statutory body and I am going to tell you a bit more about them later. We have some people observing who are from that organisation.

Session structure: Discussion, few activities, Info session (meet the organisation)

Facilities, mobile phones, talk one at a time, agree to disagree (not about consensus)

2. Round table intro – 5 mins

- Today’s topic is about working and other activities people have in their lives. Everyone’s situation is different, people have different things going on in their lives at different times. Perhaps we could go around the table and introduce ourselves, tell us a bit about yourself and something about your situation at the moment:
  - What year you are in at school
  - What school you go to
  - What sort of work you do/what industry
  - What hours you work – (casual, part-time, full-time etc)

3. Lifestyle and work choices – 20 mins

Idea writing sheets.

Alternate the colours when handing them out. Hand out early in the group because you need to revisit them periodically.

First time say: I have a sheet for each of you. You’ll notice there are three different colours. I want you to answer the question on your sheet as fully as you can and then put it into the middle of the table. Later on I am going to get you to take a different coloured sheet.
• Tell me about what work means for you. What do you think about work?
• Where does work fit in your life?
• Are there seasonal effects in work? Do you work more in the school holidays (if at school) or work less in the summer (if prefer to spend the summer at the beach)
• What do you think about your job? Do you like it? Why? Why not?
• Is the idea of career important? Will it be important later? Why? Why not?
• Do you see work as being the starting point of a future career? Or just a job to pay for other interests?
• Did you find it easy to get that job? Why? Why not?
• Do you have one job or multiple jobs? Part-time? Seasonal? Full-time?
• How many different jobs have you had?

Now think about what things you consider when you decide whether to take a job or not?

PROMPT WITH:

• pay rates, number of hours of work you require, working hours (i.e. after school; evening; weekend); money, type of job, costs of doing the work (e.g. petrol, child care), etc
• get them to pick a second coloured sheet and answer the question
• That's your life now, what about the future? Will it change do you think?
• Have you decided what you are going to do with your life/future? If yes: What? If not: Why not?
• How important do you think your job will be in that future?

4. Wage rates and wage decisions – 10 mins

• What impact does rate of pay have on the things you want to do in the future? How important is money to you in the future you described?
• How much is enough? How much do you need? What affects how much you need?
• get them to pick the third coloured sheet and answer the question. if time get them to do a 4th run – summarising at the bottom what the main idea is on the sheet (if they can).
• How are wages determined in your workplace? EXPLORE FOR DIFFERENT TYPES OF EMPLOYEES
  – Younger versus older
  – Casual/permanent /  
  – Part-time/full-time
  – Skilled/unskilled
  – Industry

• What sorts of things do you think determine how much people get paid?

HAND OUT SHEET 1: THINGS TO CONSIDER
• PROBE FULLY on attitudes and perceptions about what is important
• Of all these things, which are the most important to you?

5. Junior rates – 20 mins

• Now thinking about the junior rates – have you heard of a junior rate? What is it? What’s it for?
• Does it apply to all jobs/industries? Examples.
• Should there be a junior rate? Why? Why not? Should it be for 15–20 year olds? Or should it be up to 18-year-olds?)
• How do you feel about getting a junior rate? Is it fair?
• What would happen if there wasn’t one?
• Would young people be disadvantaged? Would employers take on older people with more experience instead?
• What's the trade-off? What would they do if they were in the employer's shoes?
• Are junior rates a way of stepping into the job market?

**Whiteboard brainstorm on pros and cons**

Refer To Sheet 1 Again

What things would you say are important in setting what the junior rate should be? Are they the same or different to what you said earlier?

6. The Commission – 20–30 mins

If not raised already

Before today had you heard of the Australian Fair Pay Commission?

• If so: What do you know about them? Who are they?

Were you aware that they had made a wage review in October 2006? And that minimum wages went up in Dec 2006?

*If not aware, then give brief outline: The Australian Fair Pay Commission is an independent, statutory body responsible for setting and adjusting Federal Minimum Wages to promote the economic prosperity of the people of Australia.*

The Commission was established in December, 2005. The Commission replaces the wage-setting and adjusting functions of the Australian Industrial Relations Commission, which retains its role as a national tribunal dealing with employment disputes. The Commission uses a combination of commissioned research, meetings with stakeholders, public consultations and written submissions to inform its wage-setting decisions. A statutory body: government-appointed body set up to give advice and be consulted for comment upon relevant issues affecting matters of public interest.

When the AFPC make their decision, what factors do you think they consider?

What factors do you think they should consider? What should the decision be based on? SHOW LIST of attributes – DISCUSS

If you were in their position, if you could be the AFPC for a day, would you have a junior rate? And what would it be?

• Why? What impact do you think that would have?

Prompt for: age (should it be for 15-18 year olds? or should it be up to 21?)
Take on older people then? What would they do if they were in the employer’s shoes? What would happen if there was no junior rate? Disadvantaged. Cheap labour. Sacked when 20.
REFER TO SHEET 1 AGAIN

Look back at the sheet of things to consider when setting pay rates – pretend you are the AFPC – put dots on the key things you think you would consider in setting the minimum wage.

THANK and CLOSE: Thank you for your time today. We've got a lot of good ideas from you. These will go together with the other issues raised in similar groups around the country to help the Commission in their job.

Sign for attendance, hand out incentives.

Now we have a short session about the Commission – they would also like to thank you personally. Introduce the Commissioner.
Discussion guide: juniors groups (school leavers)

This discussion guide is intended as an outline only. There will be considerable scope within the discussion for exploring issues as they arise. Questions are indicative only of subject matter to be covered and are not word-for-word descriptions of the moderator’s questions. Given the breadth of material to be covered, not all topics will be explored in detail in all groups.

1. Introduction – 5 mins
   - Introduction to the study (about work and pay)
   - Purpose of this discussion group – What we are here to talk about is about factors surrounding work and pay. Talk about your experiences, learn from you, understand your perspective
   - Role of TNS Social Research as objective third party, no hidden agendas, you can be open and frank with us
   - Confidentiality issues – taping, client viewing if applies

You are part of a national study where we are consulting with people in all states and territories, city and country to understand their experience and ideas. It has been commissioned by a national statutory body and I am going to tell you a bit more about them later. We have some people observing who are from that organisation.

Session structure: Discussion, few activities, Info session (meet the organisation)

Facilities, mobile phones, talk one at a time, agree to disagree (not about consensus)

2. Round table intro – 5 mins

Today’s topic is about working and other activities people have in their lives. Everyone’s situation is different, people have different things going on in their lives at different times. Perhaps we could go around the table and introduce ourselves, tell us a bit about yourself and something about your situation at the moment:

   - Are you studying or working or both?
   - What sort of work you do/what industry
   - What hours you work – (casual, part-time, full-time etc)

3. Lifestyle and work choices – 20 mins

   - Tell me about what work means for you. What do you think about working as such? How does work fit in your life? Is it your sole activity or do you also go to university or TAFE?
   - Are there seasonal effects in your work? I.e. work more in the school holidays (if at school) or work less in the summer (if prefer to spend the summer at the beach)
   - Do you still live at home with your parents? Or are you independent?
   - What is the role of work in capacity to study i.e. is employment essential? Why? Why not?
   - Is work the starting point of a future career? Or just a job to pay for other interests?
   - Is the idea of career important?
   - Do you generally find it easy to find a job? Why? Why not?
   - How many different jobs have you had?
   - Do you have one job at a time or multiple jobs? Part-time? Seasonal? Full-time?
• Over your life time, do you think you will have one career path or many?
• Now think about what are the things you consider when you make a decision about taking a job or not? PROMPT WITH:
  • pay rates, number of hours of work you require, working hours (i.e. after school; evening; weekend); money, type of job, costs of doing the work (e.g. petrol, child care), etc

IF time allows and/or you feel you need the stimulus material to get the discussion going:

• That’s your life now, what about the future? Will it change do you think?
• How do you decide what to do with your life/future? What factors do you consider?
• How important will your job be in that future?

4. Wage rates and wage decisions – 10 mins

• What impact does rate of pay have on the things you want to do in the future?
• How important is money to you in the future you described?
• How much is enough? How much do you need? What affects how much you need?
• How are wages determined in your workplace? EXPLORE FOR DIFFERENT TYPES OF EMPLOYEES
  – Younger versus older
  – Casual/permanent
  – Part-time/full-time
  – Skilled/unskilled
  – Industry
• What sorts of things do you think determine how much people get paid?

جاديد
HAND OUT SHEET 1: THINGS TO CONSIDER
• PROBE FULLY on attitudes and perceptions about what is important
• Of all these things, which are the most important to you?

5. Junior rates – 20–30 mins

Junior Rates

• Now thinking about the junior rates – have you heard of a junior rate? What is it? What’s it for?
• Does it apply to all jobs/industries? Examples.
• Should there be a junior rate? Why? Why not? Should it be for 15-20 year olds? Or should it be up to 18 year olds?)
• How do you feel about getting a junior rate? Is it fair?
• What would happen if there wasn’t one?
• Would young people be disadvantaged? Would employers take on older people with more experience instead?
• What’s the trade-off? What would they do if they were in the employer’s shoes?
• Are junior rates a way of stepping into the job market?

White board brainstorm on pros and cons

جاديد
REFER TO SHEET 1 AGAIN
What things would you say are important in setting what the junior rate should be?
Are they the same or different to what you said earlier?
6. The Commission – 20–30 mins

If not raised already

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• If so: What do you know about them? Who are they?

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When the AFPC make their decision, what factors do you think they consider?

What factors do you think they should consider? What should the decision be based on?

SHOW LIST of attributes – DISCUSS

If you were in their position, if you could be the AFPC for a day, would you have a junior rate? And what would it be?

• Why?
• What impact do you think that would have?

✪ REFER TO SHEET 1 AGAIN

Look back at the sheet of things to consider when setting pay rates – pretend you are the AFPC – put dots on the key things you think you would consider in setting the junior wage.

THANK and CLOSE: Thank you for your time today. We've got a lot of good ideas from you. These will go together with the other issues raised in similar groups around the country to help the Commission in their job.

Sign for attendance, hand out incentives.

Now we have a short session about the Commission – they would also like to thank you personally. Introduce the Commissioner.
Appendix B: Handouts

Sheet 1: Things to consider in setting pay rates

<table>
<thead>
<tr>
<th>age</th>
<th>flexibility to work</th>
<th>skills of the person</th>
<th>provision of on-the-job training</th>
<th>market rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>employability</td>
<td>experience</td>
<td>length of service</td>
<td>attitude</td>
<td>cost and availability of childcare</td>
</tr>
<tr>
<td>cost of living</td>
<td>scarcity of skills</td>
<td>what other businesses pay</td>
<td>demand for skill set</td>
<td>seniority</td>
</tr>
<tr>
<td>comparison with</td>
<td>long-term prospects</td>
<td>cost of working</td>
<td>what is fair and reasonable</td>
<td>price of housing</td>
</tr>
<tr>
<td>receiving government</td>
<td></td>
<td>(travel, petrol etc.)</td>
<td></td>
<td></td>
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<tr>
<td>benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>how many applicants</td>
<td>qualifications</td>
<td>what the business</td>
<td>education</td>
<td>improvement in skills</td>
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<tr>
<td>for the job</td>
<td></td>
<td>can afford</td>
<td></td>
<td></td>
</tr>
<tr>
<td>life experience</td>
<td>level of commitment</td>
<td>value to the business</td>
<td>what the law says</td>
<td>recognition and respect for others</td>
</tr>
<tr>
<td>integrity /</td>
<td>practical life (non-job-</td>
<td>ability to adapt quickly</td>
<td>people / relational skills</td>
<td>impact on social /</td>
</tr>
<tr>
<td>responsibility</td>
<td>specific) skills</td>
<td></td>
<td></td>
<td>community harmony</td>
</tr>
<tr>
<td>gap between the</td>
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<tr>
<td>‘haves’ and ‘have nots’</td>
<td></td>
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</tbody>
</table>

Sheet 2: Your life – people, places and things you do

<table>
<thead>
<tr>
<th>easy</th>
<th>family</th>
<th>boring</th>
<th>worrying</th>
<th>hopeful</th>
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</thead>
<tbody>
<tr>
<td>optimistic</td>
<td>interesting</td>
<td>motivated</td>
<td>bright</td>
<td>rich</td>
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<tr>
<td>rushed</td>
<td>secure</td>
<td>supportive</td>
<td>safe</td>
<td>tiring</td>
</tr>
<tr>
<td>entertaining</td>
<td>holiday</td>
<td>challenging</td>
<td>sickness</td>
<td>exciting</td>
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<td>successful</td>
<td>responsible</td>
<td>busy</td>
<td>tough</td>
<td>free time</td>
</tr>
<tr>
<td>lonely</td>
<td>dark</td>
<td>satisfying</td>
<td>fun</td>
<td>trapped</td>
</tr>
<tr>
<td>focused</td>
<td>caring</td>
<td>committed</td>
<td>just surviving</td>
<td>hard</td>
</tr>
<tr>
<td>sunny</td>
<td>depressing</td>
<td>creative</td>
<td>energetic</td>
<td>healthy</td>
</tr>
<tr>
<td>amusing</td>
<td>exhilarating</td>
<td>lost</td>
<td>labouring</td>
<td>searching</td>
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<tr>
<td>unfulfilling</td>
<td>status</td>
<td>rewarding</td>
<td>proud</td>
<td>hectic</td>
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<td>frustrating</td>
<td>confused</td>
<td>giving up</td>
<td>slow</td>
<td>getting started</td>
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<tr>
<td>loving</td>
<td>boring</td>
<td>community</td>
<td>obligation</td>
<td>relaxing</td>
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</tbody>
</table>
Sheet 3: Australian Fair Pay Commission Charter

- **Is independent** of other organisations with a vested interest
- **Listens** to views of key organisations
- **Consults** with the general population
- **Is honest and open** about its processes and decisions
- **Is transparent** in its operations
- Makes decisions based on **research** and **evidence**
- Considers the **economic impact** of its decisions
- Considers the **social impact** of its decisions
- Considers how the unemployed and low paid can **obtain and remain** in paid employment
- Considers employment and competitiveness **across the economy**
- Provides a **safety net for the low paid**
- Provides a minimum wage for juniors, trainees, and employees with disabilities, to **make sure they can get jobs**
Idea writing scenario 1

**Question 1**

If a school friend asked me what I thought they’d like about doing the job I do, I’d say…

INSTRUCTIONS: The first person writes the things they’d say in the top two boxes. Those who follow read the previous comments on the sheet and add their thoughts about what’s already been written…

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
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<tbody>
<tr>
<td>First thought that comes to mind…</td>
<td>and…</td>
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**Idea writing scenario 2**

**Question 2**

If a school friend asked me what I thought they wouldn’t like about doing the job I do, I’d say…

INSTRUCTIONS: The first person writes the things they’d say in the top two boxes. Those who follow read the previous comments on the sheet and add their thoughts about what's already been written…

<table>
<thead>
<tr>
<th>A</th>
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First thought that comes to mind … and …

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<td>First thought that comes to mind …</td>
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Final comment:
### Idea writing scenario 3

#### Question 3

The advice I’d give to someone who was thinking about taking a job that pays the same as the one I have is…

INSTRUCTIONS: The first person writes the things they'd say in the top two boxes. Those who follow read the previous comments on the sheet and add their thoughts about what's already been written…

<table>
<thead>
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<td>First thought that comes to mind …</td>
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<td>First thought that comes to mind …</td>
<td>and …</td>
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<tr>
<td>First thought that comes to mind …</td>
<td>and …</td>
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<tr>
<td>Final comment:</td>
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</table>

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Notes
Notes