#### IN THE FAIR WORK COMMISSION

Matter No. AG2022/5615

Application by Justin Gusset - Application to terminate the Apple Retail Enterprise Agreement 2014

#### **OUTLINE OF WRITTEN SUBMISSIONS**

#### OF THE SHOP, DISTRUBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

- 1. The application made pursuant to s225 of the *Fair Work Act* 2009 (Cth) ('Act') by Mr Gusset seeks to terminate the Apple Retail Enterprise Agreement 2014 [AE408483] ('Agreement'), which nominally expired on 7 July 2018.
- 2. The Agreement was negotiated, supported by Apple employees and approved by the Commission in 2014 without the participation of any registered organisation.<sup>1</sup>
- 3. The Shop, Distributive and Allied Employees' Association ('SDA') is not covered by the Agreement but makes these submissions on behalf of affected members whom the SDA represents and who are covered by the Agreement.
- 4. The SDA submits that the submissions should be accorded apposite weight and considered in the context of the Commission's obligation to consider the views of employees covered by the Agreement consistent with s226(3)(a) of the Act which provides:

"In deciding whether to terminate the agreement, the FWC must consider the views of the following covered by the agreement:

- (a) the employees (unless there are no employees covered by the agreement)."
- 5. The SDA neither opposes nor supports the termination application, noting the Agreement is deficient compared to relevant Modern Award in a number of respects and more advantageous in others.
- 6. The SDA submits the best prospect for improving the wages and conditions of Australian Apple retail employees and addressing the deficiencies in the current Agreement compared to the relevant underpinning Modern Award, the General Retail Industry Award 2020 [MA000004] ('Award'), is through bargaining for a new enterprise agreement.
- 7. The termination application primarily relies upon three statutory threads.

#### **Unfairness**

8. Firstly, the Applicant argues that the continued operation of the Agreement is unfair to him and his colleagues insofar as "the conditions afforded in the relevant Modern Award, the General Retail

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<sup>&</sup>lt;sup>1</sup> [2014] FWCA 3747

Industry Award 2020, are superior to the terms in the Agreement" (paragraph 2 of Mr Gusset's Outline of Written Submissions dated 23 March 2023 – 'Gusset Submissions'). The Applicant further argues the continued operation of the Agreement is unfair to part-time employees insofar as the Agreement fails to guarantee ordinary hours of work (paragraph 4 of the Gusset Submissions). Both limbs of this thread of argument rely upon s226(1)(c) of the Act which provides:

"If an application for the termination of an enterprise agreement is made under section 225, the FWC must terminate the agreement if:

- (a) the FWC is satisfied that the <u>continued operation of the agreement would be unfair</u> for the <u>employees</u> covered by the agreement;" [emphasis added]
- 9. This submission turns to the detrimental rostering conditions and hours of work in the Agreement.
- 10. The SDA submits the Agreement contains radically flexible terms of employment in comparison to the Award, particularly for Apple's part-time workforce. The Agreement omits meaningful Award part-time protections.<sup>2</sup> It vests absolute discretion in the employer to roster part-time employees in a manner more akin to casual employment.<sup>3</sup>
- 11. Clause 6 Rosters of the Agreement provides:
  - "6.1 Apple will determine rosters of work for Team Members on the basis of a fortnightly roster. The roster will be prepared and may be varied by Apple at any time at its discretion. There may be frequent variations to rosters from one fortnightly cycle to another.
  - 6.2 All Team Members, regardless of classification, may be rostered to work on weekends and on Public Holidays. Whilst you are expected to be available to be rostered to work at any time across seven days of the week, Monday to Sunday, Apple appreciates that there will be occasions where you may not be available to work. In these circumstances, Apple may agree to alternative rostering arrangements as reasonably requested in writing, having regard to the operational needs of the business and your individual circumstances, including any risk to your health and safety."
- 12. In contrast, the Award provides for part-time employees:

| Minimum entitlement for part-time employees                                 | Reference       |
|---|-----------------|
| Hours of work which are reasonably predictable                              | Clause 10.1     |
| The right to a regular pattern of work, agreed in writing, which must       | Clause 10.5     |
| include the number of hours worked on each particular day, start and finish |                 |
| times and when meal breaks will be taken and their duration                 |                 |
| Changes to the regular pattern of work must be agreed in writing            | Clause 10.6     |
| The right to be paid overtime rates of pay for any time worked in excess of | Clause 10.8     |
| guaranteed hours or hours varied by agreement in writing                    |                 |
| The requirement of the employer to provide seven (7) days' written notice   | Clause 10.10(a) |
| of a roster change  |                 |
| Protection against roster changes made from week to week or fortnight to    | Clause 10.10(b) |
| fortnight or to avoid any award entitlements                                |                 |

<sup>&</sup>lt;sup>2</sup> See Paragraph 48 of the Gusset submissions

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<sup>&</sup>lt;sup>3</sup> Cl. 6 and 7 of the Apple Retail Enterprise Agreement 2014 [AE408483]

| The right of an employee to review guaranteed hours to reflect ordinary hours regularly being worked | Clause 10.11        |
|--|---------------------|
|  | Classes 45 7/b) and |
| Rostered ordinary hours of work must not exceed five (5) days per week,                              | Clause 15.7(b) and  |
| unless work is rostered on six (6) days in one week followed by no more                              | (c)                 |
| than four (4) days in the following week   |                     |
| The right to 2 consecutive days off per week or 3 consecutive days off per                           | Clause 15.7(d)      |
| fortnight  |                     |
| Limits the maximum number of consecutive days worked to six (6).                                     | Clause 15.7(e)      |
| Provides an entitlement to 3 consecutive days off (including a Saturday and                          | Clause 15.8         |
| Sunday) per 4 week cycle for employees who regularly work Sundays                                    |                     |
| Limits the maximum number of hours worked on any one day to 9 hours,                                 | Clauses 15.4 and    |
| except up to 11 hours may be worked once per week.   | 15.5                |
| Requires a minimum break of 12 hours between shifts, and if the employee                             | Clause 16.6         |
| re-commences work without the 12 hours off work, the payment of 200%                                 |                     |
| until such time as the employee has a break of 12 consecutive hours                                  |                     |

13. In contrast the Award provides for full-time employees:

| Minimum entitlement for full-time employees                                 | Reference          |
|---|--------------------|
| The right to an agreed hours of work arrangement                            | Clause 9           |
| The assessment of the arrangement cannot be made more than once per         | Clause 15.6(c)     |
| year  |                    |
| Any proposed arrangement must be discussed by the employer with the         | Clause 15.6(d)     |
| affected employees with the objective of reaching agreement on it           |                    |
| The employer must not roster the employee to work ordinary hours on         | Clause 15.6(i)     |
| more than 19 days per 4 week cycle (in an establishment with at least 15    |                    |
| employees employed per week on a regaulr basis)                             |                    |
| Rostered ordinary hours of work must not exceed five (5) days per week,     | Clause 15.7(b) and |
| unless work is rostered on six (6) days in one week followed by no more     | (c)                |
| than four (4) days in the following week                                    |                    |
| The right to 2 consecutive days off per week or 3 consecutive days off per  | Clause 15.7(d)     |
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| Requires a minimum break of 12 hours between shifts, and if the employee    | Clause 16.6        |
| re-commences work without the 12 hours off work, the payment of 200%        |                    |
| until such time as the employee has a break of 12 consecutive hours         |                    |

- 14. A comparison of the terms of the Agreement against the Award reveals a profound discretion vested in the employer to roster workers when and how it desires with very few guardrails or protections for part-time and full-time employees.
- 15. The Agreement also contains intolerable contradictions which either render provisions meaningless or invite poor management practices.
- 16. Specifically, the Agreement contains Clause 19 Consultation and Schedule D, paragraphs (1)(b) and paragraphs (10) to (16), which impose a duty on the employer to notify, consult, discuss, exchange relevant information, invite relevant employees to share their views and to give prompt and

genuine consideration to matters raised by employees when Apple proposes to "introduce a change to the regular roster or ordinary hours of work of Team Members."<sup>4</sup>

- 17. Given the express language of Clause 6 of the Agreement, it is clear Apple does not provide its permanent employees a "regular roster or ordinary hours of work". Therefore, the model consultation term is, at best, unworkable and, at worst, Apple has simply evaded or ignored its obligations in this respect.
- 18. The Agreement provides the right for employees to be absent from work on public holidays and the entitlement to be paid for their rostered hours. This provision is broadly consistent with the National Employment Standards. However, the Agreement also provides:

"All Team Members, regardless of classification, <u>may be rostered to work</u> on weekends and <u>on Public</u> <u>Holidays</u>." [emphasis added]<sup>7</sup>

19. These two provisions are in tension with one another. The purported right of Apple to roster employees on public holidays suffers from the detriment recently identified by the Full Court of the Federal Court in Construction, Forestry, Maritime, Mining and Energy Union v OS MCAP Pty Ltd [2023] FCAFC 51, insofar as the right of Apple to roster employees to work on public holidays under the terms of the Agreement appears to be unfettered, but is contrary to s114 of the Act. As noted in the judgment, there is an:

"inherent power imbalance that exists between employers and employees. By virtue of this imbalance, employees will often feel compelled, and not understand, that they have the capacity to refuse a request that is unreasonable or where their own refusal is reasonable. The requirement that there be a 'request' rather than a unilateral command, prompts the capacity for discussion, negotiation and a refusal."8

- 20. Absent countervailing local management practices which provide employees with real choice and ability to refuse "rostered" public holiday work, the express term of the Agreement<sup>9</sup> may be read to infer the right of the employer to roster work without any limitation under Clause 13.1 of the Agreement or in accordance with the NES.
- 21. Certainty and predictability of hours of work and fair, stable rosters are the hallmarks of permanent employment. Without these characteristics, employees are unable to participate fully in society, caring for children and vulnerable adults, engaging in the childcare system, studying, planning time to spend with friends and family, and engaging in other activities outside work.
- 22. Terms and conditions of employment which undermine the capacity of employees to fully participate in the richness of life, are not only harmful to their mental health and wellbeing and long-term productivity but are also, arguably, contrary to central tenets of our industrial relations framework to promote social inclusion, fairness, job security and assist employees to balance their work and family responsibilities by providing for flexible working arrangements.<sup>10</sup>

<sup>&</sup>lt;sup>4</sup> Clause (1)(b) Schedule D of the Apple Retail Enterprise Agreement 2014 [AE408483]

<sup>&</sup>lt;sup>5</sup> Clause 13.1 of the Apple Retail Enterprise Agreement 2014 [AE408483]

<sup>&</sup>lt;sup>6</sup> Part 2-2, Division 10 of the Fair Work Act 2009 (Cth)

<sup>&</sup>lt;sup>7</sup> Clause 6.2 of the Apple Retail Enterprise Agreement 2014 [AE408483]

<sup>&</sup>lt;sup>8</sup> Paragraph 38

<sup>&</sup>lt;sup>9</sup> Clause 6.2

<sup>&</sup>lt;sup>10</sup> Section 3 of the Act

- 23. **Annexed hereto and marked "A"** is the *Who Cares? A Fair Share of Work and Care* Report. The Report was conducted by the Social Policy Research Centre at UNSW and commissioned by the SDA.<sup>11</sup>
- 24. The research was conducted based on the surveys of 6,469 workers to explore:
  - a. workers' responsibilities to care for children and vulnerable adults;
  - b. how workers arrange their care responsibilities while they are working; and
  - c. the challenges arising from employers' working time practices and Australia's system of childcare provision.

#### 25. The data showed:

- a. SDA members lack genuine choice about their working times and childcare arrangements and require better support structures, including access to responsive childcare services that recognise their needs, to ensure they have meaningful opportunities to shape their working and caring lives.
- b. Industrial relations settings and employer practices are limiting the choices and opportunities available to SDA members. Rostering and pay are shaped too strongly around employers' agendas of profitability and cost minimisation.
- c. The ways work is organised exacerbates difficulties faced by workers needing to organise their work and family lives, and find time for care. This impacts on the children of retail workers, many of whom cannot access early education and have constrained opportunities to fully participate in other aspects of social and community life.
- 26. The SDA submits the rosters, hours of work and other scheduling arrangements under the terms of the Agreement operate unfairly and are incompatible with the needs of working people with caring responsibilities.
- 27. Annexed hereto and marked "B" is Senate Select Committee on Work and Care Final Report. 12
- 28. In its inquiry the Select Committee investigated the how workers combine their jobs with the care of others.
- 29. The Executive Summary of the Report notes:

"Many Australians—and most over the course of their lives—combine jobs with care of others for years, and too many are struggling with this combination. They experience time poverty, unpredictable hours of work and care, challenging transitions between work and care through different life stages, high costs, and inflexible working conditions. Many feel the costs of this combination in their household budgets, especially as inflation increases and the costs of care rise.

These effects do not fall evenly. They especially affect women who pay lifetime penalties in lost income and time that is stressed and pressured. And some groups are especially negatively affected: for example, young people caring for family members as they try to work or get to school;

<sup>&</sup>lt;sup>11</sup> Cortis, N., Blaxland, M. and Charlesworth, C. (2021). *Challenges of work, family and care for Australia's retail, online retail, warehousing and fast food workers*. Sydney: Social Policy Research Centre, UNSW Sydney.

<sup>&</sup>lt;sup>12</sup> Senate Select Committee on Ware and Care, Parliament of Australia, Final Report (March 2023).

immigrant workers who cannot get access to work and care; First Nations communities who need culturally appropriate, place-based early childcare services but cannot find them nearby; low-income households who struggle to pay for care alongside their unpredictable hours of work and incomes.

...

The issue of predictable pay and working hours has emerged as an important and unexpectedly significant issue in the inquiry with too many Australians working in conditions that lack predictable hours and thus pay."<sup>13</sup>

#### 30. The Report goes on to note:

"Working time regulation for a 21st century workforce: some of the most frequently mentioned issues heard by the committee relate to working time: the security, predictability, length, flexibility, intensity and fit with caring responsibilities all emerged as pressing issues.

Working carers need predictable, secure working time. Without it, they cannot plan care. Insecure hours also mean unpredictable and insecure income. Evidence before the committee shows that many Australian workers are working on terms that are inferior to those prevailing a century ago: they cannot predict their pattern of work a week ahead and sometimes tomorrow. This is hard for a worker without caring responsibilities. It is impossible for a worker responsible for someone else's welfare. We make strong recommendations about predictable, secure rosters and the need for workers to have genuine say about roster changes without suffering disadvantage. This is a pressing issue given the fraying of employment standards at a time when our workforce has never been in greater need of security, given its increasing care responsibilities."<sup>14</sup>

- 31. The rostering and hours of work terms of the Agreement facilitate the types of unpredictability and insecurity identified in the Report as contributing to an inability to adequately care for others and also lead to unpredictable and insecure income.
- 32. The SDA concludes that the rostering and hours of work terms of the Agreement are not only unfair and substantially inferior to the Award but are also likely to be contributing to impairing the ability of employees to fully participate in society and to care for others, given the extensive discretion conferred on the employer and the absence of most common protections which guarantee permanent employees stability and predictability of work.

#### **Bargaining**

- 33. Secondly, the Applicant argues "termination application occurs in the backdrop of ongoing bargaining for a replacement to the Agreement. The Proposed Agreement remains far from being finalised. In these circumstances, termination will not adversely affect employees of the Proposed Agreement, but will likely advantage them" (paragraph 5 of the Gusset Submissions). The relevant statutory framework in respect of this submission is Section 226(4) of the Act which provides:
  - (4) In deciding whether to terminate the agreement (the existing agreement), the FWC must have regard to:

<sup>&</sup>lt;sup>13</sup> Ibid, page xxiii

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<sup>&</sup>lt;sup>14</sup> Ibid, pages xxvii – xxviii

- (a) whether the application was made at or after the notification time for a proposed enterprise agreement that will cover the same, or substantially the same, group of employees as the existing agreement; and
- (b) whether bargaining for the proposed enterprise agreement is occurring; and
- (c) whether the termination of the existing agreement would adversely affect the bargaining position of the employees that will be covered by the proposed enterprise agreement. [emphasis added]
- 34. The SDA notes Section 226 of the Act was repealed and substituted in the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022.
- 35. Part 12 of the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022 encompassing the amendment to Section 226 of the Act commenced operation on 7 December 2022. Given the application was filed on or about 23 December, the SDA submits the amended provision is operative and the relevant test for this matter.
- 36. The new Section 226(4) provision, inter alia, has the effect of "requir[ing] the FWC to consider the effect that terminating an enterprise agreement may have on the affected employees' bargaining position during negotiations for a new enterprise agreement. It is intended to prevent an enterprise agreement being terminated as a bargaining tactic, which would be unfair for the employees covered by the agreement (particularly in terms of their bargaining position)."<sup>15</sup>
- 37. On 27 October 2022 the Minister for Employment and Workplace Relations moved the *Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022* be now read for a second time and, in respect of that aspect of the Bill which related to Agreement terminations, stated:

"The bill will limit the circumstances in which an agreement can be terminated by the Fair Work Commission if the application has been made by only one party, rather than by consent.

To address this challenge, when determining unilateral application for termination of agreement, the bill requires the Fair Work Commission to consider whether bargaining is underway and whether the termination would adversely affect employees' bargaining position."<sup>16</sup>

38. As of the date of these submissions, bargaining for a replacement Agreement continues and remains in flux, with significant progress made in recent weeks on many claims, however drafting is nascent, and some claims remain keenly contested. The SDA disagrees with the characterisation that bargaining for a replacement Agreement "remains far from being finalised" (paragraph 5 of the Gusset Submissions). Noting the Applicant's Outline of Submissions and evidence was filed on or about 23 March 2023, there has been considerable bargaining progress in the two and a half months which have elapsed.

<sup>&</sup>lt;sup>15</sup> Paragraph 661 of the *Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022* Senate Revised Explanatory Memorandum

<sup>&</sup>lt;sup>16</sup> Commonwealth, *Parliamentary Debates*, House of Representatives, 27 October 2022, 2176 (Tony Burke, Minister for Employment and Workplace Relations, Minister for the Arts and Leader of the House)

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#### 39. Since the Gusset Submissions were filed:

- a. The SDA and ASU filed applications for the Commission to deal with a bargaining dispute;<sup>17</sup>
- b. On 1 May 2023, Deputy President Hampton conducted an initial conference of the registered organisations, the SDA and ASU, the industrial association, RAFFWU Inc, the Apple bargaining team and its representatives;<sup>18</sup>
- c. On 3 May 2023, Deputy President Hampton issued a Statement and Recommendations in which His Honour noted it was "common ground that the existing process [was] not effective or efficient" at the time the applications were lodged;<sup>19</sup>
- d. The Statement acknowledged logistical and practical factors influencing the process included the number of individual bargaining representatives ("well over 100") and sheer volume of claims ("approximately 500");<sup>20</sup>
- e. More than 30 meetings had been held since August 2022.<sup>21</sup>
- f. Some progress had been made in the weeks prior to the conference, but there remained many issues and claims which had not been thoroughly explored and there was no substantial agreement between Apple and most of the bargaining representatives on some major matters;<sup>22</sup>
- g. The industrial bargaining parties agreed to the appointment of an Independent Chair to conduct the bargaining meetings<sup>23</sup>, with Commissioner Matheson now chairing the bargaining meetings held on 16, 17, 30 and 31 May; and
- h. Commissioner Matheson has assisted, *inter alia*, with the prioritisation of outstanding issues consistent with paragraph [13] of the Statement and Recommendations.
- 40. The SDA submits the bulk of the claims and issues have now been substantially or fully ventilated, Apple has now responded to most of these matters, with some of the most common claims having been revisited several times, and it is the SDA's view that substantial progress has been made on most essential claims, with Apple presenting a "stocktake" of claims to industrial parties on 5 June 2023 setting out the state of play. The SDA acknowledges that not all bargaining representatives may share this perspective, however parties have objectively come a long way since the bargaining disputes were filed in late April.
- 41. The SDA anticipates that the small, remnant balance of outstanding matters and issues will be ventilated, responded to and/or finalised in the scheduled bargaining meetings on 13 and 14 June 2023, with further time allocated on 27 and 28 June 2023, if required.

#### Appropriate in all the circumstances

42. Thirdly, the Applicant argues "that it is appropriate in all the circumstances to terminate the Agreement".<sup>24</sup>

<sup>&</sup>lt;sup>17</sup> Matters B2023/274 and B2023/278

<sup>&</sup>lt;sup>18</sup> Paragraph [4] Statement and Recommendations, ASU and SDA v Apple Pty Ltd T/A Apple, Matters B2023/274 and B2023/278, Deputy President Hampton, 3 May 2023 [2023] FWC 1023.

<sup>&</sup>lt;sup>19</sup> Paragraph [2] Statement and Recommendations, ASU and SDA v Apple Pty Ltd T/A Apple, Matters B2023/274 and B2023/278, Deputy President Hampton, 3 May 2023 [2023] FWC 1023.

<sup>&</sup>lt;sup>20</sup> Ibid, paragraphs [1] and [3].

<sup>&</sup>lt;sup>21</sup> Ibid, paragraph [2].

<sup>&</sup>lt;sup>22</sup> Ibid

<sup>&</sup>lt;sup>23</sup> Ibid, paragraph [8].

<sup>&</sup>lt;sup>24</sup> Paragraph 5 of the Gusset submissions.

- 43. This thread relates to Section 226(1A) of the Act which provides:
  - "(1A) However, the FWC must terminate the enterprise agreement under subsection (1) only if the FWC is satisfied that it is appropriate in all the circumstances to do so."
- 44. The SDA submits this provision confers a <u>further discretion</u> on the Commission, within the parameters the relevant Section and the Objects of the Act, to exercise its power to terminate the Agreement.
- 45. The SDA notes the Senate Revised Explanatory Memorandum for the Bill, as passed, which provides the following explanation:

"New subsection 226(1A) would provide that the FWC must terminate the enterprise agreement under new subsection 226(1) only if satisfied that it is appropriate in all the circumstances to do so (provided that the criteria in new subsection 226(1) are met).

"Building this further discretion into the test would better enable the FWC to take into consideration the views of the parties, the impact on any bargaining for a replacement agreement that is occurring, and any other relevant matters (in accordance with new sections 226(3), (4) and (5))."<sup>25</sup>

46. The SDA submits the Commission is therefore required to take in account the views of the SDA made on behalf of its affected members, the palpable and entrenched unfairness of the Agreement's rostering and hours of work arrangements and the significant progress made in bargaining since 23 March 2023.

Submissions of the Shop, Distributive and Allied Employees' Association

Newcastle, 8 June 2023

<sup>&</sup>lt;sup>25</sup> Paragraphs 655 and 656 of the *Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022* Senate Revised Explanatory Memorandum



# Challenges of work, family and care.



Who Cares

A FAIR SHARE © WORK AND CARE

FOR AUSTRALIA'S RETAIL, ONLINE RETAIL, WAREHOUSING AND FAST FOOD WORKERS

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The Social Policy Research Centre is based in the Faculty of Arts, Design and Architecture at UNSW Sydney. This report was commissioned by the SDA.

Cortis, N., Blaxland, M., and Charlesworth, S. (2021). *Challenges of work, family and care for Australia's retail, online retail, warehousing and fast food workers.* Sydney: Social Policy Research Centre, UNSW Sydney.

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#### 1

# Executive Summary

### **Executive Summary**

This report provides information about the work, family and care arrangements of employees in Australia's retail, fast food and warehousing industries. Through the pandemic, these workers have been recognised for their essential contributions in maintaining safe access to food and other necessities for the community. Yet this recognition is not reflected in their employment conditions and supports; they remain low paid and lack access to the flexibility arrangements which assist workers in other industries to provide care to children and adults, and to manage work and family commitments.

To explore the challenges of managing work and family experienced by these workers, including their care for children and others, and their employment needs, Australia's largest private sector union, the SDA, the union for workers in retail, fast food and warehousing, commissioned this research from the Social Policy Research Centre at UNSW. Information comes from a national survey of SDA members, conducted in early 2021, which explored:

- workers' responsibilities to care for children and vulnerable adults;
- how workers arrange their care responsibilities while they are working; and
- the challenges arising from employers' working time practices and Australia's system of childcare provision.

Findings show that as well as making important economic and social contributions through their paid work, SDA members make valuable contributions through the unpaid labour they provide as parents, and as carers to children and adults in their families and communities. Yet these social and economic contributions are poorly recognised and accommodated in their working lives.



#### The data shows that:

- SDA members lack genuine choice about their working times and childcare arrangements and require
  better support structures, including access to responsive childcare services that recognise their needs,
  to ensure they have meaningful opportunities to shape their working and caring lives.
- Industrial relations settings and employer practices are limiting the choices and opportunities available to SDA members. Rostering and pay are shaped too strongly around employers' agendas of profitability and cost minimisation.
- The ways work is organised exacerbates difficulties faced by workers needing to organise their work and family lives, and find time for care. This impacts on the children of retail workers, many of whom cannot access early education and have constrained opportunities to fully participate in other aspects of social and community life.

Changes are needed at the level of industrial relations policy, and within employing organisations and local workplaces. Policy and regulatory changes should be aimed at promoting decent pay, job security, predictability of shifts, employees' control over work times, access to reasonable shift lengths, genuine choices about work days and times, and to ensure workers can make schedule adjustments without fear of repercussions. Changes are also needed in Australia's childcare system, to improve the affordability, accessibility and suitability of care for low-income workers.

# **Key findings**

#### Care responsibilities

SDA members contribute unpaid care work that is essential to their families and communities.

- 55% of all participants said they regularly provide some form of care to another person, such as care to a child, grandchild, or to an older person, or a person with a disability or long-term health condition.
- This includes 39% who provide care to a child or young person under 18 (either in or outside their household). The vast majority of those caring for a child were doing so as parents. Indeed, 30% of survey participants were parents with a child under 18.
- 17% provide regular care to an older person, 10% care for someone with a long-term illness or health condition, and 9% provide regular care to a person with a disability.
- Australian Bureau of Statistics (ABS) data indicates that 1 in 9 Australians (11%) provide unpaid care to people with disability and older Australians.<sup>1</sup> The equivalent figure among SDA survey respondents is 24%.

"I can't use childcare until I have more regular work to accommodate childcare."

Partnered mother, casual

#### Complex care responsibilities

Many SDA members work and care in challenging circumstances.

- 25% of participants who are parents with a child under 18 said they are sole parents. This is high: sole parent families comprise around 14% of families in Australia.<sup>2</sup>
- 16% of parents with a child under 18 said they have a child with a disability or additional needs. While measured differently, ABS data indicates that in 2018, 7.7% of children under 15 had a disability.<sup>3</sup>
- 13% of survey participants aged 25 or under were young carers; that is, they are young people who provide regular care to an older person or adult with a disability or long-term health condition. This is much higher than in the wider population: the 2016 Census found that among people aged 15 to 24, 5.6% were young carers.4

#### Managing work and care

The survey shows the needs of retail workers, including parents and carers, are being left unmet by employers and employment regulations, and by Australia's childcare system.

· Many SDA members have contributed Partnered mother, casual years, even decades of service to their employers. Yet their working time arrangements continue to be characterised by short, fluctuating hours, and precarious shifts. This impacts on mental health, constrains opportunities to provide care, and limits opportunities for families to spend time together.

"I made sure [my hours] would work with my family by being completely transparent and upfront about my needs. It was perfect up until recent new management, I'm constantly having to dispute my roster and my hours are getting cut because they can no longer work with my schedule. I feel like a burden, and I come home stressed out and exhausted."

#### Informal care

 Most parents use informal arrangements to care for their children while they are working. Among parents of children aged 12 or under, 9% used formal care services only, half (49%) used informal care only, and 42% used a combination of both. "Having my eldest son (13 years) watch my younger son after school allows me to work just a little bit longer each shift so I can afford bills etc; My parents don't charge if I need them to watch or pick up an unwell child."

Sole father, permanent part-time

- Care by a grandparent is particularly important. It enables mothers in particular to extend their working hours and earnings, and to reduce or avoid the costs of formal care. Among mothers with a child aged 12 or under, 30% used grandparent care each week and a further 10% used it most weeks. However, access to grandparent care cannot be assumed: over a third of mothers with a child under 12 (36%) did not report using grandparent care.
- As well as drawing on grandparent care, many SDA members are themselves providing care as grandparents. Among those aged over 50, 17% were providing regular unpaid care to a grandchild.
- Young workers also provide care. Among those aged 20 or under, 14% provided regular unpaid care for a younger sibling.

Formal care services

• Use of early education and care services (ECEC) or formal childcare is most common among families with a pre-school aged child, however, it is usually used in combination with informal arrangements.

"It is very hard to find a childcare on the weekends, evening etc. For people like us who do shift work, it is stressful to get."

Partnered father, permanent full-time

- Comments from workers highlight the ways some families have to make extraordinary efforts to co-ordinate family schedules around work and care, in ways that avoid or reduce their use of formal paid childcare or use of non-parental care. This is largely due to the cost of childcare, including the charging of fees in blocks which do not correspond well with working hours, and because childcare hours do not accommodate the non-standard hours which are prevalent in retail.
- A commonly mentioned challenge is the need to pay for a full day of long day care, even if a child attends only for short hours.
- Difficulties accessing childcare are resulting in inequitable participation in early education among children of SDA members. This can have enduring consequences for children's learning. Nationally, 95% of children participate in a preschool program for 15 hours per week before they start school.<sup>5</sup> Among surveyed parents with a child starting school in 2022, 72% said their child attended at least 15 hours of long day care, preschool, or kindergarten, where they might receive a preschool education. 10% said they attended but for less than 15 hours, 12% did not attend, and 5% were unsure about attendance or hours.

Even where SDA members use ECEC services, they experience difficulties.

- For those with a child 5 or under, the most common childcare difficulties were affording childcare (reported by 63% of participants engaged with formal services); coordinating work times with childcare (reported by 46% of those using formal services); finding childcare that fits work schedules (35%); and finding childcare at short notice (35%).
- For those with a primary school-aged child, the most common childcare difficulties were coordinating worktime with childcare (38%), affording childcare (37%) and finding childcare during the holidays (36%).
- Where childcare arrangements were perceived to work well, success was attributed to informal care arrangements, ability to co-ordinate work times within the family, and the predictability of shifts.

#### Labour supply

Difficulties accessing suitable childcare are reducing labour supply, and particularly impacting on the participation of women in the workforce and their working hours. This impacts on family earnings.

- Among parents with a child aged 12 or under, 43% of mothers and 35% of fathers reported wanting to work more hours, but access to suitable childcare is a barrier: 35% of mothers and 27% of fathers agreed with the statement "If I had suitable childcare, I would work more hours".
- A third of parents with a child 12 or under (33%) said they turn down extra shifts because they won't earn much more after tax and childcare costs.

"I changed my work hours so that I can be home during the day and my husband is home at night with the children. It was too hard trying to work around childcare and school and then what to do when someone is sick"

Partnered mother, permanent part-time

#### Parental leave

Paid parental leave helps support parents around the time of childbirth or adoption of a child, and when a child is very young. SDA members with a child aged 5 or under were asked about whether they had taken parental leave for their most recent birth, and the type of leave they used.

• The Australian Government's provision of Parental Leave Pay is the most important source of support for SDA members. Parental Leave Pay was the most common form of leave taken, reported by 72% of mothers and 34% of fathers with a child under 5. Although eligibility and the reasons for non-use are not clear from the data, the information nonetheless indicates that many SDA members have missed out.

Overall, 19% of parents of young children said they had not accessed any paid or unpaid leave for their last birth. This was higher for fathers (35%) than mothers (14%).

• Among parents with a child under 5, 19% of mothers and 47% of fathers had not received any paid leave to support their most recent birth.

• Comments on parental leave and transitioning back to work showed mothers faced challenges securing appropriate conditions when returning to work, and also felt they were missing important milestones in their children's lives.

"It was hard to jump straight back into full-time work [while] juggling a sick baby. No sick leave entitlements...was hard. I was made to feel like I had to get straight back into it full force or they would find someone to replace me."

Partnered mother of child with disability, permanent part-time



#### Working time and rostering practices

SDA members described very poor working time security. Poor working time security affects all workers, and is very adverse for parents and others with caring responsibilities, impacting on their access to formal and informal care.

- Only two in five (40%) of participants work the same shifts each week 'all of the time'. This is higher for fathers (48%) and lower for mothers (37%).
- Although casual work is most unstable, many of those employed permanently report that their employment does not provide stable, predictable hours
- One in ten parents (10%) said they do not have regular work days.

Most workers report that rosters are set by a manager who they have regular contact with. Those who are satisfied with their working times frequently attribute this to 'luck' in having a good manager, rather than systemic practice. Workers described substantial challenges, including:

- working times which emphasise business priorities and do not accommodate personal needs and circumstances. These affect everyone but make life particularly difficult for workers with complex care responsibilities;
- low hours, short shifts and insecurity, contributing to underemployment and financial difficulties and stress.
- mismatch between working times and childcare availability;
- changing schedules, often at short notice and without adequate communication from employers;
- repercussions and being penalised, including loss of hours, when workers refuse shifts or seek to change them.

"We had to change our start and finish times on night fill so the company can save on penalty rates. We were not given a choice just told it was changing so all our contracts had to change too. There was no consideration for night fill members that have to pick their children up from school etc. Now we also get paid less because of this."

Sole mother, permanent part-time

#### Impacts on workers and families

Rostering practices contribute to financial difficulties in low-income families, make it difficult for families to access childcare, and make it difficult for families to spend time together. Rostering practices also prevent workers from working more hours. Employers' rostering practices add to parents' unpaid workload. Among those with a child aged 12 or under:

- 68% agreed or strongly agreed with the statement "When I get my roster, I have to check it fits with the family's childcare arrangements".
- 69% agreed their work times affect when other family members can work.
- 62% said they find it stressful to organise childcare around work times.

Rostering also impacts on family stress and the mental health of the worker and members of their family:

- Of those with a child 12 or under, 37% of mothers and 42% of fathers agreed or strongly agreed with the statement "The way I am rostered to work impacts on my mental health".
- 63% of parents with a child aged 12 or under agreed or strongly agreed that they worry about what's happening with their children whilst working (69% of mothers and 57% of fathers).
- Among mothers with a child below school age, those using formal childcare services were less likely
  to worry about their children compared with others, underlining the importance of formal childcare for
  alleviating maternal stress.

"I'm a single mother that gets no child support and live week to week on my wages."

Sole mother of child with disability, permanent full-time



Many workers find that low pay makes it difficult to meet the needs of their families.

- 55% of respondents live in households with post-tax income of less than \$1000 per week.
   32% of couple parents and 80% of sole parents live in households with incomes under \$1000.
- A substantial proportion of parents caring for children find their wages are too low to meet their needs. 46% of parents in couple relationships and 56% of sole parents disagreed or strongly disagreed that they are satisfied with their take home pay.
- Many find they work fewer hours than they need. Only 20% of casuals agreed (or strongly agreed) that they work enough hours to make a living, as was the case for 29% of those employed on a permanent part-time basis. Problematically, only 57% of permanent full-time employees said they work enough hours to make a living, reflecting the low hourly rates received.
- Half of participants agreed that they rely on penalty rates to make a living (50%). This was not restricted to casuals, 53% of permanent part-time workers and 50% of those with permanent full-time hours said this was the case.
- Around a third of parents agreed with the statement "I turn down extra shifts because I won't earn much more after tax and childcare costs"
- Parents commented on difficulties of living on low incomes. They described trying to work hours that enabled them to contain childcare costs. Pay was seen as low given the nature and complexity of the work.
- While a quarter of participants (26%) were unsure about the adequacy of their retirement savings, around half (51%) disagreed with the statement "I expect to have enough superannuation when I retire", and only 23% agreed.
- Mothers' expectations of retirement savings are particularly low: only 18% of mothers with a child under 18 agreed they would have enough superannuation when they retire.



"It shouldn't be about working extra hours, it's about the hourly rate.
42 hrs per week to struggle paying bills!"

Sole father and carer of adult with disability, permanent full-time

#### Improving work and care

The research demonstrates that formal child care options and industrial relations regulations are not meeting the work and family needs of SDA members. In particular, rostering arrangements and low pay are impeding the ability of workers to organise the time needed to provide care for their children, extended families and communities. This is affecting children's access to early education and opportunities to participate in extracurricular activities.

Reform is needed to improve working time arrangements in retail, fast food and warehousing industries, so that SDA members have control over their working hours and have predictable shifts so they can organise care and other aspects of their lives. Better job security and pay are also needed, to support all workers to fulfill their care responsibilities, and to enable families to engage with formal care services.

Changes are also needed to ensure child care is available to SDA members in ways that are affordable and suitable for their working hours. Childcare reform should be oriented around principles of children's universal rights to early education and care, to enable access for every child regardless of parents' incomes or employment arrangements.

<sup>&</sup>lt;sup>1</sup> ABS (2019) Disability, Ageing and Carers, Australia: Summary of Findings https://www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/latest-release#carers

ABS (2020) Labour Force Status of Families https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-status-families/jun-2020

<sup>3</sup> ABS (2019) Disability, Ageing and Carers Australia: Summary of Findings https://www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/2018#children-with-disability

<sup>&</sup>lt;sup>4</sup> ABS (2018) 2071.0 - Census of Population and Housing: Reflecting Australia - Stories from the Census, 2016 https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/2071.0main+features1432016

<sup>&</sup>lt;sup>5</sup> Through the Council of Australian Governments', all jurisdictions have agreed to aim to provide 15 hours per week of early education for all children in the year before school. This reflects that 15 hours is considered the minimum amount of learning needed to develop the skills needed for a successful start at school.

# Introduction

#### Introduction

This report shows the ways employees manage work and care in Australia's retail, fast food and warehousing industries, and the challenges they face. This group of employees is large in number, female-dominated, and low-paid. In February 2021, Australia's retail trade employed 1.3 million workers (10.2% of all employees)<sup>6</sup>, many in frontline positions in supermarkets and other stores, working as cashiers and customer service assistants. Trends to reduce local managerial autonomy, along with intensified pressures for profitability and cost minimisation and labour flexibility, have led employers to develop and rely on a short-hours, part-time workforce<sup>7</sup>. Opportunities for the types of employee-controlled flexibility which offer to help manage work and care, such as remote working or flexi-time, are typically unavailable to these workers, many of whom are working in contexts of precarity and underemployment. Further, parents working in retail often find that formal childcare services are structured in ways that are poorly suited to the short, irregular shift arrangements made available by employers, and to their low incomes.

By examining workers' experiences, this research shows that too often, the work and care needs of SDA members are left unmet, both by employers and the childcare system. Employers frequently demand work hours and flexibilities which fit poorly with the rhythms of contemporary families' and children's lives. Australia's childcare system assumes norms of regular, weekday work, and workers report that the highly variable hours employers are offering creates needs that the childcare system is unable to fulfill. Low pay, underemployment, and limited employee control over working time arrangements makes formal childcare options unaffordable and unsuitable. Flexible options for families are few, and childcare costs remain high, averaging \$10.50 per hour for centre-based care, not taking account of the Australian Government's Child Care Subsidy<sup>8</sup>. The hourly Award rate in retail in 2021 is \$21.78 before tax so this represents a cost of around half the hourly rate payable for most retail workers.

Poor affordability for low paid workers is further exacerbated by fluctuating hours of employment, which may place access to the Child Care Subsidy at risk, and make it difficult for workers to commit to paying for regular days in formal services. Childcare options, and the income and activity Child Care Subsidy, are outlined in Appendix: Australia's early education and care system.

The most common forms of formal care, long day care, preschool, for children in the year before school, and out of school hours care are often not open when shift workers require care. The capacity of family day care to offer non-standard hours depends on the willingness of individual educators to have children in their homes at these times<sup>9</sup>.

Occasional care, which provides flexible booking arrangements, is not widely available. Centre-based care typically requires payment from families for full (usually 10 to 12 hour) days, which can be substantially longer than, and mismatched with, paid work hours.

Families are typically required to book regular days, and to pay for their children's ECEC days, regardless of whether or not they use them. This can lead to higher costs for workers with unpredictable hours, who may pay for regular days 'just in case' they are called in to work, even if they don't end up requiring them<sup>10</sup>. Similarly when children need to stay home sick, something which is occurring more often during the COVID-19 pandemic, families still need to pay for their child care. For casual workers who stay home from work to care for their children, this imposes a double financial penalty: loss of wages and fees for childcare they cannot use. On this basis, despite the benefits of high quality ECEC services for children, including preparedness for school, workers with unstable schedules frequently avoid formal services, using informal arrangements, such as tag-team parenting and on-call support from families to buffer against unstable and unpredictable work schedules<sup>11</sup>.



The insecurity, precarity and unpredictability of employment in the retail and fast food industry for carers and parents who need to be able to access stable care arrangements deters people from working in the industry, reduces labour supply, can increase business costs, and impacts on the success of retail, fast food, and warehousing operations. It also provides a barrier to workers to choose a career in retail and fast food, impacts the ability for workers with caring responsibilities to progress their career within the industry and exacerbates gender inequality in the sector.

#### 2.1 Aims of the study

The research was designed to understand the different types of work and care arrangements among SDA members to inform and understand the supports needed. A priority was to amplify members' voices to help ensure their diverse range of experiences are recognised in national policy advocacy and debate, and ultimately to shape working time regulation and early childhood education and care in ways that enable better outcomes for low paid workers in retail and other industries, and their families.

Specifically, the research sought to build understandings of:

- Nature of the caring responsibilities of SDA members and the impact this has on work;
- Level of control and access to working arrangements SDA members have to support their caring responsibilities;
- Barriers that exist in the regulation and structure of work in retail, fast food and warehousing that prevent or make it difficult for SDA members to manage their work and care;
- The impact that managing work and care has on the financial security and stress of SDA members;
- The impact that managing work and care has on SDA members mental and physical health;
- The childcare needs, use and preferences of SDA members, including:
  - » SDA members' current use of formal and informal childcare arrangements;
  - » the ways members make decisions about childcare, and the employment, financial, family and other factors that influence their decisions;
  - » members' preferences regarding their childcare and working time arrangements and the barriers they face to accessing their preferred arrangements; and
  - » what would help promote genuine choice among workers, and access to the arrangements SDA members would like for their children.

#### 2.2 About the survey

The survey instrument was designed after scoping existing surveys of work and care, and in collaboration with the SDA. Conducted online, questions asked about workers' care responsibilities for children, both as parents of their own children, and as members of their extended family or community networks of carers.

Parents of young children were asked about the care arrangements they utilised whilst working, including their use of formal ECEC services and informal care, such as care from a family member or friend. The COVID-19 pandemic made an extraordinary impact on early education and care in 2020, so parents were asked questions about the childcare they had used so far in 2021 when the pandemic had less impact in Australia.

The survey also asked whether workers were involved in caring for an older person, person with disability or long-term health condition. While those with care responsibilities were asked about their experiences, some questions, including questions about working time arrangements, were asked of all participants. As such, the information offers insight into experiences of the wider group of workers, including those not currently performing an unpaid caring role, as well as those currently managing work and care.

In total, 6469 people completed the survey. Recognising a population of around 213,500 SDA members (as of December 2020), the sample size (3%) gives a low margin of error and high degree of confidence in survey results (95% confidence level, relative standard error =1.2). This indicates low likelihood that results would differ if the survey was repeated with a different sample of SDA members. Statistical analysis was conducted using SPSS software. Rather than estimating prevalence, the main purpose of analysis was to explore the range of experiences among participants, and to show differences between groups of SDA members, including for those with and without caring responsibilities, with and without regular schedules, and among different groups of carers, such as those caring for people with complex needs. As key parameters such as parenting and caring status were not known for the whole population of SDA members, survey responses were not weighted. The content of qualitative comments were analysed thematically and differences across key groups explored.

Material presented in the report attests to the differences in experiences of work and care according to a range of factors. Often these were based on care responsibilities and gender, and as such, many responses are broken down to show responses among those with and without caring responsibilities. Circumstances such as employment contract and hours, employer, and sole parenthood also shaped experiences of work and care, and where these relationships were pertinent, they are also shown in the report.

Finally, in interpreting the data, it is important to recognise that as the information comes from union members, the survey likely depicts circumstances which are better than across the industry: workers are likely to be more experienced and established in their roles and less precariously employed, as they work in workplaces with union agreements and better conditions than across the industry.

- <sup>6</sup> ABS (2021) Labour Force, Australia, Detailed, 6291.0.55.001 https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release#industry-occupation-and-sector
- Campbell, I., & Chalmers, J. (2008). Job quality and part-time work in the retail industry: An Australian case study. The International Journal of Human Resource Management, 19(3), 487-500. Price, R. (2016) Controlling routine front line service workers: an Australian retail supermarket case, in Work, Employment and Society 30(6):915-931.
- <sup>8</sup> "Child Care in Australia Report, December quarter 2021" https://www.dese.gov.au/key-official-documents-about-early-childhood/early-childhood-and-child-care-reports/child-care-australia/child-care-australia-reportdecember-quarter-2020 The Child Care Subsidy pays up to 85% of the actual hourly fee, up to a cap of \$12.20. A family receiving the highest rate of CCS at an average service would receive 85% of \$10.50 or \$8.83 of CCS, and pay the remaining \$1.58 per hour.
- <sup>9</sup> Baxter, J. A., Hand, K., & Sweid, R. (2016). Flexible child care and Australian parents' work and care decision-making (Research Report No. 37). Melbourne: Australian Institute of Family Studies.
- <sup>10</sup> Baxter, J., Bray, J.R., Carroll, M., Hand, K., Gray, M., Katz, I., Budinski, M., Rogers, C., Smart, J., Skattebol J., & Blaxland, M. (2019). Child Care Package Evaluation: Early monitoring report. (Research Report). Melbourne: Australian Institute of Family Studies.
- <sup>11</sup> Carrillo, D., Harknett, K., Locan, A., Luhr, S. and Schneider, D. (2017) Instability of Work and Care: How Work Schedules Shape Child-Care Arrangements for Parents Working in the Service Sector, Social Service Review 91(3): 422-455.
- <sup>12</sup> Hamilton, M., & Suthersan, B. (2020). Gendered moral rationalities in later life: Grandparents balancing paid work and care of grandchildren in Australia. Ageing and Society, 1-22. doi:10.1017/S0144686X19001855

# About survey participants

# **About survey participants**

A diverse range of SDA members responded to the survey. As an opt-in survey on the topic of work and care, a slightly higher proportion of women and middle-aged people responded, compared with SDA membership. The 6469 survey participants resided across Australia. However, most were from SDA's Victorian Branch (35%) or from NSW or the ACT (25%) (Table 3.1). The vast majority said their main job was in retail (88%), while 4% were in warehousing and 2% had a main job in fast food. 85% of respondents worked just one job; and as such, were solely reliant on their retail, warehousing or fast food job.

Table 3.2 shows that among survey participants, 17% were currently studying. This was higher among younger people: 74% of those 20 or under were students, as were 48% of those aged 21 to 25, and 21% of those in their late twenties.

Table 3.1 Survey participants by SDA Branch

|                        | n    | %   |
|------------------------|------|-----|
| NSW/ACT                | 1608 | 25  |
| Newcastle and Northern | 496  | 8   |
| VIC                    | 2243 | 35  |
| QLD                    | 974  | 15  |
| SA/NT                  | 363  | 6   |
| WA                     | 560  | 9   |
| TAS                    | 225  | 4   |
| TOTAL                  | 6469 | 100 |

Note: Results are based on postcode of residence. Percentages exceed 100 due to rounding.

Table 3.2 Age and current student status

|                     | Not current | ly studying | Currently | studying | Total |      |  |
|---------------------|-------------|-------------|-----------|----------|-------|------|--|
|                     | n           | %           | n         | %        | n     | %    |  |
| 20 or under         | 108         | 26%         | 312       | 74%      | 420   | 100% |  |
| 21 to 25            | 330         | 52%         | 307       | 48%      | 637   | 100% |  |
| 26 to 30            | 492         | 79%         | 129       | 21%      | 621   | 100% |  |
| 31 to 35            | 549         | 86%         | 88        | 14%      | 637   | 100% |  |
| 36 to 40            | 597         | 90%         | 68        | 10%      | 665   | 100% |  |
| 41 to 45            | 650         | 92%         | 56        | 8%       | 706   | 100% |  |
| 46 to 50            | 652         | 94%         | 40        | 6%       | 692   | 100% |  |
| 51 to 55            | 680         | 94%         | 43        | 6%       | 723   | 100% |  |
| 56 to 60            | 643         | 96%         | 27        | 4%       | 670   | 100% |  |
| 61 to 65            | 440         | 97%         | 13        | 3%       | 453   | 100% |  |
| 66 to 70            | 108         | 99%         | 1         | 1%       | 109   | 100% |  |
| 71 or over          | 32          | 91%         | 3         | 9%       | 35    | 100% |  |
| I prefer not to say | 36          | 97%         | 1         | 3%       | 37    | 100% |  |
| TOTAL               | 5317        | 83%         | 1088      | 17%      | 6405  | 100% |  |

Information about student status was missing for 64 participants. An age profile for all 6469 participants is in Appendix Table A.1.

#### 3.1 Role and hours

The high prevalence of short working hours is important for understanding employees' care experiences. Many participants worked relatively short hours, as is typical of retail employment<sup>13</sup>. Figure 3.1 shows that in the last fortnight, 10% had worked less than 20 hours, and a further 25% had worked less than 40 hours over those two weeks, although short hours were relatively less common among those in supervisory roles. However, even among supervisors, only a minority (43%) reported working the equivalent of full-time hours across the previous fortnight. Fortnightly hours of 76 or more (defined as full-time) were very uncommon among those in non-supervisory roles: only 18% reported working the equivalent of full-time hours.

A gender breakdown (see Appendix Table A. 2) indicates that women were less likely than men to work full-time hours. Among those in supervisory roles, 39% of women compared with 55% of men had worked 76 hours or more in the previous fortnight. Women in non-supervisory roles were also less likely than men to work longer hours, and slightly more likely to report fewer hours. An age breakdown (Table A. 3) shows that those aged 36 to 40 were most likely to work full-time, yet even among this group, only 30% had worked full-time hours in the previous fortnight.

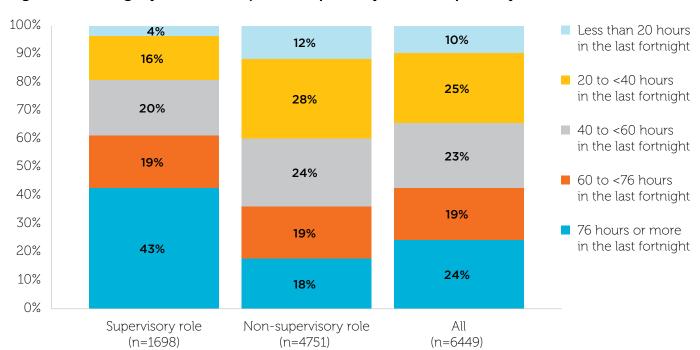


Figure 3.1 Fortnightly hours of work, staff in supervisory and non-supervisory roles

#### 3.2 Contract type

Differences in contract types, such as those working on a casual and permanent part-time or full-time basis, also characterise these workers and their experiences. An important feature is the segregation by gender across contract types, especially among parents (Figure 3.2). Among all survey participants, most were employed on a permanent part-time basis (55%), 15% were casual, and 30% were employed on a permanent basis with full-time hours. Among fathers with a child aged under 18, permanent employment with full-time hours was most common (58%). Among mothers, permanent part-time employment was dominant (68% of mothers).

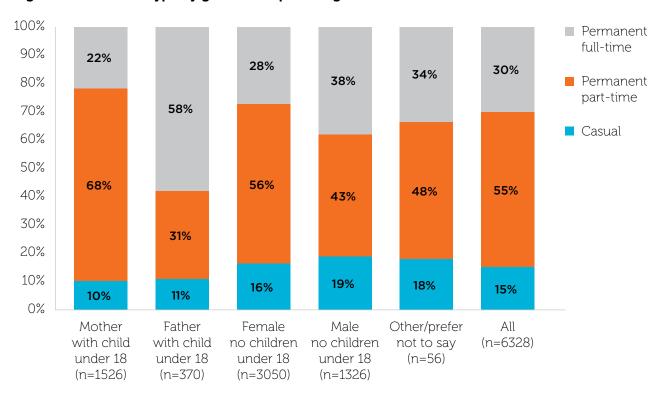


Figure 3.2 Contract type by gender and parenting status

While casual roles are often thought to be occupied mainly by students, in the sample over half of casuals were not currently studying (Table 3.3). Overall, around 17% of survey participants were studying. Students comprised 43% of casuals, and were a minority of those working a permanent part-time or full-time basis (15% and 8% respectively).

Table 3.3 Student status and contract type

|               | Casual Permanent part-time |      | _    | anent<br>time | All  |      |      |      |
|---------------|----------------------------|------|------|---------------|------|------|------|------|
|               |                            |      | n    | %             | n    | %    | n    | %    |
| Not a student | 547                        | 58%  | 2953 | 85%           | 1770 | 92%  | 5270 | 83%  |
| Student       | 405                        | 43%  | 512  | 15%           | 154  | 8%   | 1071 | 17%  |
| All           | 952                        | 100% | 3465 | 100%          | 1924 | 100% | 6341 | 100% |

#### 3.3 Shift arrangements

Fluctuating, unpredictable hours characterise working time arrangements in retail. Because access to stable working arrangements enables workers to organise stable care arrangements, the survey asked how often they worked the same shifts. While 40% said they work the same shifts each week 'all of the time', and a further 37% worked the same shifts each week 'most of the time', a substantial minority report that they do not have regular shifts; 17% worked the same shifts only some of the time or a little of the time (combined), and 6% did so 'none of the time' (Figure 3.3).

Figure 3.3 shows that higher proportions of fathers than mothers had stable work patterns: Almost half of fathers (48%) worked the same shifts each week 'all of the time' compared with 37% of mothers. However, among workers who were not parenting a child under 18, there was little difference in responses.

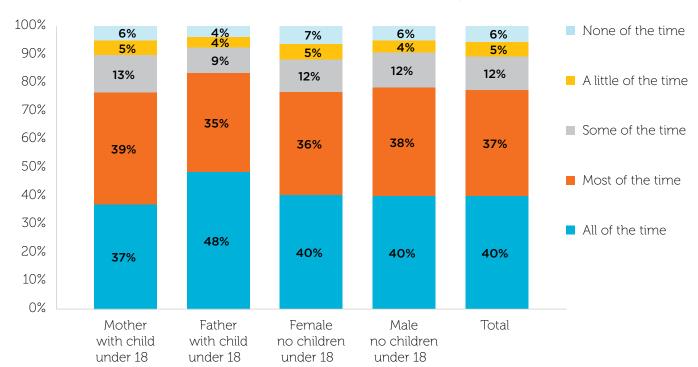


Figure 3.3 How often participants work the same shifts each week by gender and parenting status

A breakdown by contract type, (Table A. 4) shows that while permanently employed workers were much more likely to work the same shifts each week compared with casuals, 18% of part-time workers only work the same shifts 'sometimes', 'a little of the time', or 'never', as did 13% of those with permanent full-time hours. As such, although casual work is most unstable, many of those employed permanently report that their employment does not provide stable, predictable hours.

In addition to instability in shift times, care challenges arise from non-standard work days and times, given the lack of options to access formal care services on weekends, early mornings and nights. Weekday work is most common among survey participants, reported by 84% of workers, although many also work weekends. Indeed, around half said they usually work Saturdays (49%) and 43% said they usually work Sundays. Daytime shifts were most common, worked by 72% of participants, followed by evenings (6.00pm to midnight) which were worked by 37%, early mornings (5am to 8am) which were worked by 35%, and nights (5%). Higher proportions of men than women reported working evenings (45% of men compared with 33% of women). Similarly, 10% of men worked nights compared with 3% of women. There were no significant differences in the proportions of men and women working early mornings, or Saturdays or Sundays.

#### 3.4 Time with current employer

Finally, in interpreting the care challenges faced by SDA members, it is important to recognise that the difficulties workers described in the survey are being experienced despite the high proportion who are wellestablished in their jobs, having worked for their employers for many years, and in some cases decades. This is shown in Table 3.4, by gender and parenting status. Overall, 16% of participants had worked for their current employer for 20 years or more, and a further 26% had worked for them for 10 to 20 years. Men without children under 18 were most likely to have worked for their current employer for less than five years, and least likely to have 10 or 20 years of service (Table 3.4).

Table 3.4 Time worked for current main employer by gender and parenting status

|                     | Mother with a child currently under 18 (n=1548) | Father with a child currently under 18 (n=378) | Other women,<br>no child<br>under 18<br>(n=3096) | Other men,<br>no child<br>under 18<br>(n=1360) | All<br>(n=6438) |     |    |
|---------------------|---|--|--|--|-----------------|-----|----|
| Less than<br>1 year | 6% 9%   |  | 9%   | 15%  | 9%              |     |    |
| 1 to 2 years        | to 2 years 8%                                   |  | 8% 8%  |  | 8%              | 12% | 9% |
| 2 to 5 years        | 20%   | 18% 18% 23%                                    |  | 23%  | 19%             |     |    |
| 5 to 10 years       | 24%   | 24%  | 19%  | 20%  | 21%             |     |    |
| 10 to 20 years      | 28%   | 31%  | 27%  | 21%  | 26%             |     |    |
| 20 years<br>or more | 146   |  | 19%  | 10%  | 16%             |     |    |
|                     | 100%  | 100%   | 100%   | 100%   | 100%            |     |    |

<sup>&</sup>lt;sup>13</sup> Price, R. (2016) Controlling routine front line service workers: an Australian retail supermarket case, in Work, Employment and Society 30(6):915-931.

#### 4

SDA members'

care responsibilities

# SDA members' care responsibilities

As well as contributing to employers and the wider community through their paid work, SDA members perform essential unpaid care work in their families and communities.

Most provide regular unpaid care, help or assistance to a child or young person, or to an adult, person with disability, or person with long-term illness or health condition. Overall, 55% of survey participants were involved in providing some form of regular unpaid care, whether for a child or adult. However, as shown in Table 4.1, this was higher for women: 60% had care responsibilities compared with 43% of men.

Table 4.1 Provides regular unpaid care, help or assistance to a child and/or adult

|                                  | Men  |      | Wor  | nen  | other o | nary or<br>gender<br>ntity | Prefe<br>to: | r not<br>say | А    | ແ    |
|----------------------------------|------|------|------|------|---------|----------------------------|--------------|--------------|------|------|
|                                  | n    | %    | n    | %    | n       | %                          | n            | %            | n    | %    |
| No current care responsibilities | 999  | 57%  | 1852 | 40%  | 18      | 56%                        | 21           | 54%          | 2890 | 45%  |
| Has care responsibilities        | 743  | 43%  | 2804 | 60%  | 14      | 44%                        | 18           | 46%          | 3579 | 55%  |
| All                              | 1742 | 100% | 4656 | 100% | 32      | 100%                       | 39           | 100%         | 6469 | 100% |

#### 4.1 Provision of care to children

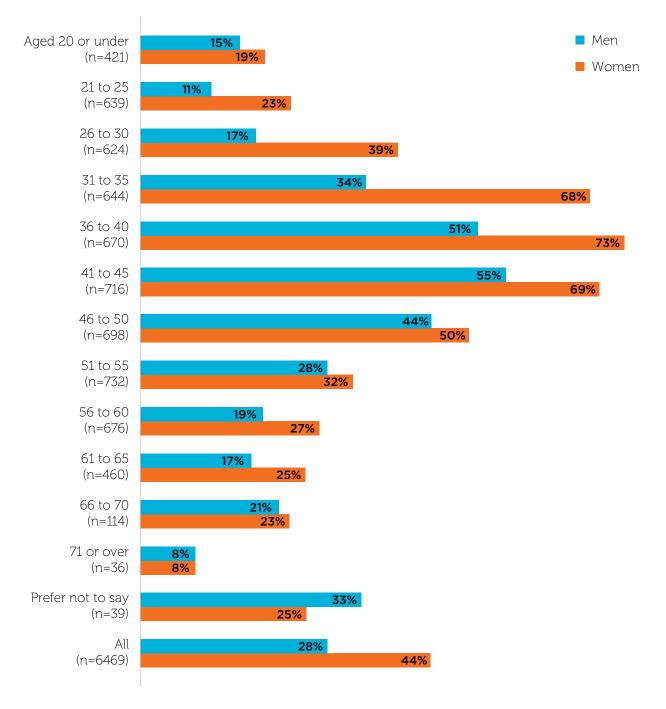
Most commonly, SDA members' responsibilities for providing care involved care for children. Two in five participants (39%) said they regularly provide unpaid care, help or assistance to a child or young person aged under 18.

- Most who were involved in caring for children were parents; indeed, 30% of all participants were a parent or guardian for a child under 18.
- Among those aged over 50, 17% provided regular unpaid care to a grandchild.
- Among those aged 20 or under, 14% provided regular unpaid care for a younger sibling.

Across the sample, 3% were providing regular care for a niece or nephew, and 1% had regular unpaid caring responsibilities for children of friends or neighbours. Others mentioned they were step-parents, foster parents or cousins, and some were caring for multiple children in different kinds of relationships, reflecting the rich and diverse networks of care relationships which SDA members are involved in.

In most cases, participants reported caring for a child living with them (31%). A further 3% reported providing care to a child who lived with them some of the time (e.g. shared care), and 8% provided care to a child living outside the household. Some provided both to children living with them and to those in other households. Among workers in every age range, higher proportions of women than men were involved in providing regular care to a child (either in or outside of their household) (see Figure 4.1).

Figure 4.1 Proportion of men and women who regularly provide care to a child aged under 18 in or outside their household by employee age



#### 4.2 Complex caring relationships

SDA members have diverse family arrangements. Many care for children as sole parents, or provide care to children or other family members with complex needs. Among participants who were parents of a child under 18, the largest group were in couple relationships (76%), but the proportion who were sole parents appears high relative to the wider population (Table 4.2). While 25% of survey participants with a child under 18 were sole parents, sole parents comprised 14% of families in Australia, as of June 2020. Among SDA mothers who were sole parents, 68% had sole custody. Among men who were sole parents, 74% had shared custody.

Sole parenthood rises over time, and is higher among those with older children (Table 4.2). Among SDA members who were parents, 14% of those whose youngest child was aged 2 or under were sole parents, and this rose to 20% for those whose youngest child was 3 to 5 and 29% for those 6 or over.

16% of parents with a child under 18 said they have a child with a disability or additional needs. While measured slightly differently, ABS data indicates that in 2018 7.7% of children under 15 had a disability. 15

Table 4.2 Couple and sole parent status by age of youngest child

|                | Youngest child aged 0 to 2 |      | Youngest child<br>aged 3 to 5 |      | Youngest child<br>aged 6 to 12 |      | Youngest child<br>aged 13 to 17 |      | All parents<br>of children<br>aged 0 to 17 |      |
|----------------|----------------------------|------|-------------------------------|------|--------------------------------|------|---------------------------------|------|--|------|
|                | n                          | %    | n                             | %    | n                              | %    | n                               | %    | n  | %    |
| Couple parent  | 320                        | 86%  | 266                           | 80%  | 504                            | 72%  | 381                             | 71%  | 1471                                       | 76%  |
| Sole<br>parent | 52                         | 14%  | 65                            | 20%  | 201                            | 29%  | 159                             | 29%  | 477  | 25%  |
| All parents    | 372                        | 100% | 331                           | 100% | 705                            | 100% | 540                             | 100% | 1948                                       | 100% |

Note: Figures may not add exactly to 100 due to rounding.

#### 4.3 Care for adults

High proportions of SDA members regularly provide unpaid care or assistance to an adult, such as an older person, person with disability or health condition. In the survey, 17% said they provided care to an older person, 10% provided care to someone with a long-term illness or health condition, and 9% provided care to a person with a disability. Most commonly, care was for an elderly, ill or disabled parent, or parent in-law (18% of participants), but many also provided care for a partner or spouse (4%) or a grandparent (4%) a sibling (3%) or an adult child (2%). Often, parents providing care to children are also caring for older people: 16% of parents with a child aged 18 and under were also providing regular elder care. 12% of parents with a child aged 5 or under were also providing elder care.

#### 4.4 Care across the lifecourse

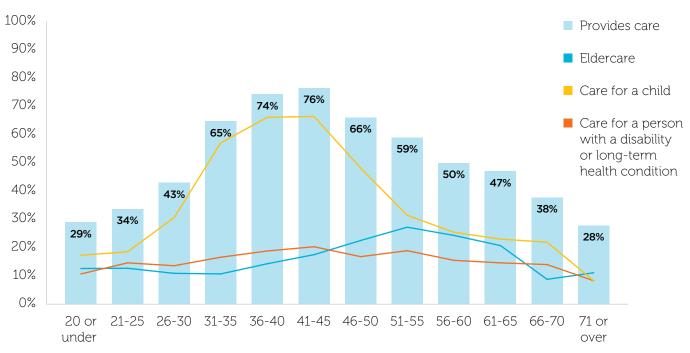
Provision of care by SDA members varies across the lifecourse. As shown in Figure 4.2, childcare is the most common form of care provided by SDA members, and is highest for people aged in their late 30s and early 40s, when two thirds provide care for a child. Provision of eldercare is highest among SDA members aged in their early 50s, when around 27% of SDA members are involved in providing care. Care for a person with a disability or long-term health condition varies less by age, affecting 15-20% of SDA members across most age groups.

#### 4.5 Young carers

Notably, many young workers have regular unpaid care responsibilities. As noted earlier, among those aged 20 or under, 14% provided regular unpaid care for a younger sibling. Figure 4.2 also indicates that many young workers are also caring for vulnerable adults. Among those aged 20 or under, 13% were regularly providing care for an older person, and 11% were regularly providing care for a person with a disability or long-term health condition. These figures were similar to the proportions of workers in older age groups providing care.

The proportion of young people in the survey sample with care responsibilities is relatively high. The 2016 Census found that among people aged 15 to 24, 5.6% were young carers, providing care to an older person or adult with a disability or long-term health condition.<sup>16</sup> While measured slightly differently, in the SDA survey, 13% of people aged up to 25 provided regular unpaid care to an older person, person with disability or person with a long term health condition. This was the case for 11% of those aged 20 or under, and 15% of those aged 21 to 25.

Figure 4.2 Proportion of participants who regularly provide care by age and type of care provided



ABS (2020) Labour Force Status of Families https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-status-families/jun-2020

<sup>&</sup>lt;sup>15</sup> ABS (2019) Disability, Ageing and Carers Australia: Summary of Findings https://www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/2018#children-with-disability

ABS (2018) 2071.0 - Census of Population and Housing: Reflecting Australia - Stories from the Census, 2016 https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/2071.0main+features1432016

# Childcare arrangements

### **Childcare arrangements**

As indicated above, 39% of survey participants said they regularly provide unpaid care, help or assistance to a child or young person aged under 18, and 30% were parents. Parents with a child aged 12 or under were asked about the care their family accessed, while they were working. Overall, 9% said their family used formal care only, half (49%) used informal care only, and 42% used both.

Use of formal and informal arrangements differed according to the age of their youngest child (Figure 5.1).<sup>17</sup> Formal care use was highest among those with a youngest child between 3 to 5. Most often, these parents used both formal and informal arrangements (64%), but 16% said that so far in 2021, their family had used formal care only. Those whose youngest child was school-aged (6 to 12) were most likely to use informal care only (68% did so), with less than a third (31%) using formal care, such as before or after school care or vacation care, either solely or in addition to informal arrangements.

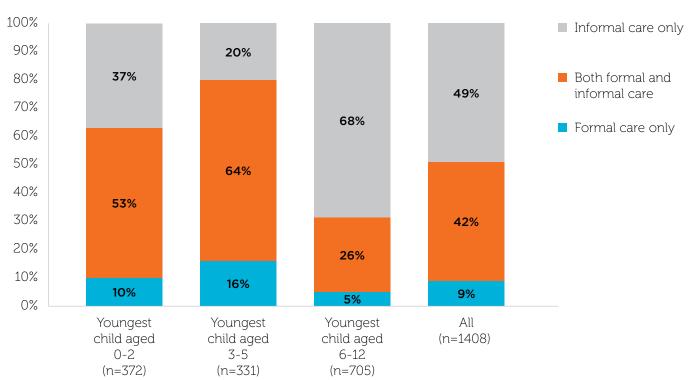


Figure 5.1 Use of formal and informal care whilst working by age of youngest child

Appendix Table A.6 shows some differences by number of hours worked. As parents worked more hours, use of informal care only (with no formal service) is less common. This is particularly apparent among parents with very young children (aged 0 to 2) and 3 to 5, underlining the role of formal services in enabling parents to increase their labour supply (see Appendix Table A.6).

#### 5.1 Informal care

Data in the previous section shows that informal care was used by the vast majority of parents while they were working. Informal care is important to parents of school aged children as well as parents of very young children. Among those whose youngest child was aged 0 to 2, 37% reported informal arrangements only, while half (53%) reported using a mix of formal and informal care arrangements. Most parents of school aged children reported no formal care use: 68% had used only informal arrangements so far in 2021, and a further 26% used a mix of formal and informal care. Among all parents with a child under 12, 38% of parents used some form of informal care on a weekly basis.

Grandparent care was the most common form of informal care. As shown in Figure 5.2, grandparent care was used by 28% of families with a child aged 12 or under 'every week', and by a further 9% 'most weeks'. However 36% of those with a child aged 12 or under did not use grandparent care at all. Comments from participants about informal care showed that some had no family nearby or in a position to help with the care of their children. Care from other adult relatives were used weekly by 14% of parents, and 10% used care by a family member aged under 18 on a weekly basis, usually a sibling. Friends and neighbours, and paid babysitters were less commonly used, and rarely on a regular basis.

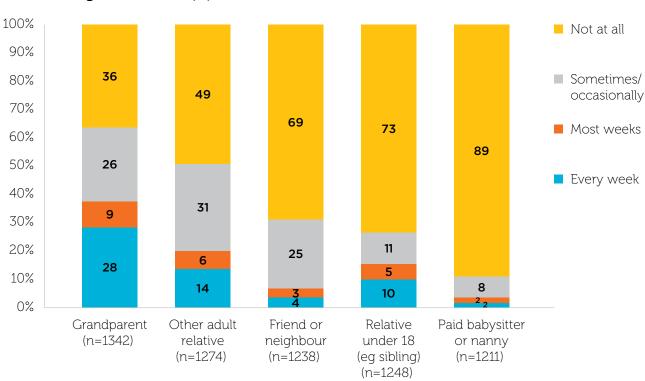


Figure 5.2 How often informal care from grandparent or other person is used, parents with a child aged 12 or under (%)

Through the survey, workers left many comments highlighting the important contribution that informal care makes to their lives, and it was frequently mentioned as a factor that enabled them to manage their work and family responsibilities (discussed in section 6.4).

#### 5.2 Care by a grandparent

Grandparents were the most common source of non-parental care. Regular use of care by a grandparent increased with parents' (especially mothers') work hours.

this to my 73 yr old mother." Partnered mother, carer for adult

with disability, permanent full-time

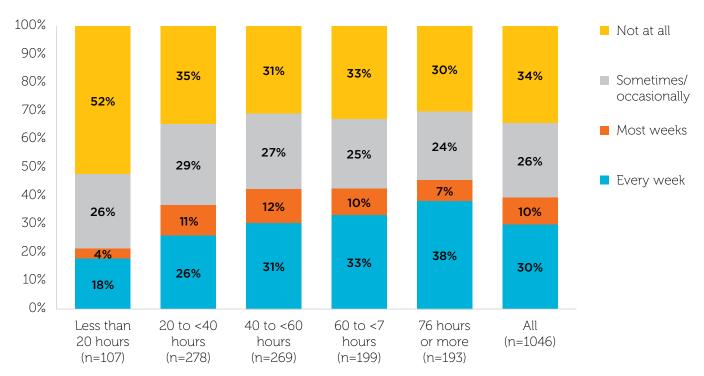
"My mother never knows my work hours because they change with

no notice every week. That causes frustration because I have to explain

Figure 5.3 shows that among mothers who worked less than 20 hours in the last fortnight, 18% said they used grandparent care every week and a further 4% used it most weeks. Use of regular grandparent care was much higher among mothers who worked more hours. Among those with full-time hours (i.e. 76 or more in the last fortnight) 38% of mothers used grandparent care every week, and a further 7% used it most weeks.

This underlines the importance of grandparent care in enabling parents to work more hours. However, grandparent care is not available to all; across the sample, a substantial proportion of all mothers (a third, 34%) said they did not use grandparent care at all, while a further 26% used it only sometimes or occasionally.

Figure 5.3 How often care from a grandparent is used by hours worked in the last fortnight (mothers with a child aged 12 or under)



"I am a Baker and start early, so grandparents help A LOT."

Female, aged 26 to 40

#### 5.3 Grandparents' experiences of work and care

While grandparents were a key source of care for survey participants, many were themselves grandparents providing care to grandchildren. Across the sample, 6% of participants were grandparents providing regular care to a grandchild. Around half of these grandparents were caring for a primary school aged child (49% did so), while 45% cared for a child aged 3 to 5, and 43% cared for a child aged 0 to 2 (many cared for multiple children). 13% provided regular care to a teenage child.

Some grandparents commented on the implications of their roster for their connection with and care for their grandchildren.

I miss grandchildren' birthdays and family events because I work weekends.

Grandmother, carer for person with long term-illness, permanent full-time

My roster is the same every week so this makes caring for my grandchildren easier.

Grandmother, elder carer, permanent part-time

I am very blessed with the job role that I do. The hours Monday to Friday 5.00am to 1.00pm, which enable me to look after my grandchildren. I realise this can change at any time, for the needs if the business.

Grandmother, permanent full-time

Two grandmothers shared the ways they are especially stretched by multiple care responsibilities, a lack of understanding at work and limited resources.

Management need to have more understanding how hard it is for some people. I have no immediate family in the area to help me. My daughter is a paraplegic who I help in some form every day. I have her 5 year old daughter living with me. They can and often do make you feel bad if you can't attend work because something has happened.

Grandmother, carer of person with disability, permanent part-time

As a parent grandparent and care giver and full-time worker, and unfortunately divorced, I feel like I'm running on empty. But the bills have to be paid. I worry my super won't cover me enough in retirement, even though I pay extra into it. Stressful, and tiredness is never far away.

Grandmother, elder carer, permanent full-time

"Sometimes I would like to work longer but not being able to afford after school care or relying on a grandparent causes me not to work more."

> Sole mother, elder carer, permanent part-time



#### 5.4 Parents' reasons for using informal care

For many parents, informal care from grandparents, siblings and other relatives, friends and neighbours, helped fill the gaps left by employment arrangements, and by childcare services which were unaffordable and mismatched to the needs of retail workers families.

Participants were asked for the main reasons they used informal care while they were working. Many comments reflected gratitude for family members and friends whose informal childcare support enabled their workforce participation:

My parents are a godsend when it comes to looking after my kids for me so I can work.

Partnered mother of children with disability, permanent full-time

My mother-in-law has stopped working to help watch the kids while I return to work.

Partnered mother, elder carer, permanent part-time

My dad drops of my child at day care and because I start work so early I finish early enough to pick her up from childcare.

Partnered mother, permanent full-time

My daughter can take my children to school before her school.

Partnered mother, permanent part-time

Most commonly, participants who used informal care cited the high cost of formal child care.

Shifts are generally not long enough to warrant paying for care.

Partnered mother, permanent part-time

The cost of having two children in daycare.

Partnered mother, permanent part-time

Cost of vacation care is too high.

Partnered mother, permanent part-time

Some parents managed to care for their children by co-ordinating their working hours, which meant they did not require assistance from outside the family and were able to avoid the costs of childcare, albeit with great difficulty.

In this family, for example, one parent worked day shifts, the other night

shifts, co-ordinating alternating work schedules which they termed working opposhifts'. While this enabled them to avoid or reduce care from outside the family, it meant that families had little time at home together.

For some, the informal care provided by family and friends made it possible for workers to just make ends meet. For example:

Having my eldest son (13 years) watch my younger son after school allows me to work just a little bit longer each shift so I can afford bills etc; My parents don't charge if I need them to watch or pick up an unwell child.

Sole father, permanent part-time

"Luckily my husband and I work at the same place and they are very flexible. But we work opposhifts each day so we barely see each other to try and save money not putting our son into daycare."

> Couple mother of child with disability, permanent part-time

"It's afternoon work and the cost is free. It cost me, for 4 days a week for 2 kids, \$332.00 of child care. My wage for a week is \$333.00."

Partnered mother, elder carer, permanent part-time



Others noted that formal childcare services did not accommodate their work hours, and that they drew on family and friends when childcare was not available, or for short periods at the beginning or ends of shifts, for example:

Childcare not being open and my work hours being outside childcare times.

Partnered mother, permanent part-time

Due to working weekends no other childcare is available.

Sole mother, permanent part-time

Covering in between my partner coming home and me going to work.

Partnered mother, permanent part-time

Others appreciated the far greater flexibility on the part of their informal caregivers when compared to formal childcare options:

#### Easier than formal childcare.

Partnered mother, permanent full-time

More readily available at short notice [than out of school hours care].

Partnered mother, permanent part-time

Often parents said that this informal care, especially when with grandparents, suited all involved. It helped to build the grandparent/grandchild relationship, was grounded in trust between parents and grandparents, and suited children to be cared for in a home environment, especially after hours.

#### Better relationship with child/ family bonding. Child is happier in familiar environment.

Partnered mother of child with disability, elder carer, permanent part-time

#### I did not want to send my child to daycare at such a young age.

Sole mother of child with disability, elder carer, permanent part-time

Having a disabled child that requires a lot of extra time, care and support is overwhelming and with the support of grandparents this helps us connect and raise our family. One day a week my daughter has with Nana, or goes to Nana's when she is unwell so I can go to work.

Partnered mother of child with disability, permanent part-time

It is a family member so it's safer and it doesn't cost me anything except a thank you.

Partnered mother, permanent full-time

"It gives my son and his grandfather a chance to bond and it doesn't cost me anything more than a hot dinner."

Female, aged 26 to 40





Finally, some said that informal care was the only way they could both fulfill their responsibilities to their children, while also meet their obligations to their employer. These SDA members explained their reasons for using informal arrangements:

#### To be able to fulfil my contracted rostered hours.

Sole parent, elder carer, permanent part-time

To secure future contract, by showing I'm willing to work even when I can't get paid childcare. Sole parent, casual

Unable to call in sick as not enough people to run the department or be supervisor.

Partnered mother, permanent full-time

In these comments, survey participants show their strong dedication to their employers and to fulfilling their work commitments, being willing to ask others to provide unpaid care, often every week, in order to meet their obligations to work.

<sup>&</sup>lt;sup>17</sup> Information was collected about types of care used by the family; types of care were not separately captured for each child.

## Formal ECEC Services

### **Formal ECEC services**

Formal early education and care services, such as long day care, family day care, pre-school, kindergarten or occasional care, are an important support for SDA members and their families, although many lack access. A description of Australia's ECEC system and policy, including subsidies, is provided in Appendix: Australia's early education and care system.

#### 6.1 Types of formal services used

Parents of children aged 0 to 5 were asked whether their family had used formal early education and care services, such as long day care, family day care, pre-school, kindergarten or occasional care, so far in 2021. Among the 703 parents with a child aged 5 or under, around two thirds (68%) said they had used a formal early years service so far in 2021, either on its own or in addition to using informal care (see Table 6.2). Most often, the formal care used was long day care, which was used by 45% of parents, followed by pre-school or kindergarten, used by 28%. One in ten used family day care (10%) and 4% had used occasional care.

Of parents with a child in the year before school, most (86%) said that their child who was able to commence school in 2022, was currently attending preschool, kindergarten or long day care where they could access a preschool program. However, not all were attending for the recommended 15 hours: only 72% of parents with a child starting next year said their children was accessing 15 hours or more each week. An additional 10% were attending, but for less than 15 hours, while 12% did not attend and 5% were not sure. This is far lower than the national rate of 95% of children who are enrolled in early education in the year before school. Research shows starting school without the skills that early education can provide, can leave children trailing further and further behind their peers throughout primary and high school<sup>18</sup>.

Table 6.1 Attendance at preschool, kindergarten or long day care in the year before school

|   | n   | %    |
|---|-----|------|
| Doesn't attend  | 29  | 12%  |
| Attends 1-14 hours  | 24  | 10%  |
| Attends 15+ hours   | 168 | 72%  |
| Don't know hours/not sure if attends                      | 12  | 5%   |
| All parents with a child eligible to start school in 2022 | 233 | 100% |

Among the 1000 parents in the sample with a child aged 6 to 12, 24% said their family had used before or after school care so far in 2021, and 15% had used vacation care (Table 6.3). Many had used both; 27% had used either before or after school care, or vacation care.

Table 6.2 Types of early education and care services used so far in 2021 by families with a child under 5

|                                      | Youngest child aged<br>0 to 2 (n=372) | Youngest child aged 3 to 5 (n=331) | All with a child aged<br>5 or under (n=703) |
|--------------------------------------|---------------------------------------|------------------------------------|---|
| Long day care                        | 46%                                   | 44%                                | 45%   |
| Family day care                      | 12%                                   | 9%                                 | 10%   |
| Pre-school or kindergarten           | 17%                                   | 41%                                | 28%   |
| Occasional care                      | 4%                                    | 5%                                 | 4%  |
| Any early education and care service | 62%                                   | 74%                                | 68%   |

Note: Responses do not sum to 100% as participants may have used more than one type of care.

Table 6.3 Types of services for school-aged children used so far in 2021 by families with a child aged 6 to 12

|                              | Youngest child aged<br>6 to 12 (n=1000) |  |  |  |
|------------------------------|---|--|--|--|
| Before and after school care | 24%                                     |  |  |  |
| Vacation care                | 15%                                     |  |  |  |
| Any school-aged services     | 27%                                     |  |  |  |

"My son's school did not provide vacation care so I had to find care elsewhere."

Female, aged 26 to 40

#### 6.2 Childcare difficulties

Figure 6.1 shows that for those with a child aged 0 to 5, the most common childcare difficulties reported were (in order of frequency): affording childcare (reported by 63% of participants); coordinating work times with childcare (46%); finding childcare that fits work schedules (35%); and finding childcare at short notice (such as for a sick child) (35%).

For those whose youngest child was school-aged, the most common childcare difficulties reported by participants were coordinating worktime with childcare, reported by 38%, affording childcare (37% and finding childcare during the holidays (36%).

Figure 6.1 Proportion of participants who had experienced particular childcare difficulties so far in 2021 by age of youngest child

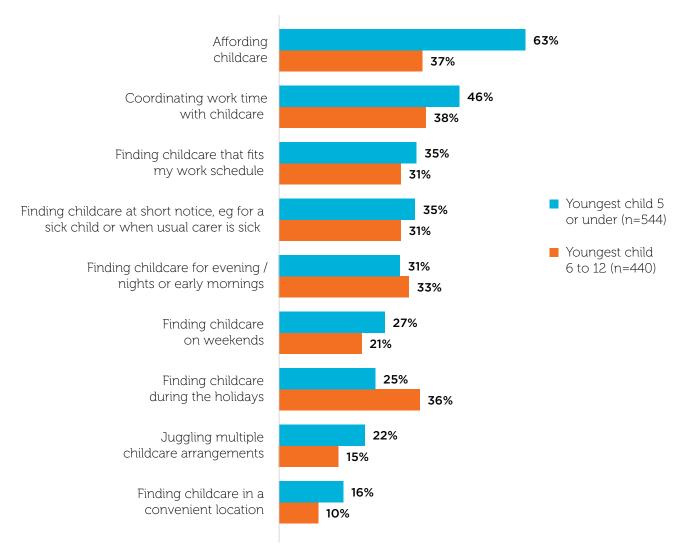


Figure 6.2 shows affordability issues are exacerbated by having to pay for care that is not used. More than half of parents using formal ECEC services (58%) agreed with the statement "We often have to pay for care we don't use". This was also common among parents of school-aged children, 48% of whom agreed with the statement (Figure 6.3). This issue is discussed in more detail in section 6.4 below.

Figure 6.2 and Figure 6.3 compare the experiences of parents with children aged less than five, to those with school aged children. Both face difficulties managing care times and accessing suitable care times, particularly on weekends or outside of normal business hours. In both groups, substantial proportions face difficulties swapping days or access extra days when needed.

Figure 6.2 Experiences with formal ECEC services among participants with a child below school age

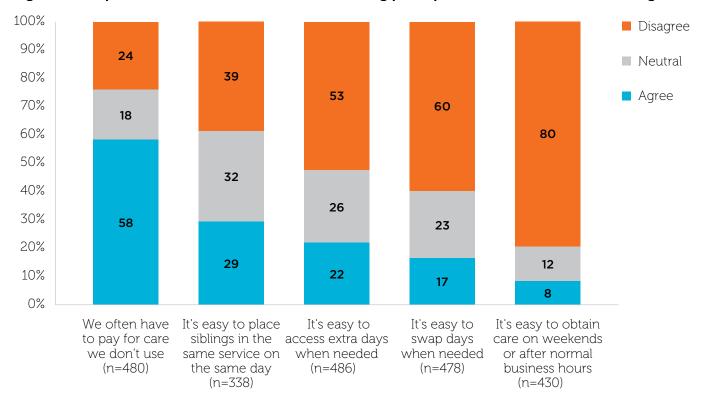
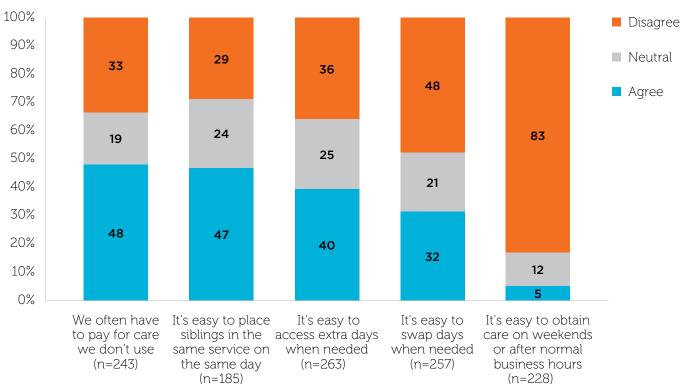


Figure 6.3 Experiences of before and after school care



#### 6.3 Comments on the Child Care Subsidy

The Australian Government pays a subsidy to families to reduce the cost of formal childcare including long day care, family day care, occasional care, before and after school care and vacation care. Subsidy arrangements are outlined in Appendix: Australia's early education and care system. The Child Care Subsidy is means-tested, such that the highest rates are paid to those on the lowest incomes, tapering to zero for the highest incomes. On the other hand, families who use more care are usually eligible for more subsidised hours, depending on the number of hours of care children are enrolled for and the number of hours parents spend in employment, study or voluntary work.

Access to the Child Care Subsidy is particularly limited for families with very short work hours. For example, if at least one parent works between 8 and 16 hours per fortnight, they are eligible for 36 hours of Child Care Subsidy per fortnight. At some long day care services, this may provide 3 days, as families pay for a full day, regardless of how much they use, because fees for 10-12 hour days are common.

Participants using formal care were asked if they received the Child Care Subsidy and given an opportunity to make comments. 82% said they received it, 13% said they did not, and 5% were unsure. In the comments, participants explained that the Subsidy is insufficient to make child care affordable. Some explained they appreciate the Subsidy, but wish it covered more of their child care costs.

Does not cover half as much as we fork out.

Partnered mother, permanent full-time

The subsidy is not a lot when you're still paying 30-40% of the amount you're paid for working.

Partnered mother, permanent part-time

Partner having a higher pay bracket has given us a lower percentage, so I am still "working to pay for childcare"

Partnered mother, permanent part-time

"[The Child Care Subsidy] makes using daycare cheaper to use, but we still could not afford to use it every day."

> Partnered mother, permanent part-time

Some were quite specific about how much they were able to work before the Child Care Subsidy no longer helped with the cost of care.

It helps a lot but it isn't enough. I pretty much go to work for 10+ hrs to not get paid due to it going to child care each week. Even if my child only attends half a day we still have to pay for a full day.

Partnered mother of child with disability, permanent part-time

It does help for short care only. Anything over 3 days and you are paying a lot more for care. For 3 days we pay about \$100-\$110 for one child only. For 5 days it works out to be around \$250 per child. The majority of daycares all raised their fees when the childcare subsidy came in.

Partnered mother, permanent full-time

I can only work 3 weekdays before it means I am working for \$20 a day after costs. So I am forced to work weekends to get ahead.

Partnered mother, permanent part-time

Here, and elsewhere in the survey some parents bemoaned needing to pay for childcare when their child is sick. A difficulty even greater when they need to take time off work, and for some, this would mean not receiving pay.

It would help if it would cover more. Or if at least we could pay less when the child is not attending due to sickness! Due to toddler being sick we were paying for weeks but he was not attending nor was I able to work.

Partnered mother, elder carer, permanent part-time



A small minority of participants felt that the means-tested nature of the Child Care Subsidy was unfair, because the highest subsidy rate is paid to those with the lowest earnings and a lower subsidy rate paid to those with the highest earnings.

I feel it's a bit ridiculous that people who have to work and do work pay a larger amount than those who don't work, I know someone who does not work and sends their child 3 days a week when they are home anyway, and it cost less than my one day. I get it if you are in a high paying job and don't need the assistance, but we struggle... I don't end up earning much more working than if I just sat on parenting payments and didn't pay for care. It's no wonder people don't go back to work when their kids are young.

Partnered mother, permanent part-time

They seem to punish people who want to get back to work. It is hard to work full-time... but then the Child Care Subsidy gets taken away the more you work, but the child care [fee] doesn't go down.

Partnered father, permanent full-time

Should be more subsidy for the parents who actually work. The ones who don't work get cheaper care. Unfair.

Partnered mother, permanent part-time

SDA members have low earnings, and might feel they miss out on the higher subsidy rates paid to other families who have paid work at all. On the other hand, families with no earnings would likely fail to meet the Activity Test, and be eligible for just 24 hours of subsidised care each fortnight, while those in employment would be eligible for 72 or 100 hours of subsidised care. In part, these concerns arise due to the highly complex nature of the CCS, which decreases as earnings rise, but increases as activity level rises. A simpler system of free ECEC for all children, regardless of parents' circumstances, would alleviate such concerns.

Other participants argued that free child care would be better.

It should not exist. Childcare should be free for all parents so they can work more days, without having to stress about financially affording to pay the gap fees. The government should pay for the full costs.

Partnered mother, permanent part-time

Daycare should be free for working parents.

Sole parent of child with disability, permanent part-time

#### 6.4 Care responsibilities, childcare and labour supply

Care responsibilities and poor access to suitable childcare constrains parents' availability to work, and restricts their earnings.

Among parents with a child aged 12 or under, 43% of mothers and 35% of fathers reported wanting to work more hours (see Section 8.4). Access to suitable childcare is a key barrier: among parents with a child aged 12 or under, 35% of mothers and 27% of fathers agreed with the statement "If I had suitable childcare, I would work more hours". This is shown in Figure 6.5. Agreement with the statement was more common among mothers and parents of younger children. In particular:

- Among parents with a child under 2, 40% of mothers and 33% of fathers agreed or strongly agreed with the statement "If I had suitable childcare, I would work more hours".
- Among parents whose youngest child was aged between 3 and 5, 39% of mothers and 22% of fathers agreed or strongly agreed that with suitable childcare, they would work more hours.
- Among those whose youngest child was between 6 and 12, 31% of mothers and 26% of fathers agreed with the statement.

Parents were also asked if they had to turn down work activities or opportunities because of their caring responsibilities. Responses from sole and couple parents were similar (see Appendix Table A.5). However, those parents caring for a child with disability or additional needs were more likely to be prevented from taking up work opportunities, reflecting particular lack of suitable care and supports for these families. Figure 6.4 shows that among parents of children with a disability or additional needs, 64% agreed or strongly agreed that their caring responsibilities meant they had to turn down work activities and opportunities, compared with 47% of other parents and 18% of those not currently parenting a child aged under 18.

Parents of 0-12 year old children were given an opportunity to comment on the difficulties they have had with childcare. Their responses are discussed in detail below (Section 6.3), but here we report on their comments on their ability to work sufficient hours, or to take up career opportunities. This limited their earnings and career progression.

I live in a small community and there is only 1 option for vacation care. This runs for only 25 hours a week during holidays, which means I have to lose out on work.

Sole mother, permanent part-time

I currently work school hours but am unable to apply and take an offered management promotion because finding childcare for early morning starts or late finishes is hard.

Sole mother, carer of adult with disability, permanent part-time

It's hard to be career oriented when you have children to take to school and to look after a disabled elderly person.

Partnered father of child with disability, permanent part-time

"Due to children being over 12, being a single parent and working in retail, I find there is no childcare regardless of area. I have missed so many work opportunities due to this."

Sole mother, casual

Strongly agree Strongly Neutral Agree (n=6396)16% 27% 29% 19% %6 child aged under 18 (n=4463) Not a parent of a I have to turn down work activities or opportunities" by parenting status Figure 6.4 Agreement with the statement: "Because of my caring responsibilities, 20% 30% 31% 13% without a disability or Parent of child/ren additional needs 26% 30% **%**9 21% 17% Parent of child/ren with a disability or additional needs 40% 24% 13% 21% 100% %06 80% 70% %09 50% 40% 30% 20% 10% %

(n=1619)

(n=314)

disagree

Disagree

Figure 6.5 Agreement with the statement "If I had suitable childcare, I would work more hours" mothers and fathers by age of youngest child

Disagree

Neutral

Agree



#### 6.5 Comments on childcare difficulties

Parents with a child aged 12 or under were asked if they would like to make any comments on the difficulties they had with childcare. Their comments were many and wide-ranging. The key issues they identified were:

- availability and finding care that suits their work schedules;
- rules and regulations that affect the suitability of formal care
- the affordability of formal child care; and
- managing child care and work when their children are sick.

These mothers summed up the challenges experienced by many:

"I would love for our work to fit our CHILDCARE instead of my childcare fitting my WORK!"

> Partnered mother, permanent part-time

I only have one person who can look after my children. I can't afford day care as it is too expensive which means I'd be working for nothing. But I am also wanting to work more hours - but find this hard with only having one person to help us out. If I had a childcare that could cater to my work hours, and was better priced, it would make it a lot easier.

Partnered mother, permanent part-time

Childcare caters to the parents working 9-5. Not the single parent or the parents that work in retail till 10.00pm or overnight.

Partnered mother, permanent full-time

#### Availability: Finding care, especially care that accommodates retail work schedules

Sometimes, childcare services had long waiting lists making it difficult to access:

Our before and after school care has limited numbers (due to most of the time 1 caretaker) and is generally full all the time. I have 3 kids and trying to get a spot for all 3 is difficult.

Partnered mother, permanent part-time

From January 2020 to January 2021, We couldn't find a preschool in a convenient location. Finally got off the waiting list this year.

Partnered mother, carer for person with long-term illness, permanent part-time

Unable to find childcare as they have no available spots.

Sole mother, permanent part-time

And it was especially difficult to find care that was available for early starts, late finishes, night shifts, weekends and public holidays:

It is very hard to find a childcare in the weekends, evening etc. For people like us who do shift work, it is stressful to get.

Partnered father, permanent full-time

I struggle to get back to pick my kids up on time as I finish work at 5.30pm and work 40 minutes away. The after school care closes at 6.00pm. It's also hard to find vacation care that suits early morning and evenings.

Sole mother, permanent part-time

Vacation care trading times are less than on normal school days and therefore will require an adjustment in my roster so that I can collect my children earlier than normal to avoid additional fees.

Some explained that their irregular work hours make childcare impossible or very difficult to use.

> This [before and after school care] service takes a good 3 days to get any sort of reply, so trying to book my kids in for an extra day to help work out is impossible.

Partnered mother, permanent part-time

With no confirmed or regular shifts or hours in a week/fortnight, I have been finding it difficult to find a carer.

Partnered father, casual

"I can't use childcare until I have more regular work to accommodate childcare."

Partnered mother, casual

#### Childcare rules and regulations which create difficulties

Rules and regulations in childcare services limit their usefulness for survey participants. A detailed description of the Australian ECEC system is contained in Appendix: Australia's early education and care system. However, as noted in Section 6.2 above, many families pay for formal childcare that they do not use. Comments from families show that this happens for several reasons. Families sometimes book more care than they need because their child care service requires regular bookings, but their employers do not offer regular hours. So families may, for example, book regular care from Monday to Thursday because they do not know from week to week which days they will need to use. When their roster becomes available, they may discover they only need two or three of those days, but still need to pay for the days their child doesn't attend. Other times, families pay for child care that their child doesn't use because the service will not accept a sick child, or because the parent's roster has changed with short notice, and they do not require the care.

The most commonly mentioned challenge was the need to pay for a full day of long day care, even if a child attends for short hours. This happens, especially in long day care, where families are typically required to pay for a full day of 10 or 12 hours, regardless of how long a child attends. Child care becomes affordable for SDA members as a result.

I would utilise childcare except I have to pay for a whole day when my shifts are only for 3 hours it's not worthwhile.

Partnered mother of child with disability, permanent part-time

We thankfully have a great daycare but we also pay for full 12 hr days even if we done use that but it's something I'm willing to do to give us flexibility around work.

Partnered mother, permanent full-time

Other childcare rules create difficulties, too. For example, this parent only requires care during school holidays, but their children's service will only accept children for vacation care if they also attend before and after school care. So to have access to vacation care, they enrol their children in care during term time they don't need.

I have avoided out of school hours care as we do not require care during the school term but I'm required to send my children throughout the term in order to utilise the vacation care.

A number of families commented on the difficulty of finding appropriate care for teenage children. Formal childcare and the Child Care Subsidy are not available for children aged over 13 years. But teenagers may require supervision, especially if an only child or having additional needs, and retail workers may need to be away from home for extended periods if their shifts do not coincide with school.

There isn't any out of school hours care for young teenagers in high school, who cannot be left home alone, or, who do not want to be home alone.

Partnered mother of child with disability, permanent part-time

Whilst I have teenage kids, you would still like to be there before and after school, but that's impossible when doing 9 or 10hr days, no choice because the pay rates are so low, needs to change.

Sole mother, permanent part-time

#### Childcare affordability

Affordability was a key issue for participants. Typically, participants said that, in their experience, the cost of childcare made work seem potentially, or actually, untenable financially.

It's so expensive, feels like work covers childcare costs.

Partnered mother, permanent part-time

We don't use childcare. My wife left full-time employment for casual work to look after our children - because it works out financially the same, and she gets to watch our children grow.

Partnered father, permanent full-time

The cost of childcare makes it very difficult to continue to work. 3 days per week for 2 children takes half my take home pay.

Partnered mother of child with disability, permanent part-time

For many, as for the mother cited above, the cost of child care was more difficult when a family needed to pay for multiple children.

[The Child Care Subsidy] helps greatly but when more than one child attends, it's still costly.

Sole mother, elder carer, permanent part-time

The Child Care Subsidy gets eaten up pretty quickly with 2 kids in care.

Partnered mother, elder carer, permanent full-time

One mother compared her earnings to those of the teenage babysitter she often employs to allow her to work nights. She pays more than her wages for night care, but notes that a more highly trained educator would cost twice her earnings:

"Those people charge \$40 an hour some charge \$50 after 6.00pm - I eam \$22 an hour".

However, she took the shifts and employed the babysitter, in order to keep her employment. As she explained:

"I mainly get offered night shifts, yet I have 4 kids that need care. My 17 year old babysitter earns more than I do. Most shifts I'm working at a loss, just so I can go to my shift. Shifts during the day when my kids are at school or daycare and finishing those shifts by the time daycare finishes would be ideal. Please [give us] a better [Subsidy] for daycare when you have multiple children."

#### Child care and work don't allow families to care for sick children

Parents pointed to inflexibilities on the part of both their employers, and available childcare services, which made caring for sick children difficult. ECEC services require that sick children stay home, and, as some parents noted, this is even more strict at present due to the threat of COVID-19. So when children are sick, many parents stay home from work. This led to difficulties at work, and days when they receive no pay but child care fees still owing.

As can been seen in the section on informal child care, some participants ask grandparents or other relatives to help look after their sick children (See section 5.1). But, as this participant explained, not everyone has family available to support them when their children are sick.

Both my parents work full-time, so when my children become sick I have no one to help me out. So therefore, I have to call in sick. In the month of February 2021, my daughter who attends kinder has caught croupe, gastro and a virus, which led to me having a lot of time off - to the point where I had been flagged at work and was on warning for dismissal.

Partnered mother, permanent part-time

With no option but to take leave, this SDA member found herself warned that her job was at risk.

Others found themselves exhausting their paid leave because they needed to use it to care for sick children.

You can't drop them off [at child care] when they are sick, so I need to use all my personal leave to care for my child. When that runs out, I have to suffer the consequences of not being paid, but I still have to pay for childcare.

Partnered mother of child with disability, permanent part-time

With COVID restrictions you need to take much more time off work when your children are unwell, and I am running out of paid leave options.

Partnered mother of child with disability, permanent part-time

When children cannot attend child care, parents are still required to pay the fees, even if the service has told the family the child is not able to attend because of illness. In such a situation, a casual worker or someone taking unpaid leave, like the participant above, would have to pay for child care, but not receive pay. Taking unpaid leave to care for children, which makes it harder to pay for the childcare that the sick child was unable to use. For those on casual contracts, all leave is unpaid.

#### Sole parents

Importantly, the difficulties with childcare outlined above were particularly acute for sole parents, who often found themselves with little family support to help manage the incompatibility of their work and childcare arrangements.

I am a sole parent without family. It's always a juggle.

Sole mother elder carer, working two jobs

Sickness within childcare also affects how often I can attend my shifts.

Sole mother, carer for adult with long-term illness, permanent full-time

Daycare is expensive but I have no option. I asked to start work earlier and finish earlier so I could get to daycare on time. I was told no option for that and I would need to reduce my hours which I can't afford to do.

Sole mother of child with disability, permanent part-time

No child care on weekend or public holidays.

Sole mother, permanent part-time

#### 6.6 Comments on what works well

Participants were asked an open-ended question: 'What works well about your childcare arrangements, or helps you co-ordinate work and family arrangements?'

For some, there was no positive answer to this question and no way to imagine their arrangements working better.

"Nothing works well to be honest.
It's a constant juggling act trying to coordinate work, family arrangements and childcare, but there's no other choice in this day and age."

Sole mother, permanent part-time

Nothing works well about it. It's a daily juggle. Often we have to use our eldest child to watch younger children, or my partner takes them to work as there's no other alternative.

Partnered mother of child with disability, elder carer, permanent part-time

I haven't used a child care provider that really works for my situation.

Partnered mother, permanent part-time

#### Nothing. It is chaos.

Partnered mother, permanent full-time

Some did share thoughts on successful arrangements. 452 participants answered this question with specific examples of the kinds of arrangements that do or could work well for their families. The most common responses, constituting close to half of answers, described making arrangements within the family that could accommodate work schedules and childcare inflexibility. These were relying on informal care from family and friends (26%) and coordinating work schedules to ensure a family member, usually a parent, was always at home for the children (22%). While a smaller proportion relied on work arrangements, for example having predictability about they would be working (20%), being able to make choices about their shifts and start/finish times (14%), or having work and care arrangements that match well (2%). Relatively few said that formal care services helped in their work and family arrangements, usually by being conveniently located, or open at convenient hours (4%). Some said having an understanding employer, manager or child care service helped (4%).

Table 6.4 What works well about child care, or work and family

|  | n   | %   |
|--|-----|-----|
| Relying on informal care                                     | 117 | 26  |
| Coordinating shifts and other arrangements within the family | 97  | 22  |
| Predictable shifts   | 89  | 20  |
| Choice about which shifts to accept                          | 65  | 14  |
| Convenient formal care arrangements                          | 29  | 6   |
| Understanding on the part of employer or child care service  | 16  | 4   |
| Having work and care hours that match                        | 12  | 3   |
| Flexibility  | 9   | 2   |
| Other  | 18  | 4   |
| Total  | 452 | 100 |

#### Private arrangements within the family that work well

A quarter of participants (26%) said it was their informal care arrangements that made it possible to manage child care, work and family. Typically this meant relying on grandparents, and sometimes needing very high levels of flexibility from grandparents, older siblings, friends and neighbours.

We are very lucky as my parents regularly put their life on hold to make sure we are able to work and have our children looked after.

Partnered mother, permanent part-time

My 19 year old daughter looks after my 7 year old son. Easier if I have last minute shifts to cover. Although it does impact her life a lot.

Partnered mother, permanent part-time

Our friends and I work well together they look after my kids and when I can I return the favour.

Partnered mother of child with disability, permanent part-time

However, as indicated above, this sometimes impacted on their own employment, other care responsibilities or personal plans and interests. This was most notably the case for grandmothers.

I'm very lucky to have my mother-in-law look after them on early mornings, but she is also a full-time carer for her elderly mum. Makes it hard for appointments and if one of them is sick.

Partnered mother, permanent part-time

The only thing that helps me is my mother currently doesn't work, so she is able to help with care. However, it puts her life on hold most days.

Sole mother, carer of adult with disability, permanent part-time

A fifth of families (22%) made arrangements within their family, usually within the immediate family, to ensure a family member was always available to care for the children. Most commonly, two parents tagteamed, working "opposhifts", with one working days, the other nights, or with one working mornings, the other afternoons. Sometimes one parent would work during the week and the other on the weekend. Fifty-three parents (12% of those who answered this question), reported these kinds of arrangements. Given this was an unprompted response, it is reasonable to assume the proportion of families who make these arrangements may be even higher if they were asked directly about it.

As the following quotes indicate, while these were arrangements participants said work well, often they come at a cost to their relationships, sleep and work opportunities.

Both my wife and I are on different time schedules and only occasionally clash. My wife then has to make adjustments to her rosters to make herself available for our children, which she is happy to do, but it does put limitations on any work events she can attend. It also means we are rarely together as a whole family.

Partnered father, elder carer, permanent full-time

My partner starts work half an hour after I finish. Over holidays when vacation care is closed he can care for them while I work. But we struggle to get enough sleep as he works nights and I work days.

Partnered mother of child with disability, permanent part-time

"My employer has allowed my partner and I to have alternating shifts. This minimises the financial cost of childcare but my partner and I do not see each other until the weekend."



Sometimes these kinds of shift management involved other family members, like older siblings and grandmothers. But, as the following quotes indicate, maintaining such arrangements involves a high degree of coordination.

Having my mother having the flexibility to work around my roster to coordinate her own roster to be able to watch my kids while I'm at work.

Partnered mother, permanent part-time

My partner works full-time Monday to Friday 5.00am to 1.30pm. I work part-time Wednesday to Sunday in the afternoons. I do school drop off and my partner does pickups. My motherin-law does school holidays and anything we can't make due to appointments. This limits my availability for work and can cause issue during the holidays.

Partnered mother of child with disability, elder carer, permanent part-time

It works smoothly with me on mornings and husband on afternoons and my mother-in-law watching our daughter in the middle.

Partnered mother, permanent part-time

Some families said that having a full-time parent at home made their arrangements worked well.

The only time childcare works is when my husband is home and we don't have to use it [childcare]. Partnered mother, permanent part-time

My partner doesn't work at the moment which makes things easier to juggle but he is looking for work so we will have to re-evaluate our schedules when he finds work.

Partnered mother, permanent part-time

My wife not working makes it easier for us.

Partnered father of child with disability, permanent full-time

My partner has taken a year off of work so it's not an issue at the moment.

Partnered father, carer for adult with disability, permanent full-time

"I work nights and my partner works day. It's the only way we can make it work."

#### Employment-based arrangements that work well

Having predictable shifts was important for a fifth of participants who answered this question (20%). For some this was having a set roster, while for others it meant having sufficient advance notice of the roster – often this was 2 or 3 weeks' notice.

Having a set roster/shift so I can have my kids and my brother's dialysis schedule organised and not having to have to worry every week with what I'm going to do with them.

Partnered mother, carer for person with long-term health condition, permanent full-time

Having a roster 3 weeks in advance to plan for the times I will be away from the kids. Sole mother of child with disability, casual

Knowing in advance when I'll need extra help with school drop-offs or pick-ups.

Partnered mother, casual

However, as the quotes below show, some participants pointed to the challenges of insufficient, sometimes very short, notice or changes in their work schedules.

I should get two weeks' notice with my roster. This doesn't happen, and since I've been taking copies of my roster I'm getting treated like crap when I speak up. Some weeks these changes occur overnight.

Partnered father, permanent full-time

More than 4 days' notice. With the current arrangement in the [rostering] app we can see our new roster 4 days prior to starting the next week. And if changes are made there in no sort of external notification from the app to inform us of those changes.

Partnered mother, permanent part-time

The roster I have had now for over 2 years fits my family perfect and no stress. But now they are saying it will be changed I have been very stressed and sick cause I can't deal with the change.

Sole mother, permanent part-time

In part, the predictability of rosters was connected to workers' ability to set their availability, and to stick to it. As one mother said, 'To start with it was stressful but now things are set in stone and nothing budges'. Some reported that their managers were accommodating of their preferred hours, while some felt they had to fight to keep to the hours that suited them.

"I have told work my availability and they are happy to work around that."

Partnered mother of child with disability, permanent part-time

My employer checks my availability listed and offers shifts that allow me to drop off and pick up my child from childcare.

Partnered mother, casual

Being firm with workplace regardless of bullying and sucking up for shift covers about what times I can start and finish.

Partnered mother, carer for person with long term health condition, permanent part-time



#### Formal child care arrangements that work well

Very few participants (6% of those who answered this question) said that formal child care meant that their work and family arrangements worked well. When they did, they most commonly pointed to issues of convenience. For some, a convenient location, near home, school or work, was helpful.

#### Childcare is at my children's school in the hall, so it's very convenient.

Partnered mother, permanent part-time

#### The childcare is very close to home.

Partnered father, permanent full-time

But for most, it was long day care services with early starting hours and late opening hours that made the difference.

#### I can drop my kids off early so I can be at work on time.

Partnered mother of child with disability, permanent full-time

#### It helps that the childcare open early and close late.

Partnered mother of child with disability, permanent part-time

#### It's open from 6.30am to 6.30pm which is within my roster.

Sole mother, elder carer, permanent part-time

<sup>18</sup> Taggart, B., Sylva, K., Melhuish, E., Sammons, P., & Siraj, I. (2015). Effective pre-school, primary and secondary education project (EPPSE 3-16+). Research Brief, UK Department for Education

# Parental leave and return to work

#### Parental leave and return to work

Parental leave is important for supporting working parents around the time of childbirth or adoption of a child, and when a child is very young. Paid parental leave for women and men is recognised to improve work-life balance through this important period of human development and family adjustment, and to promote a more equal division of unpaid care and paid work in households.

SDA members with a child aged 5 or under were asked about whether they took parental leave, for their most recent birth, and the type of leave they took. Figure 7.1 shows many did not receive support from their employers or the Australian Government to take leave around the birth of a child. Overall, 19% of parents of young children in the sample said they did not take any paid or unpaid leave for their most recent birth. This was higher for fathers (35%) than mothers (14%). Having used no leave for the last birth was also higher among those currently employed on a casual basis (37%).19

The Australian Government's provision of Parental Leave Pay is an important source of support for SDA members. Parental Leave Pay was the most common form of leave taken, reported by 72% of mothers and 34% of fathers with a child up to age 5. Only half of parents of young children had accessed paid parental leave provided by an employer (50%), although the figure was higher for mothers (56%) than fathers (31%).<sup>20</sup> Around a quarter of parents took unpaid parental leave. Again, utilisation was lower for fathers.

Figure 7.1 Proportion of parents with children aged 5 or under who took parental leave for their most recent birth (%)

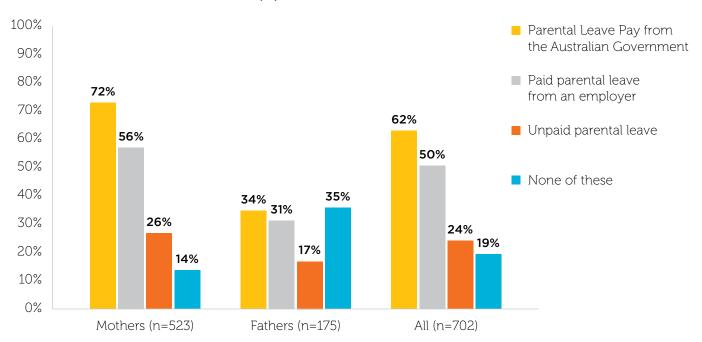


Figure 7.2 Use of paid parental leave for most recent birth, mothers with a child aged 5 or under (n=523)

Figure 7.3 Use of paid parental leave for most recent birth, fathers with a child aged 5 or under (n=175)





#### Reasons for mothers' non-use of paid parental leave 7.1

Figure 7.2 shows that 81% of mothers with a child aged 5 or under had received some form of paid parental leave for their most recent birth, whether from the government and/or an employer, as had 53% of fathers (Figure 7.3). Reasons that parents did not access paid parental leave for their last birth were not directly captured in the survey, and as such, it is difficult to precisely determine why paid parental leave was not used. Some may not have had access to paid leave schemes if they had not worked for their employer for the required period, i.e. 12 months for the government scheme, while others may not have been eligible for other reasons, such as visa status or residency rules, or expectations of continuing work (for casual employees), or the maternal income threshold. Casual staff may have been ineligible for employer schemes.

The circumstances of mothers with very young children, and who were working for their current employer at the time of the birth, provides some insight into the non take-up of leave entitlements. In the sample, there were 32 mothers with a child aged 2 or under who said they had not received paid parental leave for their most recent birth, and for whom information was available about length of time with current employer. Among these 32 mothers, 18 had worked for their current employer for more than 2 years, and 11 had worked for their employer for more than 5 years. These mothers were not temporary visa holders and would be expected to be eligible for government paid parental leave, even if working on a casual basis. Among the 38 fathers with a child 2 or under who had not received any paid parental leave, 25 had worked for their current employer for at least 2 years, and 17 had done so for at least 5 years, indicating likely eligibility.

It is not clear why these parents did not access the paid leave to which they were likely entitled. Reasons for non-use of paid parental leave among both mothers and fathers requires further exploration.

#### 7.2 Time away from work

Parents were asked in total, how many weeks away from work they had when their youngest child was born. On average, mothers reported 42.2 weeks and fathers reported taking 4.6 weeks. However, many took much more or less than the average. Among mothers with a child 0 to 5, those employed on a casual basis reported having had more time away from work for their most recent birth; casuals reported 60 weeks on average, compared with 39 weeks among those employed on a permanent basis.

Figure 7.4 shows a third of mothers each took between 26 and 52 weeks, and more than 52 weeks. Figure 7.5 shows that among fathers, the largest group had taken between 2 and 4 weeks off (38%). Figure 7.6 indicates that most mothers and fathers would have preferred more time away from work (79% of mothers and 87% of fathers). The small minority of mothers who said they would not have preferred more time away had already had a long period away from work (average of 75 weeks).

While this information describes the circumstances of survey participants, further information is required to fully understand their circumstances, including information about the employment status of parents at the time of the birth, before drawing strong conclusions about the use and effectiveness of leave entitlements.

50% 40% 34 30% 33 20% 17 10% 11 5 0% Less than 6 weeks to 18 weeks to 26 weeks to 52 weeks 6 weeks <18 weeks <26 weeks <52 weeks or more

Figure 7.4 Time away from work for most recent birth, mothers with a child 0 to 5 (%, n=523)



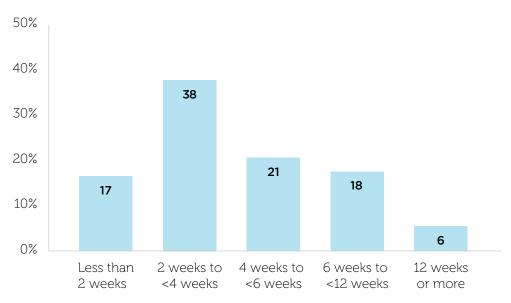


Figure 7.6 Whether parents would have preferred more time away from work when their youngest child was born, if they could afford it

|         | Would not have preferred more time |    |                          | Would have preferred more time |     | Not sure                 |    |     | All                      |     |      |                          |
|---------|------------------------------------|----|--------------------------|--------------------------------|-----|--------------------------|----|-----|--------------------------|-----|------|--------------------------|
|         | n                                  | %  | Average<br>weeks<br>away | n                              | %   | Average<br>weeks<br>away | n  | %   | Average<br>weeks<br>away | n   | %    | Average<br>weeks<br>away |
| Mothers | 33                                 | 7% | 74.7                     | 382                            | 79% | 36.8                     | 65 | 14% | 57.7                     | 482 | 100% | 41.8                     |
| Fathers | 7                                  | 4% | 2.7                      | 138                            | 87% | 4.9                      | 14 | 9%  | 3.1                      | 159 | 100% | 4.7                      |
| All     | 40                                 | 6% | 62.1                     | 520                            | 81% | 28.2                     | 79 | 12% | 46.9                     | 641 | 100% | 32.7                     |

#### 7.3 Comments on parental leave and returning to work

Both mothers and fathers appreciated parental leave, and both groups said they would like more time. But their experiences were different. Partly because fathers tended to take much shorter leave than mothers, and largely because mothers expected to be highly involved in their children's earliest lives.

#### Mothers' experiences

Mothers appreciated paid leave, but wished they had longer.

I would have loved a year off paid by the government - we would have had more [children] if this was the case.

Partnered mother, permanent full-time

This was my third pregnancy and it was definitely less stressful knowing that I was being paid parental leave this time... I would have preferred the 18 months but I couldn't afford that.

Sole parent, permanent part-time

Some pointed out that much of their short time of paid leave was used at the end of their pregnancy, before the birth of their babies, which meant the time they had on leave after the babies' births was even shorter. Paid parental leave can start during pregnancy. The mother below, for example, said she took a mix of paid and unpaid leave from her employer when her baby was born. She did not receive Paid Parental Leave from the Australian Government but does not explain why. Because she needed to start her leave around 6 weeks before her baby was born, she needed to return to work before she felt ready.

I think work places should have a mandatory leave programme in place for mother's to be to take prior to commencing parental leave. As in my case due to medical issues and my boss not being willing to change my shifts to [accommodate my pregnancy], I had to commence leave at 34 weeks. This meant that although I had annual leave, I was bullied into coming back when my son was 9.2w old.

Partnered mother, carer for person with long-term illness, permanent part-time



"I would have preferred to be at home for 12 months but I couldn't afford to. I hated returning to work knowing I was missing out on important milestones."

Sole mother, casual

For some, returning to work before they were ready made them feel that they were 'bad mothers', who were missing milestones.

I missed so many of [my baby's] firsts, e.g. first walk, first word etc.

Partnered mother of child with disability, casual

Just having 18 weeks' pay for parental leave is not enough. I had to back to work after 18 weeks and had to put my baby in family day care...I noticed she [the FDC educator] is not doing the right things and always she turned the TV on for my baby. I'm blaming myself all the time that I had to stay away from her when she was just 18 weeks.

Partnered mother, permanent part-time

Some said that they had little or no communication from their workplace in preparation for returning to work. This made returning to work difficult, because they did not know about or understand organisational changes, or had little opportunity to negotiate their return to work conditions and roles.

It has been really difficult. There has been no dedicated time to learn new procedures. My sign on number isn't working correctly and I can't do my job to full capacity. They should have had this all fixed. Since coming back I have been thrown around to all sections [and I am] not back to where my hours were prior to being on leave. [It has been] difficult and distressing not knowing what has changed, or how to do different things. I feel very used and abused.

Partnered mother, permanent part-time

A few praised their employers for being supportive when they returned to work:

I was fortunate to return from casual to a contract.

Partnered mother, permanent part-time

I enjoy going to work after my son as it gave me a purpose in life and to my family.

Partnered mother, carer for adult with disability, permanent part-time

My store was very welcoming and I was made to feel as if I was a part of the team even though I was only doing a total of 22hrs over 3 days. I had to take about a month off due to my child being sick and then also myself - and my store manage did not have concerns with this.

Partnered mother, permanent part-time

"My manager has been flexible and understanding with my return to work roster. They allow my partner and I to have alternating shifts to care for our child."

More commonly, participants found the return to work difficult and struggled to return to the same position or a position that accommodated their families' needs.

Finding it hard to agree on hours with my store with returning back to work... my previous hours aren't suitable anymore and I'm being told jobs I was doing before I left are now no longer available.

Partnered mother, elder carer, permanent part-time

Initially after returning from maternity leave I was told there were no available hours and to wait till managers came back off leave a week later. I was then provided 3 roster options with nowhere near my entitled work hours. Shifts were too late or too early as childcare wouldn't be open, so was told I miss out on hours then. The transition has been extremely stressful for my family. I definitely thought I would have been more supported in my return to work.

Partnered mother, permanent part-time

After my first daughter was born, the store manager tried to move me to checkouts even though my job still existed in the department I worked in. Luckily the department manager still took me back regardless. After my second daughter was born, the job that I had left, in my department that I had worked in, was permanently filled by someone else. And whilst that job was still there and given to another person, the store manager used the excuse that because I came back earlier than stated in my form, he could only offer me checkouts, which wasn't the department that I had worked in for a number of years and totally disregarded my health issues in standing in the same spot for a number of hours.

Partnered mother of child with disability, permanent part-time

Through their accounts, parents shared their sense of precarity in transitioning back to work:

It was hard to jump straight back into full-time work [while] juggling sick baby. No sick leave entitlements...was hard. I was made to feel like I had to get straight back into it full force or they would find someone to replace me.

Partnered mother of child with disability, permanent part-time

Several commented on the difficulties of returning to work while still breastfeeding, and alarmingly two reported that they were explicitly informed they could not express breastmilk while at work.

I had to go to formula feeding as my workplace and shifts do not allow for me to express milk.

Partnered mother, carer for person with long-term illness, permanent part-time

"I was told as a casual I wasn't allowed to express pump or I would get sacked."

Sole mother, casual

There were also experiences of insufficient opportunity to change hours to accommodate breastfeeding and parenting a young child, and concerns about return to work among those preparing to return to work:

Returning to work was not a positive experience...My employer would not change my contract hours upon returning to work to reflect being a parent and still breastfeeding my baby. Not very flexible in terms of family and work balance.

Partnered mother, permanent part-time

I am concerned that my workplace will not be accommodating to a flexible working roster upon my return from maternity leave.

Partnered mother, elder carer, permanent full-time

# Fathers' experiences

Fathers also wished for more time, with most mentioning they had taken 2 weeks leave paid by the Australian Government, and some supplementing this with a week or two of paid leave from work. They reported t hat this was insufficient time to support a new mother, especially when the birth had been by Caesarean section.

"It would be better if fathers were able to get another week paid leave to support mothers. Three weeks was just not enough time - two weeks via government assistance and one week employee paid leave was received."

Partnered father, permanent full-time

#### At least 6-8 weeks is needed to settle in with a newborn and mother.

Partnered father, carer for person with long-term illness, permanent full-time

Being a father I don't think 4 weeks paid leave is enough to bond with the child. I think it should extend to 4 weeks from employer and 4 weeks from the government as the first 6 weeks of the baby's life is basically stuck at home helping with getting baby into a routine which can be a struggle for some parents.

Partnered father of child with disability, permanent full-time

I feel the type of birth the woman has should be taken into consideration. My wife had 2 C-sections where the help from myself after birth was quite significant for the first 3 weeks of recovery. My wife also wasn't able to drive for the first 6 weeks after the C-section.

Partnered father, permanent full-time

Some fathers said their employers were very accommodating of them taking leave when their children were born.

My workplace was very accepting to my time off for my child and partner. It was unpaid leave. (Partnered father, permanent full-time)

Some fathers found themselves under pressure to work despite wanting to take leave:

My second child was born on the 22nd of December and I was not given adequate time off due to the time of year.

Partnered father of child with disability, permanent full-time

"Area manager would not let me take my holidays for my daughter's birth made me come back to work in middle of my holidays cutting short my time with my family."

Partnered father, permanent full-time

<sup>19</sup> While parent's employment status at the time of their most recent child's birth was not captured in the data, the survey data nonetheless indicates who, according to current characteristics, is most likely to have missed out

<sup>&</sup>lt;sup>20</sup> Some reasons for mothers' non-use of leave is below in Section 7.1.

# Working time and rostering practices

# Working time and rostering practices

Given the importance of rostering to workers' experiences of managing work and care, the survey asked questions about how rosters were set, and workers' experiences of shift allocations and working time arrangements. SDA members described poor working time security. Very high proportions of participants work non-standard hours, face challenges relating to unpredictable rosters (and income), and experience lack of consultation over changing work times. While affecting everyone, these factors exacerbate difficulties workers face in providing care.

# 8.1 Regular working times

Irregular work times increase the work of coordinating care, especially for mothers who tend to carry the responsibility for managing, reassessing and changing care arrangements, day to day and week to week. As indicated in Section 3.3, among all participants, two in five (40%) reported that they work the same shifts each week 'all of the time'. While casual work offered least stability, many employed permanently did not experience stable, predictable hours. This was similar for workers employed in supervisory and non-supervisory roles, and even where workers were employed on a permanent basis, shifts often varied. However, as indicated in Section 3.3, the proportion working the same shifts all the time was higher for fathers (48%) and slightly lower for mothers (37%), but did not differ significantly between men and women without children.

Consistent with the fact that many workers do not work the same shifts each week, many workers do not have a regular work day, and so work with a very high level of variation in their requirements. One in 10 (10%) of parents with a child aged 18 or under had no regular work day, and 14% of other workers had no regular work day (13% among all participants). As Figure 8.2 shows the proportion with no regular work day was highest among younger people, but this affected around 10% of workers in their thirties and forties.

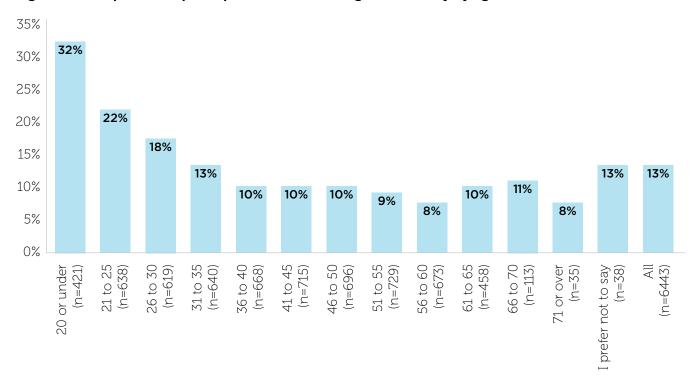


Figure 8.1 Proportion of participants who had no regular work day by age

# 8.2 Setting rosters

The survey asked men and women in supervisory and non-supervisory roles who set their rosters. Table 8.1 shows that most said their rosters were set by a manager they are in contact with. In the comments however, it was clear this did not always mean that their roster was set with a personal understanding of their circumstances: some said they found the relevant manager to be unapproachable, or that contact with them was limited to SMS or an App. Women in non-supervisory roles were most likely to have rosters set by a manager who they were in contact with (84%). One in five supervisors set their own rosters (19%). The complexity of experiences with rostering, and challenges involved in negotiating suitable arrangements, especially for parents, is explored further in Section 8.6, below.

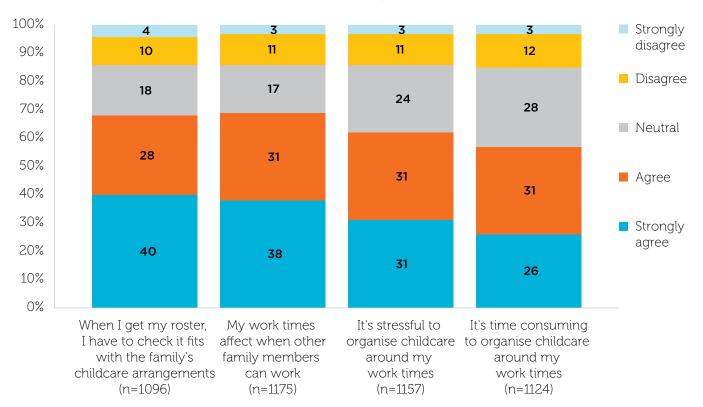
Figure 8.2 shows the work and stress experienced by parents as they co-ordinate rosters and family arrangements. Among those with a child aged 12 or under, 68% agreed or strongly agreed with the statement "When I get my roster, I have to check it fits with the family's childcare arrangements", and only 14% disagreed. Higher proportions of mothers agreed than fathers (70% compared with 61%). 69% of either agreed or strongly agreed that their work times affect when other family members can work. Most (62%) found it stressful to organise childcare around work times, and 57% of parents said it was time consuming to organise childcare around work times.

Table 8.1 Who sets rosters by gender and supervisory status

|        |                                | A manager<br>(regular contact) | A manager<br>(no contact) | Computer | Me  | Other | All  |
|--------|--------------------------------|--------------------------------|---------------------------|----------|-----|-------|------|
|        | Supervisor<br>(n=408)          | 67%                            | 5%                        | 4%       | 19% | 4%    | 100% |
| Male   | Non-<br>supervisor<br>(n=1325) | 78%                            | 11%                       | 7%       | 1%  | 4%    | 100% |
|        | All (n=1733)                   | 75%                            | 9%                        | 6%       | 6%  | 4%    | 100% |
|        | Supervisor<br>(n=1266)         | 71%                            | 3%                        | 3%       | 19% | 4%    | 100% |
| Female | Non-<br>supervisor<br>(n=3368) | 84%                            | 7%                        | 6%       | 1%  | 3%    | 100% |
|        | All (n=4634)                   | 80%                            | 6%                        | 5%       | 6%  | 3%    | 100% |
|        | Supervisor<br>(n=23)           | 78%                            | 0%                        | 9%       | 9%  | 4%    | 100% |
| Other  | Non-<br>supervisor<br>(n=45)   | 78%                            | 13%                       | 2%       | 2%  | 4%    | 100% |
|        | All (n=68)                     | 78%                            | 9%                        | 4%       | 4%  | 4%    | 100% |
| All    | Supervisor<br>(n=1697)         | 70%                            | 4%                        | 3%       | 19% | 4%    | 100% |
|        | Non-<br>supervisor<br>(n=4738) | 82%                            | 8%                        | 6%       | 1%  | 3%    | 100% |
|        | All (n=6435)                   | 79%                            | 7%                        | 5%       | 6%  | 3%    | 100% |



Figure 8.2 Experiences of rostering and organising family life, parents with a child aged 12 or under



# 8.3 Computerised rostering

Many workers commented on the use of computerised rostering and requirements to check apps for roster changes. There was a general preference for personal communications with managers around rostering and roster changes, with apps used as tools but not substitutes for personal communication, for example:

I've been quite lucky in my current place of employment. Our managers converse with us regularly about our availability and we can adjust when needed on our work app.

Woman aged 25 and under, carer of person with long term illness, casual

Overwhelmingly, comments reflected frustration with apps, including the lack of notification of changes, and failure to account for stated availability. Apps were not fit for purpose, failing to notify when changes had been made, which placed the onus on workers to frequently check the app for their work times.

Nobody tells you it just appears on the computer sometimes you can't plan family events.

Male aged 25+, carer for person with disability, permanent part-time

I have to constantly check the roster because our roster app does not give notifications if a change is made.

Partnered mother of child with disability, casual

I would like more hours but unable to get them and dislike having to check online to see if I've been given an extra shift without asking me first.

Partnered mother, elder carer, permanent part-time

With the current arrangement in the app we can see our new roster 4 days prior to starting the next week. And if changes are made there is no sort of external notification from the app to inform us of those changes.

Sole mother, permanent part-time

"We have an app that we place out availability, and I'm forever asking for shifts to be removed as they are rostered on days that I cannot work or before or after the hours I've stated that I am available."

Mother of child with disability, casual

Changes in computerised rosters could be very frequent, leaving workers without required warning:

Well we are meant to get 2 weeks' notice on roaster changes but it seems to be at the moment daily or hourly. It's not fair we get told on our phones to check our rosters all the time.

Woman aged 25+, permanent part-time

Some also noticed that computerised rosters could differ across platforms and with hard copies, causing confusion:

> The communication of the roster is not good, with multiple, different rosters in different areas, e.g. two online rosters and one paper form in store that can often be different to each other.

Partnered mother working part-time

"The company online systems can vary from the internal shop rosters, which causes issues when it happens."

Partnered mother, casual





Running through these comments were a sense of frustration and disempowerment where rosters were computer generated and impersonal, and where they had no say:

That they roster according to a "shape" that is best for the company. I have said many times we are people and not just a line on a computer screen that can just conform to what they want.

Partnered mother, carer, permanent full-time

# 8.4 Length and spread of hours

While some participants were comfortable with the amount of hours they work and how their working time is structured, many are not. Figure 8.3 shows that:

- 40% either agreed (or strongly agreed) with the statement "I would like to work more hours" and 34% disagreed (or strongly disagreed)
- 37% of participants agreed or strongly than agreed with the statement "I would prefer if the shifts available were longer", compared with 34% who disagreed
- While more disagreed or strongly disagreed with the statement (45%), a substantial minority (27%) felt their work hours were spread across too many days.

Figure 8.4 provides a breakdown of agreement with the statement "I would like to work more hours", by how many hours were worked in the last fortnight. This shows that the highest proportion of those with very short hours wanted to work more hours; this was the case for more than half of those who worked less than 20 hours over the past two weeks, with 58% of these short hours workers agreeing or strongly agreeing with the statement. However, even among those working longer part-time hours (60 to <76 hours in the fortnight), 40% agreed or strongly agreed that they would like more hours. Among full-time employees, 17% wanted more hours, likely reflecting low hourly rates of pay.

Figure 8.5 provides a further breakdown, by age, of agreement with the statement "I would like to work more hours". This shows that wanting more hours is most common among younger people, with underemployment falling over the life course. However, even among workers in their thirties and beyond, underemployment is high. Almost half of those in their early thirties agreed or strongly agreed with the statement (47%), as was the case for 40% of those in their early forties, and a third (34%) of those in their early fifties. Even among those in their early sixties who are approaching retirement age, one in five (20%) agreed or strongly agreed with the statement.

Figure 8.3 Agreement with statement about the length and spread of hours

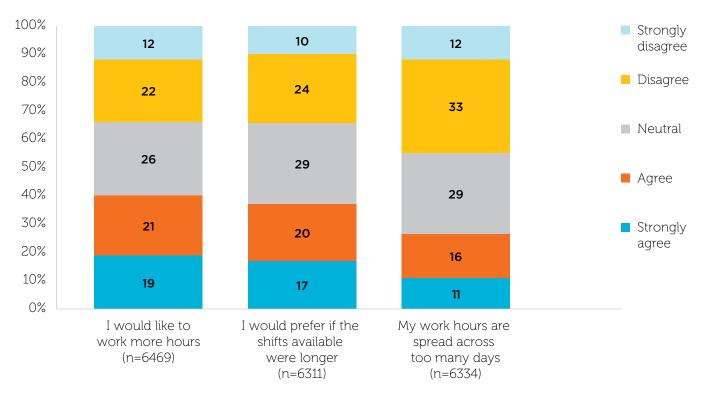
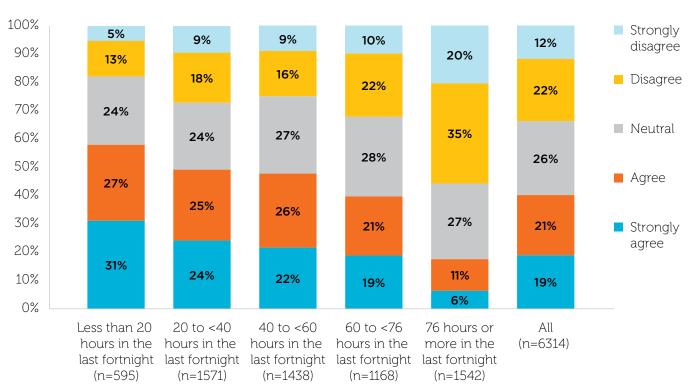


Figure 8.4 Agreement with the statement "I would like to work more hours" by hours worked over last two weeks



disagree Strongly agree Disagree Strongly Neutral Agree I prefer All not to (n=6314) 12% 26% 22% 21% **%61** say (n=36) 25% 17% 19% **36** 19% over (n=35) 71 or 34% 34% 26% 3% 66-70 (n=104) 39% 14% 23% 19% **%9** 56-60 61-65 (n=647) (n=439) 25% 24% 31% 12% **%8** 20% 30% 24% 15% 11% 51-55 (n=702) 15% 26% 27% **16%** 13% 46-50 (n=678) 27% **16%** 12% 27% **%61** 41-45 (n=702) 32% 20% 23% 17% 18% 31-35 36-40 (n=655) 10% 23% 29% 21% 18% 28% 25% 22% 17% %6 26-30 (n=621) 24% 28% **%91** 25% % 21-25 (n=636) 23% 28% **%91** 29% 20 or under (n=419) 25% 28% 31% 13% 100% 80% 80% 70% %09 50% 40% 30% 20% 10% %

Figure 8.5 Agreement with the statement "I would like to work more hours" by age

66 | CHALLENGES OF WORK, FAMILY AND CARE FOR AUSTRALIA'S RETAIL, ONLINE RETAIL, WAREHOUSING AND FAST FOOD WORKERS

# 8.5 Variability of hours

A major problem for SDA members, including parents and others with care responsibilities, is that the working hours offered by employers are highly variable, and can change at short notice, making it difficult for employees to plan stable care arrangements. Two in five participants, including two in five parents (41%) said their shifts can change unexpectedly. Those working on a casual basis were most likely to experience unexpected changes in shifts (65% agreed this was the case). However, 36% of permanent full or part-time workers also agreed their shifts can change unexpectedly (Table 8.1).

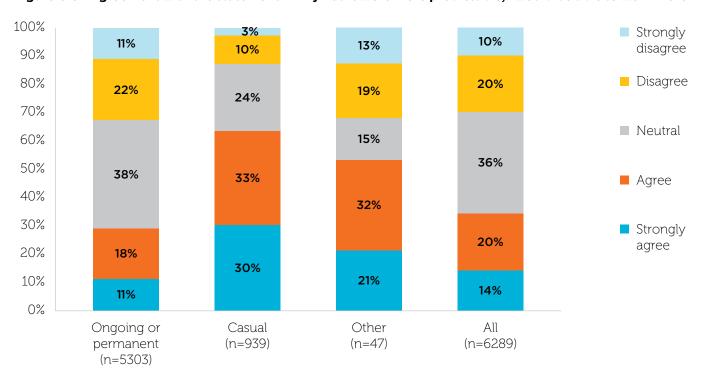
Table 8.2 Agreement with the statement "My shifts can change unexpectedly", by contract type

|                     | Strongly<br>agree |     | Ag   | ree | Neu  | ıtral | Disa | Oisagree Strongly disagree |     | All |      |      |
|---------------------|-------------------|-----|------|-----|------|-------|------|----------------------------|-----|-----|------|------|
|                     | n                 | %   | n    | %   | n    | %     | n    | %                          | n   | %   | n    | %    |
| Casual              | 287               | 30% | 330  | 35% | 182  | 19%   | 107  | 11%                        | 42  | 4%  | 948  | 100% |
| Permanent part-time | 450               | 13% | 801  | 23% | 713  | 21%   | 1012 | 29%                        | 469 | 14% | 3445 | 100% |
| Permanent full-time | 241               | 13% | 452  | 24% | 370  | 19%   | 529  | 28%                        | 325 | 17% | 1917 | 100% |
| All                 | 978               | 16% | 1583 | 25% | 1265 | 20%   | 1648 | 26%                        | 836 | 13% | 6310 | 100% |

Variability of hours impacts on the total number of hours people can work, and their ability to work sufficient hours to meet financial needs. As shown in Figure 8.4, a third (34%) either agreed or strongly agreed with the statement "If my hours were more predictable, I would be able to work more"; however, this was much higher among those employed casually (53%) compared with those employed on a permanent basis, 29% of whom agreed with the statement.

In addition, employees reported having very limited ability to control their working times. Figure 8.5 shows that across the sample, only 19% said they can easily adjust their start and finish times, whereas 60% disagreed (or strongly disagreed) that this is the case. Only 21% said they can change their work days when they want, while 56% could not. One in three reported having to closely monitor their phone or device to receive notice of shifts (32%).

Figure 8.6 Agreement with the statement "If my hours were more predictable, I would be able to work more"



disagree Disagree Strongly Strongly Neutral Agree agree Ŋ 2 5 5 7 F 25 20 23 29 28 35 20 35 25 27 42 24 34 7 20 22 1 15 20 4 2 4 4 I can change my work days I can easily adjust my start I can work extra hours to hours that don't suit me I am required to work and finish times (n=6369) when I want (n=6372) when I want (n=6365) phone or device to receive I feel comfortable saying no I get enough notice of when notice of shifts (n=6368) (n=6360)I have to closely monitor my (n=6422)

Figure 8.7 Agreement with statements about changing working times

68 | CHALLENGES OF WORK, FAMILY AND CARE FOR AUSTRALIA'S RETAIL, ONLINE RETAIL, WAREHOUSING AND FAST FOOD WORKERS

# 8.6 Comments on rostering

Participants were asked to comment on rostering practices, and its effects on family and childcare arrangements.

"Work is always supportive if I need family time, especially recently with me being a blood donor to my brother with leukaemia."

Woman aged 25, permanent part-time

# Positive comments on rostering

Some participants described that their rosters suited them, and that managers were able to accommodate their needs. For example:

I have great hours that suit my family, I am part-time and my hours always remain the same, I'm very lucky.

Woman aged 25+, permanent part-time

I've been quite lucky in my current place of employment. Our managers converse with us regularly about our availability and we can adjust when needed on our work app.

Woman aged 25 years and under, carer, casual

Many of the workers making positive comments expressed appreciation that employers had recognised and catered appropriately for their individual circumstances and care requirements. For example:

After 35 years with the company I now only work 5 shifts a week and they suit my lifestyle as I am a quardian of one and a carer of my mum. Work has always been thoughtful of my needs.

Partnered mother of child with disability, elder carer, permanent part-time

I have been a single Mum for 17 years and I have had the best shifts that take into account my son. For 13 of those years I've been full-time and have not had to work weekends.

Sole mother, permanent full-time

However, those sharing positive experiences were a minority. Further, where workers described their arrangements as suitable, they also highlighted feeling 'lucky', and framed their arrangements as atypical and precarious.

I am very lucky with current dept manager. He understands my circumstances and works around me. This is not say if he left I would be this lucky.

Woman, elder carer, casual

The comments provided by workers give a strong sense of the variability of rostering practices, and how it affects them. Some had been subject to very poor management practices in the past, so wanted to 'hang on' to jobs where rostering was fair and accommodating:

My current manager is extremely understanding of my commitments outside of work and never changes my roster. This has GREATLY improved my mental health and capacity to work happily at my job. Previous to this, other managers were never this understanding and I have blocked managers who would text 8 times a day, expect responses within 15 minutes for a part-time worker who did 1 shift a week. They would change the roster at 8.00pm at night to have me scheduled on the next morning at 8am and never contact me about the change then act like I was a "no show."

Woman aged 25+, permanent part-time

# Insufficient consideration of personal needs and circumstances

Most workers however described that their rosters were determined in much less favourable circumstances. These workers described how their personal needs and family circumstances were not appropriately recognised and accommodated in the ways employers arranged their working time. This was especially the case for people experiencing more complex family and care arrangements, for example:

I have an autistic child and my manager doesn't understand how hard it is for myself to work outside of a schedule that I have set for the fortnight.

Woman, carer of person with disability, permanent part-time

My workplace are often very inconsiderate to the personal needs to each of their employees. Often suddenly cancelling leave which was applied for and approved in the correct manner. They are extremely non-understanding when it comes to family emergencies. I have non-English speaking grandmother with Alzheimer-dementia who still lives at home and is often unpredictable. When extra care is needed I have been told to come to work and find someone else to deal with it.

Woman aged 25 years or less, carer for person with long term illness, permanent part-time

Often, workers described being acutely aware that rather than their own circumstances, shift allocations were determined around business priorities:

We had to change our start and finish times on night fill so the company can save on penalty rates. We were not given a choice just told it was changing so all our contracts had to change too. There was no consideration for night fill members that have to pick their children up from school etc. Now we also get paid less because of this.

Sole mother, permanent part-time

[There is] no respect for carers even if you're a really good employee. It's big business, [we are] easily replaced. They look at staff as an expense not an asset.

Woman, carer for person with long term illness, casual

### Comments on rostering by workers caring for people with complex needs

Have advised my department manager that I was unavailable after 5.30pm as I have a child with special needs and require routine at home, but they still roster me on once a fortnight after that time and regularly ask me to do shifts after that time as well.

Partnered mother of child with disability, permanent part-time

My hours affect me and my family. I have an 11 year old to care for and my husband has terminal cancer. I need to be at home of a night time, but work don't seem to care about that.

Partnered mother of child with disability, permanent part-time

Because I am only given 1 month contracts, I get no sick leave or annual leave. As a single parent, this means that, if one of my disabled children needs to be removed from the school, either due to illness or autistic meltdown, I need to leave work to collect my child, missing out on wages for the remainder of that shift, and any shifts that occur before my child is able to attend school again. This causes financial stress. If I was able to go on a 12 month contract (as opposed to simply renewing a month long contact every month for the past 14 months), I would be able to accrue leave to relieve some of the stress caused by needing to leave work for a sick child.

Sole mother of child with disability

#### Rostering and underemployment

Overwhelmingly, dissatisfaction with shift arrangements related to insufficient working hours, experienced either as lack of shifts, or shifts which were too short. Underemployment due to too few shifts emerged as a strong theme, with rostering arrangements leaving workers underemployed and unable to earn the income they needed to meet needs.

I am permanent part-time 25 hours per week and work will not allow additional hours. Therefore I have struggled financially to pay my bills and mortgage and have had to find additional work which is challenging to fit around my rostered hours. I feel that it is negligent of the company that an employee cannot have an acceptable standard of living working for them only.

Woman aged 25+, permanent part-time

I have asked for more hours multiple times, and have recently been told (after 1.5 years) they only give them to people who want to step up into manager roles. I just want a steady job with hours to afford to live comfortably.

Woman aged 25+, permanent part-time

[My employer] doesn't give me enough shifts, it's rostering system isn't like [others] where you get shift every week. ...they keep hiring new staff all the time. Every month. The staff that's already hired don't get shifts. Majority of the people working in [my workplace] say that they haven't been rostered for more than a month, this rostering system is ridiculous.

Woman aged 25 years or less, casual

Another strong theme related to shifts that were too short:

Rostering sucks. It is bad now. A big company that made so much money last year cut our hours down. Instead of doing a 5 hour shift like we usually do it's cut down to 3 hours.

Man aged 25 years or less, permanent part-time

I don't like the way they change my rosters without my permission and I don't like that I have to drive for 30min to do 4 hours or less shift. [I would] rather work more hours and less days.

Woman aged 25+, permanent part-time

"3 hour minimum shifts are frustrating. Apparently these are the new requirement and working 15 hours a week doesn't support my family."

> Woman aged 25+, permanent part-time



# Inflexibility in work times

Inflexibility was a further theme, including inflexibility relating to start and finish times, and to notice for preferred hours or leave:

"No notice when needed for an extra shift. This morning I had 45mins notice and sometimes extra shifts are added without been asked."

Woman, carer, permanent part-time

Despite explaining I am a sole parent with primary care responsibilities my manager is very inflexible about my start and finish times. I have a set roster to start at 9 am but cannot get there at that time due to dropping my child at school. I have explained my situation but she acts disappointed that I am 'late' even though I fulfil my hours each week.

Sole mother, permanent part-time

We have to give at least 4 weeks' notice to get a day off. With children, things pop up with short notice. If I need a day off, I am meet with an extremely rude and no understanding. I am made to feel guilty for asking.

Partnered mother, elder carer, permanent part-time

We have to put a request at least two weeks before. And they offer extra shifts which we won't be able to do as it is hard to find someone to look after the kids.

Partnered father of child with disability, elder carer, permanent part-time

# Changes in working times

In addition to being inflexible in responding to employee needs, employers often changed rosters unilaterally, causing difficulties, especially for workers with caring responsibilities:

Shifts regularly get added or changed without any communication, meaning I have had to put my family out on several occasions, leaving them to fend for themselves. I've had to cancel medical appointments [without] notice because shifts have altered. On the rare occasion I'm actually asked to do extra shifts and I have to turn them down, I'm made to feel like a disappointment to the boss and then am asked less and less to do more hours. But my roster changes without notice more often. They force us into doing extra or different shifts. We are also only given access to the weeks roster (starting Monday) from the previous Thursday morning, giving us a very short amount of time to know the following weeks roster, which makes other commitments difficult to arrange.

Woman, elder carer, permanent part-time

If [my hours] were consistent week to week I could plan doctor's appointments for my elderly mother. As they change often it's very hard to plan for outside your work life.

Woman, elder carer, permanent part-time

Frequent changes to working times presented difficulties for grandparents:

I don't think it's fair that they can keep changing my start times. It makes it difficult to collect my grandchildren.

Grandmother, permanent part-time

I wish [rosters] could remain the same so my granddaughter and us as older grandparents can arrange our lives.

Grandmother, casual

"It's all over the place. Shifts get changed last minute, I never get the same shifts every fortnight. You ask for extra contract hours and they give you the bare minimum but expect you to give up your weekends without notice."

Partnered mother, permanent part-time





# Unsuitable working times

Many workers' comments on rostering focused on the need to regularly work non-standard hours such as weekends, night-shifts, or early morning. Some sounded exasperated that as sole parents, they were rostered on to work late at night or for closing shifts.

[My employer] wants to have a model roster that would require me to work late at night but that's not possible as I am a solo parent. They do not understand that.

Sole mother, permanent full-time

Because I open the store, it has made it very difficult to be there for my children when they need my attention the most. I get up at 2am, and therefore by the time school finishes, I am either just getting home, or exhausted and need to go to bed before dinner time.

Partnered mother, permanent part-time

Doing a close then an open shift, means I get very little sleep and won't see the family for some time. Having to work every public holiday and weekend, means we can never do anything as a family. My shifts change at short notice, which means I have to cancel appointments.

Female, elder carer, permanent part-time

Working weekends had a huge impact on family time, and was seen to reduce opportunities for families to spend time together. However, the penalty rates and opportunity to save on childcare could help make ends meet

Weekend work is hard for family life especially when trying to assist in caring for grandchildren and caring for elderly parents.

Man, elder carer, permanent full-time

My hours were cut but to try and keep my wage at a similar level I had to work every Sunday to get penalty rates so I could afford to feed my family. Because I now work every Sunday we can't really go anywhere.

Woman, carer for person with disability, permanent part-time

I have to work every weekend, meaning no family time. But I don't have a choice as I have to have days off during the week to save on daycare.

Partnered mother, permanent part-time

Others wanted to work weekends, but could not obtain their preferred shifts:

I would like to work on weekends, because my partner is there to take care of kids and I can work more, but could not get weekend shifts.

Partnered mother, permanent part-time

# Shift allocations and repercussions for refusing requests

An additional set of comments related to issues of fairness in allocating shifts, and fears of repercussions if people could not agree to ad-hoc requests. Some felt overlooked for the shifts they needed, which were allocated to younger and cheaper staff without family responsibilities, while others felt restrictions on their time put their seniority under threat.

Rosters are unfairly distributed. Preference is given to younger staff members for all shifts. Regular casuals can be given more than 30 hours a week. Part-time staff who are older are rarely given additional shifts and tend to be given evenings even though they have family commitments.

Partnered mother, permanent part-time

I have time limits as to when I can start and finish due to child care opening hours, primary school drop off times, etc. These sometime threatens my role as a manager. You are made to feel you must be available 24/7 without the excuse of family (being a male would be so much easier).

Partnered mother of child with disability, permanent part-time

Workers often were made to feel bad for communicating their availability, refusing unsuitable shifts or taking leave, and described that they could be penalised by falling off the roster, or being offered less suitable shifts:

I submit hours of availability and they are ignored then work get upset when I tell them I can't do those hours that are outside my availability. They also get upset that I can't work certain hours as I have no care for the kids to go too and it's close to costing me my job. I also find I get told there are no more hours during my availability but then I see newer staff members being rostered on for the hours I've been told don't exist.

Sole mother of child with disability, casual

Managers still make you feel bad for calling in sick or taking personal leave, and sometimes ask for medical certificates which are really hard to get when you're caring for someone.

Woman, carer for person with disability, permanent part-time

If I knock back shifts I'm told I'm unreliable and henceforth may not get future shifts.

Woman, elder carer, casual

### Expectations of repercussions for refusing unsuitable shifts

You sometimes feel like you are being taken off shifts for weeks if you ask for one shift off if you can't work due to kids.

Partnered mother of child with disability, permanent part-time

I will often get asked if I can come into work ASAP with little notice and feel obligated to say yes due to a lack of available hours on offer. If I say no it could mean a week to two weeks of no work.

Woman aged 25+, casual

I dislike 3 hour shifts as it is not cost effective but I can't say no as I don't want to be penalised for other shifts.

Partnered mother, casual

They change rosters without consultation or even notice. We have to work crazy hours that are inflexible and inconvenient. If casuals knock one shift back their hours are cut. All this negatively impacts home life and energy levels when not at work.

Partnered father, elder carer, permanent full-time

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Impacts on

workers and families

# Impacts on workers and families

Working time arrangements impact on workers' mental health, family stress, and children.

#### 9.1 Mental health

Among all participants, 35% either agreed or strongly agreed that the way they are rostered impacts on their mental health. This was a little higher for parents. Of those with a child 12 or under, 36% of mothers and 41% of fathers agreed or strongly agreed with the statement "The way I am rostered to work impacts on my mental health" (see Appendix data Table A. 7). The proportion who agreed or strongly agreed with the statement was higher for those with more complex caring arrangements. For young carers, almost half agreed or strongly agreed with the statement (47%), as was the case for sole parents (46%), those caring for a person with a long-term illness (45%) and those caring for a person with disability (44%).

Workers left comments which reflected the ways working time impacts on their mental health. In doing so, they cited poor job security and understaffing as well as roster resets:

The roster resets affect my mental health as I am worried about having to explain my situation often. When my kids are home I worry about them being unsupervised.

Partnered mother, permanent part-time

It is very hard and stressful being a long term casual and it very much affects my mental health.

Sole mother, carer, casual

Expectations from store management are appalling, staff shortages are making our shifts stressful and it affects my mental health.

Partnered mother, permanent part-time

Be good if we weren't expected to do 8 hours work in 5. Our work load at the moment is horrible and expectations are too much. Mental health and morale is at an all-time low.

Partnered mother of child with disability, elder carer, permanent part-time

Disappointment with rostering contributed to family stress:

It's very stressful and tiring to constantly be disappointed about the roster. My family feel the brunt of this constant unhappiness.

Grandparent with no regular work day

A single parent described that the stress was worse recently, because of the need to miss work because of illness in the context of the pandemic:

It's different and sometimes a little more difficult for me as a single parent. Especially with COVID as well and that I miss work because my kid might have the tiniest cough but aren't allowed at school. This stuff has really messed with my mental health this year.

Sole mother, permanent part-time

A supervisor noted the mental health challenges they faced, and lack of recompense for the tasks and stress involved in supervisory roles.

If I work a public holiday I only get an extra \$80 after tax and I sacrifice family time. I worked mostly late nights and weekends for the extra penalty rates to assist with the rising costs of living. My mental health really suffered due to the long late hours and family commitments. I think supervisors on shift should receive more than an extra \$0.50 an hour for what they are expected to do. The amount of times I have seen supervisors work understaffed, go without breaks, have no security and deal with customer abuse.

Partnered mother, permanent full-time

"Changing shifts constantly after rosters are sent out is not good. Every now and then is fine, i.e. someone calling in sick, but getting messages to always be checking your roster for changes...sometimes daily...is too much."

> Sole mother, carer of person with long term illness and disability, casual

# 9.2 Family stress

Among participants with caring responsibilities (whether for children or adults), 37% either agreed or strongly agreed that their shifts and work schedule cause stress for them and their family (Table 8.1). This was higher for sole parents, half of whom either agreed or strongly agreed with the statement "My shifts and work schedule causes stress for me and my family".

Table 9.1 Agreement with the statement "My shifts and work schedule causes stress for me and my family" by parenting status

|                   | Not parenting<br>a child <18 |      | Couple parent with child<18 |      | Sole parent<br>with child<18 |      | All  |      |
|-------------------|------------------------------|------|-----------------------------|------|------------------------------|------|------|------|
|                   | n %                          |      | n                           | %    | n                            | %    | n    | %    |
| Strongly agree    | 502                          | 11%  | 272                         | 19%  | 114                          | 24%  | 888  | 14%  |
| Agree             | 980                          | 22%  | 375                         | 26%  | 119                          | 25%  | 1474 | 23%  |
| Neutral           | 1281                         | 29%  | 429                         | 30%  | 128                          | 27%  | 1838 | 29%  |
| Disagree          | 1203                         | 27%  | 316                         | 22%  | 85                           | 18%  | 1604 | 25%  |
| Strongly disagree | 482                          | 11%  | 62                          | 4%   | 23                           | 5%   | 567  | 9%   |
| All               | 4448                         | 100% | 1454                        | 100% | 469                          | 100% | 6371 | 100% |

Parents were asked how strongly they agreed or disagreed with the statement "I worry about what goes on with my children while I'm working". Data in Appendix Table A. 8 provides a breakdown for parents, according to the age of their youngest child. This shows that for parents with a child under 5, 68% of parents agreed with the statement, as did 69% of those with a youngest child in the 6 to 12 age group. While worrying was lower among those whose youngest child was aged 13 to 17, most parents with a teenage child (56%) nonetheless agreed with the statement.

Figure 9.1 shows that among mothers with a child aged 5 or under, those accessing formal care only (and not using informal care) were significantly less likely to agree or strongly with the statement, and a higher proportion disagreed. Indeed, 57% of parents of a young child who were using formal care agreed or strongly agreed that they worry about what goes on with their children whilst working, compared with 70% of those totally reliant on informal care, and a higher proportion disagreed (21% compared with 14%). This underlines the importance of formal child care use in alleviating maternal stress.



100% 2% 2% Strongly 3% 6% disagree 12% 90% 12% 8% 19% Disagree 80% 16% 16% 17% 70% 23% Neutral 60% 32% 50% 39% 36% Agree 40% 35% 30% Strongly agree 2.0% 38% **32**% 31% 10% 22% 0% Formal Informal Both formal and All care only care only informal care (n=516)

Figure 9.1 Agreement with the statement: "I worry about what goes on with my children while I'm working" mothers with a child 5 or under by use of formal and informal care

#### 9.3 Children's routines and activities

(n=65)

Working time arrangements and parents' stress about working time impacts on children's routines and activities. Figure 9.2 shows 38% either agreed or strongly agreed that work times are not well matched to children's routines, and more than half (54%) agreed or strongly agreed that work hours make it difficult for children to attend extra activities, such as swimming, sport and music.

(n=315)

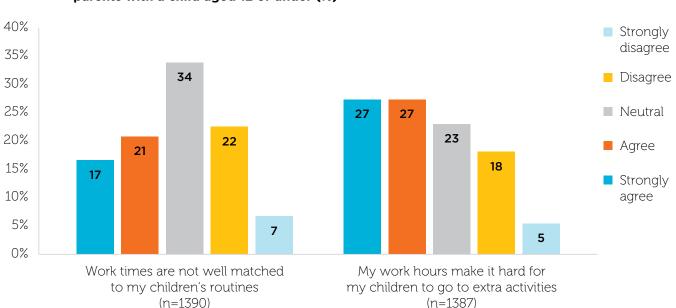


Figure 9.2 Agreement with statements about children's activities and routines, parents with a child aged 12 or under (%)

(n=136)

Comments highlighted the difficulties raised for parents, with instability of hours impacting on children's activities and daily lives. These issues were described in detail by sole mothers:

As a single mother I am committed to working hard for my children. With consistent hours, I have been able to have stability. Now due to low hours of only 9 hours a week, all of a sudden I have found myself more stressed and losing sleep at night worrying about how I am going to survive. I've considered ... quitting their sports because me having to take them to training and their games doesn't suit my managers idea of rostering. [But] I know it can be done, as it was managed well once before with many hours without me having to stress.

Sole mother, casual

My manager doesn't care that I'm a single mother and that my girls have to hang around outside the school for 1 hour and 10 minutes for me to pick them up. She also didn't care when she changed my roster and my daughters couldn't see their psychologist any more ....and she didn't care that my girls had to give up their sports... This has affected my and my girls' mental health and it affects our daily lives. Our lives are very stressful because of my work hours and my girls suffer because they only have me and they always miss out, and my boss couldn't care less.

Sole mother, permanent part-time

### 9.4 Childcare

Further, comments left in the survey by parents showed the way that rostering arrangements and inability to shape working arrangements made childcare arrangements difficult. Some mentioned the lack of childcare that would enable them to cover the shifts requested of them. Others mentioned the short shifts or unpredictability:

Store wants me to work more late nights afternoons and early starts but unable to due to lack of childcare.

Sole mother, permanent part-time

If I had a chance to work long hours while I send my kid to childcare that would have been easy instead of doing short shift for many days.

Partnered mother, permanent part-time

Short shifts also raised difficulties of affording childcare

[It's difficult] having to pay for full days of childcare (at the set rate) when I'm only working for three hours.

Sole mother of child with disability, casual

and after school care." Partnered mother, permanent part-time

"It would be easier to have set times and not over the place through

the week. Makes it easier for before

The lack of care availability to meet retail workers' needs was also an issue:

Public holidays are bad as they are closed and we are open.

Partnered father, permanent part-time

Because I work really early and so does my husband, it's been very tough to find childcare especially I work different days every week and sometimes I do short hours or longer hours depending on the needs of my workplace.

Partnered mother, permanent part-time

They [childcare services] simply don't open early enough or close late enough for retail workers. Also myself being a single parent and no daycare on weekends means I cannot work then either.

Sole mother, permanent part-time

Working arrangements and the lack of appropriate child care impacted on children and families. Many had informal care arrangements they could draw on, although these were often less than ideal:

My son is in year 7 this year and there is no scope for after or before school care. I am a single parent and my work roster includes 7am starts and one late night (till 9.00pm) per week. I have to use family members or my son sleeps at his Nans when I start at 7.00am or work late.

Sole mother, elder carer, permanent part-time

I have to rely on a school mum to take her which means dropping my daughter at her house at 7.00am.

Partnered mother, elder carer, permanent part-time

Others mentioned they were unable to spend time together as a family:

Our family never spend time together. Either I am working or my wife is working. One has to provide care to the kid.

Partnered father, permanent full-time

[I have] 5am starts and my husband does the midnight shift. We both work for [the same company]. The little time at home is sleeping. Most days it's a rush to get the kid to school or home. Work sees that they are more important, so my son suffers at the hand of it.

Partnered mother, permanent part-time

Parents commented on the challenges of the working arrangements on offer, with the span of hours unsuited to childcare or school hours. Some had difficulties accessing and paying for childcare because of short and variable shifts:

Constant shift changes without enough notice, no set days per week, which means I lose money booking after school care.

Sole mother, permanent part-time

I'm paying for days I don't need but knowing my luck if I remove my child I'll be rostered on then. It's hard being able to afford rent, food, bills, child care fees and other expenses if not getting many hours.

Sole mother, casual

However, long shifts could also be poorly matched to childcare availability:

I work 11 hour shifts. The long daycare service I use is not available for the whole time I am at work. Any changes to my contracted hours require others to also change their contracted hours, so I am not able to change them.

Sole mother, permanent part-time

Some comments provided insight into precarious working time arrangements, and the childcare difficulties associated with changes in rosters, which could mean more care was required or care required at times it was not possible to obtain it. For example:

Over the years I've had to change work hours, childcare arrangements and family activities to suit rostering. I was initially hired 9.30am to 5.30pm. This suited our family and meant I didn't have to rely heavily on childcare and carers. [My employer's] business strategy changed, I have now ended up 8.00am-4.00pm Monday to Friday which means I need care for my child both ends of the school day.

Partnered mother of child with disability, permanent part-time

I changed off of Saturday shifts when my mum was ill and dying last year. We needed more money after the birth if our child so my wife has been looking for a job and found some work on weekends while I was not working weekends. Now my work is pressuring me to go back to Saturdays even though we can't get childcare and my wife works every Saturday for extra money. I'm going to have to place a grievance in to fight going back to Saturday shift as they will not accept my reasoning even after working there 19 years.

Partnered father, permanent part-time

# Financial security

# **Financial security**

To understand SDA members' experiences of financial security, the survey asked a series of questions about perceptions of pay and expectations of retirement incomes.

In the sample, respondents tended to be from low income households. 52% of respondents live in households with post-tax income of less than \$1000 per week. This was the case for 32% of couple parents and 80% of sole parents, and 56% of workers who were not currently parenting a child aged under 18 (see Appendix Table A.10).

# 10.1 Perceptions of pay

# Adequacy of hours

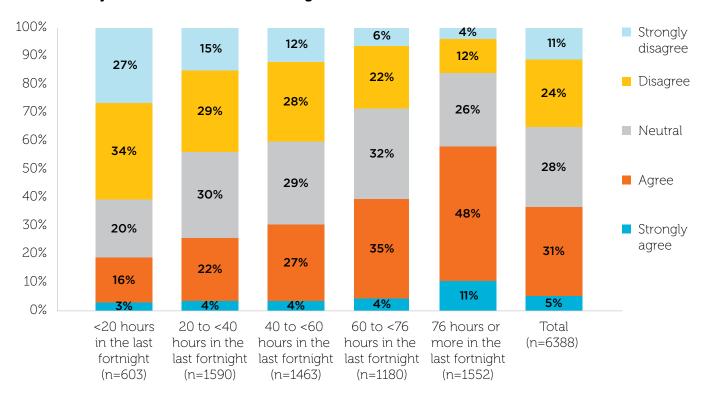
Because underemployment holds earnings down, participants were asked how strongly they agreed or disagreed with the statement "I work enough hours to make a living". Only 36% of participants agreed or strongly agreed with the statement. This was lower for sole parents (25%) (Appendix Table A.11). Women were also less likely to agree, and more likely to disagree, compared with men (Appendix Table A.12).

As would be expected, among those working longer hours, higher proportions agreed with the statement, and fewer disagreed (Figure 10.1). However, even among those working full-time hours or higher, 16% disagreed or strongly disagreed with the statement, and a further 26% were neutral. Only 59% of full-time workers agreed or strongly agreed they work enough hours to make a living (Figure 10.1, see also Table A.13).

It is also important to note that underemployment is affecting workers across the lifecourse. Figure 10.2 shows that substantial proportions in each age group do not agree that they work enough hours to make a living. Among those aged 20 or under, only 25% agreed or strongly agreed with the statement, and 46% disagreed or strongly disagreed (30% were neutral). Among older people, there were still substantial groups who disagreed with the statement, for example among those in their early fifties, only 38% agreed (or strongly agreed) and almost as many (35%) disagreed or strongly disagreed they worked enough hours to make a living. In no age group did more than half of the sample agreed with the statement, the highest proportion agreeing were those in their late 60s, where 48% agreed, although even in this group, over a quarter (27%) said they did not have enough hours to earn a living.

Data in Appendix Table A.14 confirms that agreement with the statement was much lower for casuals, only 20% of whom either agreed or strongly agreed they worked enough hours to make a living. Reflecting similar information by hours worked in the last fortnight contained in Figure 10.1, Table A.14 shows that among permanent full-time workers, only 57% agreed or strongly agreed they work enough hours to make a living.

Figure 10.1 Proportion of who agreed with the statement "I work enough hours to make a living" by hours worked in the last fortnight



"I think the earnings for essential workers are still incredibly low, even though our work may not be considered as skilful... it can still be quite laborous, taxing mentally and just a dread a lot of the time. Essential workers are just not treated with enough respect and under-credited I feel."



disagree Strongly agree Disagree Strongly Neutral Agree I prefer All not to (n=6388) 24% 28% 31% 2% 11% 27% 22% 27% 2% **19%** 71 or over (n=34) 38% 15% 41% **%9** Figure 10.2 Proportion of who agreed with the statement "I work enough hours to make a living" by age 66-70 (n=112) 25% 42% **%9** 18% %6 56-60 61-65 (n=664) (n=450) 22% 27% 39% 2% 2% 28% 39% 2% **36 8**% 46-50 51-55 (n=690) (n=719) 24% 28% 34% 11% 2% 34% 23% 28% 11% (n=640) (n=663) (n=708) 41-45 26% 30% 28% 2% 11% 36-40 10% 25% 29% 28% **8**% 31-35 24% 28% 2% 14% 28% 26-30 (n=614) **%9** 12% 23% 28% 30% 21-25 (n=636) 28% 29% **%9** 29% % 6 20 or under (n=421) 30% 28% 20% 2% 18% 100% %06 80% 70% %09 50% 40% 30% 20% 10% %0

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# Penalty rates

Low hourly rates make penalty rates particularly important to workers' financial security. For this reason, participants were asked how strongly they agreed with the statement "I rely on penalty rates to make a living". Half of participants (50%) agreed with the statement, but this was slightly higher among couple parents (54%) and among sole parents (57%) (Table A.16). Interestingly, while 48% of casuals agreed that they rely on penalty rates, this was the case for 53% of permanent part-time workers, and 50% of permanent full-time employees (see Appendix Table A.17).

# Predictability of earnings

Two thirds (67%) agreed or strongly agreed that they know each week what their earnings will be, and 18% disagreed or strongly disagreed (Table A.18). Casuals were most likely to disagree and least likely to agree (Table A.19).

# Satisfaction with take home pay

Only 29% agreed or strongly agreed that they are satisfied with their take home pay, and this was lower among sole parents (23%). Substantial proportions disagreed or strongly disagreed with the statement. This was the case for 44% of those without a child under 18, 46% of couple parents and 56% of sole parents (see Table A. 20). By age, younger and older people are more satisfied with their pay, with pay satisfaction relatively low among those in their thirties forties and early fifties (see Figure 10.3).

# Parents' earnings after tax and childcare costs

When parents with a child aged 12 or under were asked if they agreed with the statement "I turn down extra shifts because I won't earn much more after tax and childcare costs", around a third agreed, a third disagreed and a third were neutral. This was similar for both mothers and fathers, but the proportion agreeing was slightly higher for parents using a mix of formal and informal care arrangements (40%) compared with those using formal arrangements only (35%) or informal arrangements only (27%) (see Table A.22).



disagree Strongly Strongly Neutral Agree I prefer All not to (n=6429) 25% 25% 4% 15% 30% say (n=38) **16%** 37% 18% 8% 21% 71 or over (n=35) 23% 17% 43% **%9** 11% 66-70 (n=113) 30% 33% %/ 21% %6 56-60 61-65 (n=672) (n=454) Figure 10.3 Proportion of who agreed with the statement "I am satisfied with my overall level 25% 14% 32% 24% 2% 23% 4% 13% 32% 28% 51-55 (n=728)2% 35% 22% 23% 18% (969=u) 46-50 3% 24% 36% 22% %91 (n=711)41-45 33% 24% 22% 4% 18% (n=640) (n=667) 36-40 18% 28% 29% 22% 3% 31-35 3% 29% 27% 23% <u>%6</u> of take-home pay" by age (n=616)26-30 15% 29% 27% 25% 2% (n=638)21-25 30% %6 24% 32% **%9** under (n=421) 20 or 28% 35% %6 21% 2% 100% %06 80% 70% %09 50% 40% 30% 20% 10% %

Disagree

agree

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# 10.2 Comments on pay

When asked if they had any brief comments about pay and earnings, a few respondents said their earnings were acceptable. However, the overwhelming majority commented on the unfairness of pay rates, and the difficulties they face attempting to live on a low income. Parents found pay levels particularly problematic given the cost of living, and childcare costs:

I'm a single mother that gets no child support and live week to week on my wages.

Sole mother of child with disability, permanent full-time

There are some days that I don't earn enough to cover the total cost I have to pay for my child to be in childcare.

Partnered mother, permanent part-time

I feel like at my age I could be earning a slightly higher hourly rate... If I didn't get evening shifts or weekend shifts where the rate is slightly higher, I would be struggling.

Partnered mother, permanent part-time

Even full-time workers struggled:

It shouldn't be about working extra hours, it's about the hourly rate. 42hrs per week to struggle paying bills!

Sole father and carer of adult with disability, permanent full-time

Some parents sought to limit their hours of work to contain childcare costs:

I worked out if I worked an extra 2 days per week I would only be taking home an extra \$20 after daycare fees and taxes.

Sole mother, permanent part-time

It's not worth working and putting 2 children in daycare. I only take money home when I work while the kids are at school and not paying for before/after school care or vacation care.

Partnered mother of child with disability, permanent part-time

Others managed by reducing childcare use, and trying to work shifts where they did not require childcare, or would be paid penalty rates.

Average wage per hour \$26. Cost of a babysitter per hour \$25. If I need to hire a babysitter for an evening shift, by the time tax is taken out, I actually come out behind.

Sole mother of child with disability, casual

I don't like having to base my roster around penalty rate shifts to maximise my take home pay doing least hours so I don't miss out from my kids and home duties.

Partnered mother, elder carer, permanent part-time

"I'm not earning enough to afford childcare."

> Partnered mother permanent part-time

"I work Sunday and Monday evenings so I can receive penalties this helps me be able to care for my mum and my children."

> Partnered mother, elder carer, permanent part-time

Problematically, low pay among mothers reinforced their dependency on partners. Many mothers recognised that they could only get by because they were 'lucky' their husbands earn better money in other industries. This makes them very vulnerable if their circumstances change and they needed to live without their partner's income:

It's shameful what retail workers earn. My friend works the same hours as me in a government department with no qualifications and earns 3 times what I do. I could never survive if my husband wasn't a tradesman.

Partnered mother, permanent part-time

Without my husband's employment, we simply would not survive. I work my shifts and caring for the kids around his career because of this.

Partnered mother, casual

Am lucky to have a partner on a good income. But if that was to change we wouldn't be able to even buy groceries etc for the week.

Partnered mother, permanent part-time

Some comments related to the way wages were too low, given the nature, complexity and impact of the work, and the hours demanded.

It's not enough for the hours we do and the issues we have to deal with, e.g. threatening situations, customers who abuse us, unrealistic expectations, unrealistic workloads.

Partnered mother of child with disability, permanent full-time

We need to have the pay rises we are promised. We also should be paid a better rate for what we have to do, as well as put up with from customer, and the many different hours and days of trade.

Partnered mother, casual

Pay rates are too low for essential workers. Hazard penalties should apply to certain work sites.

Partnered father, permanent part-time

I think we earn a low wage for the work we do. I push myself daily at work to then come home with no energy for my children.

Partnered mother, permanent part-time

Some comments focused on variation in pay:

I do not know what my wage will be weekly. [My employer has] messed up wages so much I don't know what the rates are anymore.

Sole mother, casual

isn't enough. And losing out on penalties is wrong as we are giving our time away from families."

"I rely on my partner to be able

to make ends meet, of something

happened to him, I and my

children would be in dire straits."

Partnered mother, elder carer,

permanent part-time

Sole mother, permanent part-time

"For what we deal with it

I am a casual and my hours and pay vary. Most of the time I have reasonable hours and pay, but at times my hours can drop by as much as two thirds. It's very unsettling.

Partnered mother, casual

Another strong theme related to equal earnings, both horizontal equity (between groups of workers at a similar level) and vertical equity (between groups at different levels). Horizontal equity issues related to different pay levels between different departments, or for workers doing different tasks:

We all seem to have different contracts and earning different amounts for doing the same job, men in electrical get bonus money and earning more than us women.

Partnered mother of child with disability, permanent part-time

Some workers are rostered to do easy jobs everyday while others are required to do hard jobs every day, but they paid same.

Partnered father, elder carer, permanent part-time

Vertical equity issues related to pay for supervisors, which was considered low:

I think supervisors on shift should receive more than an extra \$0.50 an hour for what they are expected to do. The amount of times I have seen supervisors work understaffed, go without breaks, have no security and deal with customer abuse.

Partnered mother, permanent full-time

To supervise a whole customer service department we get approximately \$7 IF we do it for an entire day. It's not worth the stress or the abuse from both customers and management.

Partnered mother, permanent part-time

After being a department manager and stepping back voluntarily, I've noticed that 2ICs21 don't get paid enough for what they do compared to department manager salaries.

Partnered father of child with disability, permanent full-time

# 10.3 Perceptions of retirement savings

The survey asked how strongly workers agreed or disagreed with the statement "I expect to have enough superannuation when I retire". While a quarter were unsure (26%) around half (51%) disagreed or strongly disagreed, and only 23% agreed. As shown in Table 10.1, mothers had particularly low expectations of their retirement savings, being least likely to agree with the statement (18%) and most likely to disagree (57%). Fathers were also less likely to agree and more likely to disagree they would have sufficient superannuation, compared with other men.

Table 10.1 Whether participants agreed or disagreed with the statement "I expect to have enough superannuation when I retire"

|                                  | Agree /<br>Strongly agree |     | Neutral |     | Disagree /<br>Strongly disagree |     | All  |      |
|----------------------------------|---------------------------|-----|---------|-----|---------------------------------|-----|------|------|
|                                  | n                         | %   | n       | %   | n                               | %   | n    | %    |
| Mother with child under 18       | 277                       | 18% | 392     | 26% | 868                             | 57% | 1537 | 100% |
| Female - no children<br>under 18 | 666                       | 22% | 773     | 25% | 1628                            | 53% | 3067 | 100% |
| Father with child under 18       | 96                        | 25% | 101     | 27% | 181                             | 48% | 378  | 100% |
| Male - no children<br>under 18   | 408                       | 30% | 380     | 28% | 557                             | 41% | 1345 | 100% |
| Other / Missing                  | 8                         | 15% | 20      | 37% | 26                              | 48% | 54   | 100% |
| Total                            | 1455                      | 23% | 1666    | 26% | 3260                            | 51% | 6381 | 100% |

Figure 10.2 provides a breakdown by age. This shows that while many workers are unsure about the likely adequacy of their retirement savings in their twenties, this gives rise to low expectations during workers' thirties and beyond, with the clear majority of workers disagreeing with the statement in their fifties and early sixties, and only a fifth or fewer agreeing.

<sup>21 2</sup>nd in command

Disagree disagree/ Strongly Strongly Neutral agree/ Agree I prefer All not to (n=6395) 21% 26% 23% say (n=37) 54% 24% 22% 71 or over (n=35) 46% 29% 26% 56-60 61-65 66-70 (n=667) (n=454) (n=112) 62% 20% 19% 64% 19% 17% Figure 10.4 Whether participants in each age group agreed or disagreed with the statement 21% 24% 20% (n=639) (n=663) (n=708) (n=689) (n=719) 51-55 64% 20% 17% 46-50 28% 23% "I expect to have enough superannuation when I retire" 19% 41-45 %95 23% 21% 36-40 21% 26% 24% 31-35 20% 26% 25% (n=614)26-30 30% 43% 27% (n=637)21-25 34% 33% 33% under (n=421) 20 or 44% 30% 26% 100% %06 80% 70% %09 50% 40% 30% 20% 10% %0

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# Conclusion: Improving work & care

# **Conclusion: Improving work and care**

This report attests to the valuable contributions SDA members make through the unpaid care they provide in their families and communities, in addition to the contributions they make through their paid employment. SDA members perform unpaid care work across the lifecourse, as parents, grandparents, siblings and others caring for children, and as carers for vulnerable adults. Often they provide care in complex circumstances, as sole parents, young carers and carers for children with disability. As care is more often performed by women, poor recognition and support for care by governments and employers is disproportionately impacting on women's working time, earnings and retirement savings, and undermining prospects for gender equality.

Participants' perspectives attest to industrial relations settings which have shifted the balance too far in favour of employers. Employers offer rosters and pay rates which are shaped almost completely by agendas of cost minimisation and profit, and regularly change these to meet their needs. This constrains employees' ability to achieve stability in their work and caring lives, and limits children's rights to access early education and to fully participate in social and community life. As a result of employment precarity, unpredictable hours, and poor support for workers' unpaid care responsibilities, many families find managing work and care particularly difficult. Often, care is shifted to or shared with other family members, often older women such as grandmothers, but this is not possible nor desirable for all. SDA members lack genuine choice about their work and family lives. Often their ability to care is affected over long periods of time, because while retail and fast food employment has often been considered temporary and transient, this data shows many workers are employed long-term in these industries. Nearly all the workers who participated in the survey had worked for their employers for several years, and most for more than 5 years, showing longterm commitment. Even these committed, long-term workers, are being let down, by employers and by the formal childcare system.

Through the survey, participants provided numerous comments attesting to difficult experiences of managing the working time arrangements which are required by employers but which do not account for their needs, or those of their children. Many also described experiences of disrespect in their workplaces, relating to their care responsibilities. Particular challenges include variable, unpredictable hours and earnings. While these may be expected among people employed on a casual basis, many permanently employed workers also faced difficulties with their rostering. Even among full-time workers, many found they did not work enough hours to make a living.

These challenges exacerbated difficulties for parents and carers, especially for sole parents and those caring for people with complex needs. Too few have a meaningful say about the days they work, or the times that suit them. They feel their caring commitments are not understood or respected, and fear being penalised if they turn shifts down. Yet employees are clear about what works at work for themselves and their families: decent pay, job security, predictable shifts, control over work times, shifts of reasonable length, choices about work days, and ability to make schedule adjustments without fear of repercussions.

For employers, policy makers and regulators, the findings serve as a reminder that as well as contributing to the economy and society through their paid work, employees make essential and valuable contributions of unpaid care work, which families and communities depend on, and which paid work must be organised to support. While large companies in Australia are required to have and report on their gender equality policies, such as flexible working arrangements and supports for workers with family responsibilities, our findings show these policies are not delivering benefits to low-paid workers and their families. The retail sector should be recognised for providing a diverse array of employment opportunities to a large part of the population, including people with complex lives and diverse sets of needs. However, the working arrangements on offer should support not exacerbate the challenges faced by workers and families, and should impact positively on health and wellbeing, without constraining labour supply. Improving workers' ability to co-ordinate their work and family lives, through more stable shift times, job security, better pay and progression, and improved communication, will help secure and stabilize a quality workforce.

Those in permanent employment appeared better off on some measures which suggests that addressing the high rates of casualization will help improve work and care outcomes in retail, fast food and warehousing, and in other industries. However, in itself, such action is unlikely to be sufficient to address the problems of work and care. Many of the permanently employed workers who participated in the study also experienced poor working conditions which impeded their ability to make genuine choices about their caring lives. These included work times which are too unpredictable and wages which are too low to afford formal child care. Even among older workers, managers, and those working full-time, many faced difficulties making a living and paying for childcare. Many reported they needed additional or weekend hours with penalty rates to make ends meet, which further exacerbated difficulties finding time for care, and paying for formal services.

# Changing childcare

Parents in the survey reported that formal childcare was often difficult to use. They commonly described ECEC as unaffordable, but often the challenges they face with cost relate to structural issues in the way ECEC is funded and provided. For example, if a child only attends long day care for 3 hours but needs to pay for a full day. Families also struggled to find ECEC that was available during the times they work, starting early, finishing late, on weekends and public holidays.

Being unable to use formal child care is affecting parent's wellbeing and limiting their employment opportunities. They described missing out on work hours and work opportunities because of inadequate access to ECEC. Parents with children with disability found this especially challenging. Parents reported that informal arrangements, and especially tag-team parenting, often put strain on family relationships. Research shows that such arrangements can affect family cohesion, with negative consequences for relationships between parents, and between parents and children, and on the wellbeing of children<sup>22</sup>. This is especially the case for more disadvantaged families, including many SDA members.

In addition, children and other family members are bearing the cost of their parents' lack of support from their employers and ECEC services. Informal carers upon whom retail workers depend on for support, most often grandmothers, sacrifice time and their own employment and earnings to support the next generation to manage their difficult work schedules. Working time arrangements, combined with low pay and rostering arrangements which are out of step with the routines of children and families, mean that many children are missing out on the benefits of extra-curricular activities, and on quality early education to prepare them for school, with long-term implications for their futures<sup>23</sup>. Children's life chances should not suffer because of their parents' employment, and employers must ensure the arrangements they offer do not contribute to intergenerational disadvantage.

The way care is funded and charged should change to make it more accessible and affordable. Such changes should begin with access to early education in the year before school before expanding access to other ECEC services. In doing so, ensuring ECEC is of a high quality should be paramount. This could include:

- The provision of supply side funding by the Australian Government to ensure widespread availability of flexible ECEC places for children of workers with non-standard hours and unpredictable shifts. The benefits of such an approach to filling a gap in the childcare market were demonstrated by the provision of free childcare during the COVID-19 pandemic.
- Greater availability of more adaptable childcare options such as occasional care and family day care, with incentives and supports for providers and educators to make care available to workers with non-standard, changeable hours.
- Expanding access to early education. Currently early education in family day care is not recognised. Innovative approaches are needed to ensure children who only attend family day care are also able to engage in a preschool program, whether provided by an appropriately trained family day care educator, or by linking them to a standalone preschool.
- Previous attempts to develop flexible ECEC floundered<sup>24</sup>. Further research is needed to better understand how the ECEC system can better meet the needs of workers like SDA members.
- Improved access and affordability of outside school hours care, including raising the eligibility age of the Child Care Subsidy and outside school hours care into the teen years so that young people can have safe places to be cared for while their parents work. This is a particular need for some young people with disabilities.
- Provide better access and affordability of vacation care, especially for children who use no other form of care during term time.
- Provide supports to ensure older children can engage in extra-curricula activities outside of school time, even when these clash with their parents' employment.
- Ultimately, providing a free place for every child, regardless of the circumstances of their parents, would address many of the challenges SDA members face, while also simplifying the system for families, and addressing children's right to early education.

#### Changing industrial relations settings and employer practices

We have seen through the data and perspectives of employees that industrial relations settings and employer practices create significant barriers for workers to manage working time arrangements which is resulting in unpredictable hours and earnings, not only for casual employees but also for those employed on a permanent basis, those working full-time, and those who have shown long term commitment to their employer. Problems are particularly acute for workers with caring responsibilities, including parents. Significant changes are needed to industrial relations settings, to enable workers to manage and control their hours, and rebalance arrangements in ways that provide better protections and rights for workers, particularly those with caring responsibilities. This should include:

- Changes to industrial relations settings and employer practices to reduce casualisation and improve security of employment, working time, and incomes.
- Changes to National Employment Standards and Awards to improve rostering protections for permanent and casual workers, to ensure they have levels of certainty and predictability of working hours and income needed to organise their care responsibilities and other aspects of their lives.
- Improve access and eligibility for unpaid and paid parental leave for all workers, including casuals, supported by further research about experiences of utilising leave, and why some eligible workers appear not to use it.
- Assessing the extent to which the Fair Work Commission, as Australia's employment regulator, is able to proactively tackle gender inequality across all of its functions.
- The Fair Work Commission should monitor and regulate the nature and impact of flexible working arrangements, and access to unpaid as well as paid parental leave. Currently, the Fair Work Act prohibits the Commission from dealing with disputes in these areas, which disproportionately impacts on carers and women. The exclusions in the Fair Work Act preventing employees from appealing to the Commission when refused a request to extend unpaid parental leave beyond 12 months or when refused a request for flexible working arrangements, should be removed.
- · Ensuring working time and scheduling arrangements are consistent with the Fair Work Act's object of assisting employees to balance work and family.
- Addressing the design of Awards and the historic gender-based undervaluation of work in retail and fastfood, including compressed classification structures that reinforce low pay rates.
- Ensuring the full range of industrial rights and protections are accessible for grandparents providing care to grandchildren.

#### Promoting income security

Survey analysis, and comments left by SDA members, indicate that despite their paid employment, many require government income support to supplement their low pay and inadequate hours, resulting both from the need to care and from the failure of industrial relations settings to ensure a living wage. Given levels of financial stress demonstrated from the survey responses, wages and government payments are not currently providing adequate support for low-income workers and their families. Policy makers should review and consider improvements to the full range of payments and supports available to workers and their families. Eligibility and effective marginal tax rates should be considered, with the interactions between low paid work and the full mix of supports in scope, including the Child Care Subsidy; Family Tax Benefits, and all pensions and allowances accessible to parents and others with care responsibilities.

#### Policy failure costs families

Industrial relations policies, policies within workplaces and in ECEC are converging in ways that are failing families. This was most evident when parents reported in the survey that the most effective solutions for managing work and care were developed at home, not at work or with child care services. Instead, parents described care that was patched together with grandparents, friends, siblings and through tag-team parenting arrangements. Neither employers nor the childcare system offered arrangements or supports to families that families found useful. This constitutes policy failure, evident in that working parents must manage their care commitments privately, so they can avoid or reduce their engagement with systems which cater poorly to their needs.

Moreover, lack of genuine choice about work and care arrangements exacts a heavy toll on workers including stress, missing work opportunities, worrying about children, and additional unpaid work to coordinate an ever-changing patchwork of work and care arrangements. The negative consequences of the enormous challenges that SDA members face when managing care have flow-on effects for their children. In the present, children's family relationships are negatively affected, with implications for family cohesion. This, in turn, threatens their own ability to create cohesive families when they grow up. Plus, their educational and future employment opportunities are potentially limited by their reduced capacity to engage in early education and extra-curricular activities. Policy reforms are urgently needed: failure to intervene will allow disadvantage to be transferred intergenerationally from SDA members to their children.

Li, J., Johnson, S., Han, W., Andrews, S., Kendall, G., Strazdins, L., and Dockery, A.M., 2012, Parents' nonstandard work and child wellbeing: A critical review of the existing literature, CLMRDISCUSSION PAPER SERIES 2012/02, Centre for Labour Market Research, Curtin University.

<sup>&</sup>lt;sup>23</sup> Laureau, A., 2011, Unequal Childhoods: Class, Race, and Family Life. 2nd ed., University of California Press.

<sup>&</sup>lt;sup>24</sup> Baxter, J. A., Hand, K., & Sweid, R. (2016). Flexible child care and Australian parents' work and care decision-making (Research Report No. 37). Melbourne: Australian Institute of Family Studies.

# Appendix

### Appendix: Australia's early education and care system<sup>25</sup>

Australian early education and care is delivered through a mixed market made up of for profit, not-for-profit and government providers. In the years before school, children may attend:

**Long day care** - Centre-based care for children from birth to school age. Long day care typically operates for 10 to 12 hours per day, for example between 7.00am and 6.00pm. Some long day care centres may also provide preschool and kindergarten services (i.e. a preschool program).

**Family day care** - Services providing small group early childhood education and care services for children in the home environment of a registered educator. Family day care is primarily aimed at 0–5 year olds, but primary school children may also attend. Staff work in partnership with service management and coordination unit staff who oversee quality.

**Occasional care** - Services usually provided at a centre on an hourly or sessional basis for short periods or at irregular intervals for parents who need time to attend appointments, take care of personal matters, undertake casual and part-time employment, study or have temporary respite from full-time parenting.

**Preschool or kindergarten** - Centre-based services for children in the years before school, usually 3 and 4 year olds. Kindergarten's typically offer shorter hours more like school opening hours. Preschools are operated by state governments in some jurisdictions, or at least funded by state/territory governments. In some states or territories, preschool is free, and it is usually low cost.

For primary school aged children, **Out Of School Hours (OOSH)** care offered before or after school care during vacations care provide options outside of school hours.

Children attending any of these services, except usually preschool/kindergarten, are eligible for the Australian Government's Child Care Subsidy (CCS).

#### Child Care Subsidy

The Australian Government funds ECEC through the provision of fee subsidies for families. Some limited funded is provided directly to services where the market is deemed unable to operate successfully to provide adequate services, typically in rural locations.

The Child Care Subsidy was introduced in 2018 as part of a package of reforms intending to make a "simpler, more affordable, more accessible and more flexible early education and child care system". Despite this aim, the CCS is complex. The rates paid to families are determined by:

- An income test
- An activity test
- The type of ECEC service their child uses

The hourly rate of the CCS is different for long day care, family day care and out of school hours care.

#### Income test

CCS is available to children from birth to the end of primary school. It pays up to 85% of the cost of ECEC, up to a cap, so families usually pay some costs in addition to the CCS. The income test determines what percentage of the fees a child is eligible for, with the highest percentage paid to families on the lowest incomes, decreasing to 0% for families with very high incomes. Rates taper for families as follows:

Those with a combined family income of:

- \$69.390 or less receive 85% of service costs
- Above \$69,390 and below \$174,390 receive a gradually tapering percentage of between 85% and 50%
- Equal to or above \$174,390 and below \$253,680 receive 50%
- Equal to or above \$253,680 and below \$343,680 receive a gradually tapering percentage of between 50% and 20%
- Equal to or above \$343,680 and below \$353,680 receive 20%
- Equal to or above \$353,680 receive 0%

Families are required to estimate in advance how much they are likely to earn, which can be difficult for people relying on unpredictable hours of paid employment. At the end of the financial year, eligibility is reassessed using families' actual income. If they miscalculated, they may need to pay back any CCS which they received beyond their entitlement. In recognition of the challenges this arrangement poses, Centrelink retains 5% of families' CCS which gives a buffer when their annual income is reconciled. But this may not be sufficient for families with very variable incomes.

Families in exceptionally difficult circumstances may be eligible for Additional Child Care Subsidy which can pay a higher rate.

#### **Activity Test**

The Activity Test introduced a stronger connection between employment and eligibility for government support with ECEC fees. It makes the number of hours of CCS a family can receive each fortnight dependent on the number of hours they spend in employment or another recognised activity. The Activity Test applies to the parent with the lowest level of activity as follows:

- Up to 8 hours of activity per fortnight = 0 hours of CCS (Unless the family earns \$69,390 or less, in which case they may be eligible for 24 hours of CCS or 36 hours if the child is in the year before school.)
- 8-16 hours of activity per fortnight = 36 hours of CCS
- Over 16 to 48 hours of activity per fortnight = 72 hours of CCS
- More than 48 hours of activity per fortnight = 100 hours of CCS

Recognised activities include paid employment, job search, voluntary work and study, as well as travel time.

The Activity Test rules interact with usual practice in long day care services in ways that complicate the amount of CCS families receive. Long day care services typically charge families for a full day of care, regardless of how much of that day a child actually attends. A full day is usually between 10 and 12 hours long.

This means that a family using 12 hour day long day care, who is eligible for 36 hours of CCS can only receive 3 days of subsidised care per fortnight. But, long day care services usually like families to book the same number of days each week. So this family would have to enrol their child for just 1 day per week, and miss out on a day of CCS. Or, enrol their child in 2 days per week, and pay full fees without subsidy for one of those days.

Families working full-time and booking 5 days per week of long day care, in a service that charges for 11 or 12 hour days, exceed their 100 hour CCS maximum limit for the fortnight, reaching 110 or 120 hours. They would need to pay full fees for these additional hours. Note, however, that the Coalition Government announced plans to remove this upper cap on hours in the 2021-22 Budget.

People working unpredictable hours are required to estimate their fortnightly hours for a three month period. They are eligible for CCS each fortnight at the level of their highest fortnightly estimate. So, for example, someone who works 45 hours in some fortnights, but zero hours in other fortnights, would be entitled to 72 hours of CCS each fortnight, regardless of whether or not in that particular fortnight they work 72 hours.

Changes to their hours each fortnight will not affect their CCS entitlement so long as they meet their 3 monthly estimate. CCS recipients are not required to present evidence of activity, but Centrelink may do a random spot check.

<sup>&</sup>lt;sup>25</sup> Further detail is available from the *Guide to Social Policy Law, Family Assistance Guide*, Law https://guides.dss.gov.au/family-assistance-guide

<sup>&</sup>lt;sup>26</sup> Porter, C., 2016, Second reading speech on the Family Assistance Legislation Amendment (Jobs for Families Child Care Package) Bill 2016, Minister for Social Services, Australian Parliament, Canberra.

<sup>&</sup>lt;sup>27</sup> Guide to Social Policy Law, Family Assistance Guide, Section 3.5, Income levels for the 2020-2021 financial year.

# Appendix: Supplementary tables

## **Appendix: Supplementary tables**

Table A.1 Age profile of respondents

|                     | n    | %   |
|---------------------|------|-----|
| 20 or under         | 421  | 7   |
| 21 to 25            | 639  | 10  |
| 26 to 30            | 624  | 10  |
| 31 to 35            | 644  | 10  |
| 36 to 40            | 670  | 10  |
| 41 to 45            | 716  | 11  |
| 46 to 50            | 698  | 11  |
| 51 to 55            | 732  | 11  |
| 56 to 60            | 676  | 10  |
| 61 to 65            | 460  | 7   |
| 66 to 70            | 114  | 2   |
| 71 or over          | 36   | 1   |
| I prefer not to say | 39   | 1   |
| All                 | 6469 | 100 |

Table A.2 Fortnightly hours of work among men and women in supervisory and non-supervisory roles

|                                     |                                     | Less than<br>20 hours<br>in the last<br>fortnight | 20 to <40<br>hours in<br>the last<br>fortnight | 40 to <60<br>hours in<br>the last<br>fortnight | 60 to <76<br>hours in<br>the last<br>fortnight | 76 hours<br>or more<br>in the last<br>fortnight | Total |
|-------------------------------------|-------------------------------------|---|--|--|--|---|-------|
|                                     | Men<br>(n=408)                      | 3%  | 11%  | 15%  | 16%  | 55%   | 100%  |
| Supervisory<br>role<br>(e.g. store, | Women<br>(n=1267)                   | 4%  | 17%  | 21%  | 20%  | 39%   | 100%  |
| department,<br>line or duty         | Other<br>(n=23)                     | 0%  | 30%  | 26%  | 9%   | 35%   | 100%  |
| manager or<br>supervisor)           | All<br>supervisors<br>(n=1698)      | 4%  | 16%  | 20%  | 19%  | 43%   | 100%  |
|                                     | Men<br>(n=1330)                     | 10%   | 25%  | 20%  | 17%  | 28%   | 100%  |
| Non-                                | Women<br>(n=3375)                   | 12%   | 29%  | 26%  | 19%  | 14%   | 100%  |
| supervisory<br>role                 | Other<br>(n=46)                     | 17%   | 39%  | 17%  | 9%   | 17%   | 100%  |
|                                     | All non-<br>supervisors<br>(n=4751) | 12%   | 28%  | 24%  | 19%  | 18%   | 100%  |
|                                     | Men<br>(n=1738)                     | 9%  | 22%  | 19%  | 17%  | 34%   | 100%  |
| A33                                 | Women<br>(n=4642)                   | 10%   | 26%  | 24%  | 19%  | 21%   | 100%  |
| All                                 | Other<br>(n=69)                     | 12%   | 36%  | 20%  | 9%   | 23%   | 100%  |
|                                     | All<br>(n=6449)                     | 10%   | 25%  | 23%  | 19%  | 24%   | 100%  |

Table A.3 Hours worked in the last fortnight by age

|                        | hours | nan 20<br>in the<br>rtnight | 20 to <40<br>hours in the<br>last fortnight |     | hours | 40 to <60<br>hours in the<br>last fortnight |      | 60 to <76<br>hours in the<br>last fortnight |      | urs or<br>in the<br>rtnight | Total |      |
|------------------------|-------|-----------------------------|---|-----|-------|---|------|---|------|-----------------------------|-------|------|
|                        | n     | %                           | n   | %   | n     | %   | n    | %   | n    | %                           | n     | %    |
| 20 or under            | 138   | 33%                         | 152   | 36% | 80    | 19%   | 35   | 8%  | 16   | 4%                          | 421   | 100% |
| 21 to 25               | 110   | 17%                         | 192   | 30% | 155   | 24%   | 80   | 13%   | 102  | 16%                         | 639   | 100% |
| 26 to 30               | 53    | 9%                          | 159   | 26% | 128   | 21%   | 121  | 19%   | 163  | 26%                         | 624   | 100% |
| 31 to 35               | 58    | 9%                          | 163   | 25% | 143   | 22%   | 110  | 17%   | 170  | 26%                         | 644   | 100% |
| 36 to 40               | 50    | 8%                          | 134   | 20% | 158   | 24%   | 126  | 19%   | 202  | 30%                         | 670   | 100% |
| 41 to 45               | 41    | 6%                          | 171   | 24% | 162   | 23%   | 151  | 21%   | 191  | 27%                         | 716   | 100% |
| 46 to 50               | 33    | 5%                          | 141   | 20% | 166   | 24%   | 156  | 22%   | 202  | 29%                         | 698   | 100% |
| 51 to 55               | 45    | 6%                          | 157   | 21% | 163   | 22%   | 165  | 23%   | 202  | 28%                         | 732   | 100% |
| 56 to 60               | 41    | 6%                          | 161   | 24% | 163   | 24%   | 140  | 21%   | 171  | 25%                         | 676   | 100% |
| 61 to 65               | 24    | 5%                          | 126   | 27% | 104   | 23%   | 87   | 19%   | 119  | 26%                         | 460   | 100% |
| 66 to 70               | 16    | 14%                         | 28  | 25% | 37    | 33%   | 13   | 11%   | 20   | 18%                         | 114   | 100% |
| 71 or over             | 3     | 8%                          | 13  | 36% | 10    | 28%   | 5    | 14%   | 5    | 14%                         | 36    | 100% |
| I prefer<br>not to say | 3     | 8%                          | 15  | 39% | 7     | 18%   | 7    | 18%   | 7    | 18%                         | 39    | 100% |
| Total                  | 615   | 10%                         | 1612  | 25% | 1476  | 23%   | 1196 | 19%   | 1570 | 24%                         | 6469  | 100% |

Table A.4 Responses to the question "Do you work the same shifts each week?" by contract type

|                      | Cas | sual |      | anent<br>-time |      | anent<br>time | Total |      |  |
|----------------------|-----|------|------|----------------|------|---------------|-------|------|--|
|                      | n   | %    | n    | %              | n    | %             | n     | %    |  |
| Yes, all of the time | 66  | 7%   | 1436 | 41%            | 991  | 52%           | 2493  | 39%  |  |
| Most of the time     | 280 | 29%  | 1427 | 41%            | 668  | 35%           | 2375  | 38%  |  |
| Some of the time     | 246 | 26%  | 365  | 11%            | 157  | 8%            | 768   | 12%  |  |
| A little of the time | 148 | 16%  | 126  | 4%             | 42   | 2%            | 316   | 5%   |  |
| None of the time     | 211 | 22%  | 110  | 3%             | 65   | 3%            | 386   | 6%   |  |
| Missing              | 1   | 0%   | 1    | 0%             | 1    | 0%            | 3     | 0%   |  |
| Total                | 952 | 100% | 3465 | 100%           | 1924 | 100%          | 6341  | 100% |  |

Table A.5 Agreement with the statement "Because of my caring responsibilities, I have to turn down work activities or opportunities" by parenting status

|                                    | Stro<br>agi | ngly<br>ree | Agree |     | Neutral |     | Disagree |     | Strongly<br>disagree |     | Total |      |
|------------------------------------|-------------|-------------|-------|-----|---------|-----|----------|-----|----------------------|-----|-------|------|
|                                    | n           | %           | n     | %   | n       | %   | n        | %   | n                    | %   | n     | %    |
| Not<br>parenting<br>a child <18    | 228         | 5%          | 579   | 13% | 1398    | 31% | 1349     | 30% | 909                  | 20% | 4463  | 100% |
| Couple<br>parent with<br>child <18 | 258         | 18%         | 462   | 32% | 367     | 25% | 297      | 20% | 77                   | 5%  | 1461  | 100% |
| Sole parent<br>with child<br><18   | 98          | 21%         | 151   | 32% | 112     | 24% | 87       | 18% | 24                   | 5%  | 472   | 100% |
| All                                | 584         | 9%          | 1192  | 19% | 1877    | 29% | 1733     | 27% | 1010                 | 16% | 6396  | 100% |

Table A.6 Parents' use of formal and informal care arrangements by age of youngest child and work hours

|                                   |   | Less than<br>20 hours<br>in the last<br>fortnight | 20 to <40<br>hours in<br>the last<br>fortnight | 40 to <60<br>hours in<br>the last<br>fortnight | 60 to <76<br>hours in<br>the last<br>fortnight | 76 hours<br>or more<br>in the last<br>fortnight | Total |
|-----------------------------------|---|---|--|--|--|---|-------|
|                                   | Formal care only (n=37)                     | 9%  | 7%   | 11%  | 13%  | 12%   | 10%   |
| Youngest<br>child aged<br>0 to 2  | Informal care only (n=139)                  | 62%   | 30%  | 33%  | 33%  | 33%   | 37%   |
| (n=372)                           | Both formal and<br>informal care<br>(n=196) | 29%   | 63%  | 56%  | 54%  | 56%   | 53%   |
|                                   | Formal care only (n=54)                     | 27%   | 16%  | 16%  | 13%  | 17%   | 16%   |
| Youngest<br>child aged<br>3 to 5  | Informal care only (n=65)                   | 27%   | 16%  | 24%  | 19%  | 17%   | 20%   |
| (n=331)                           | Both formal and<br>informal care<br>(n=212) | 47%   | 69%  | 60%  | 68%  | 67%   | 64%   |
|                                   | Formal care only (n=38)                     | 19%   | 4%   | 3%   | 6%   | 5%  | 5%    |
| Youngest<br>child aged<br>6 to 12 | Informal care only (n=482)                  | 61%   | 78%  | 74%  | 58%  | 64%   | 68%   |
| (n=705)                           | Both formal and<br>informal care<br>(n=185) | 19%   | 18%  | 23%  | 36%  | 31%   | 26%   |
|                                   | Formal care only (n=129)                    | 16%   | 7%   | 8%   | 9%   | 10%   | 9%    |
| All<br>(n=1408)                   | Informal care only (n=686)                  | 54%   | 52%  | 53%  | 43%  | 45%   | 49%   |
| (1100)                            | Both formal and<br>informal care<br>(n=593) | 31%   | 41%  | 39%  | 48%  | 46%   | 42%   |

Table A.7 Agreement with the statement "The way I am rostered to work impacts on my mental health" by gender and parenting status

|                                     |     | ngly<br>ree | Agree |     | Neutral |     | Disagree |     | Strongly<br>disagree |     | Total |      |
|-------------------------------------|-----|-------------|-------|-----|---------|-----|----------|-----|----------------------|-----|-------|------|
|                                     | n   | %           | n     | %   | n       | %   | n        | %   | n                    | %   | n     | %    |
| Mother<br>with child<br>under 18    | 210 | 14%         | 338   | 22% | 451     | 30% | 397      | 26% | 131                  | 9%  | 1527  | 100% |
| Father<br>with child<br>under 18    | 60  | 16%         | 91    | 25% | 125     | 34% | 62       | 17% | 34                   | 9%  | 372   | 100% |
| Female -<br>no children<br>under 18 | 383 | 13%         | 606   | 20% | 938     | 31% | 789      | 26% | 325                  | 11% | 3041  | 100% |
| Male -<br>no children<br>under 18   | 209 | 16%         | 285   | 21% | 413     | 31% | 285      | 21% | 151                  | 11% | 1343  | 100% |
| Other /<br>unknown                  | 12  | 22%         | 13    | 24% | 16      | 30% | 8        | 15% | 5                    | 9%  | 54    | 100% |
| All                                 | 874 | 14%         | 1333  | 21% | 1943    | 31% | 1541     | 24% | 646                  | 10% | 6337  | 100% |

Table A.8 Agreement with the statement "I worry about what goes on with my children while I'm working" by age of youngest child

|                      |     | est child<br>0 to 2 | Younge<br>aged | st child<br>3 to 5 | _   | st child<br>to 12 | -   | st child<br>3 to 17 | Total |      |
|----------------------|-----|---------------------|----------------|--------------------|-----|-------------------|-----|---------------------|-------|------|
|                      | n   | %                   | n              | %                  | n   | %                 | n   | %                   | n     | %    |
| Strongly agree       | 84  | 31%                 | 79             | 32%                | 198 | 35%               | 114 | 26%                 | 475   | 31%  |
| Agree                | 100 | 37%                 | 88             | 36%                | 197 | 34%               | 135 | 30%                 | 520   | 34%  |
| Neutral              | 41  | 15%                 | 47             | 19%                | 78  | 14%               | 99  | 22%                 | 265   | 17%  |
| Disagree             | 36  | 13%                 | 26             | 11%                | 81  | 14%               | 78  | 18%                 | 221   | 14%  |
| Strongly<br>disagree | 9   | 3%                  | 6              | 2%                 | 18  | 3%                | 20  | 5%                  | 53    | 4%   |
| Total                | 270 | 100%                | 246            | 100%               | 572 | 100%              | 446 | 100%                | 1534  | 100% |

Table A.9 Agreement with the statement "My work hours make it hard for my children to go to extra activities, e.g. swimming, sport and music" by how often they work the same shifts each week

|                                 |     | ngly<br>ree | Agree |     | Neutral |     | Disagree |     | Strongly<br>disagree |    | Total |      |
|---------------------------------|-----|-------------|-------|-----|---------|-----|----------|-----|----------------------|----|-------|------|
| Works the same shifts each week | n   | %           | n     | %   | n       | %   | n        | %   | n                    | %  | n     | %    |
| All of<br>the time              | 124 | 23%         | 114   | 21% | 135     | 25% | 125      | 23% | 45                   | 8% | 543   | 100% |
| Most of the time                | 138 | 26%         | 159   | 30% | 125     | 24% | 89       | 17% | 18                   | 3% | 529   | 100% |
| Some of the time                | 63  | 38%         | 50    | 30% | 33      | 20% | 18       | 11% | 3                    | 2% | 167   | 100% |
| A little of the time            | 14  | 19%         | 31    | 43% | 11      | 15% | 13       | 18% | 4                    | 6% | 73    | 100% |
| None of the time                | 37  | 50%         | 13    | 18% | 14      | 19% | 5        | 7%  | 5                    | 7% | 74    | 100% |
| Total                           | 376 | 27%         | 367   | 27% | 318     | 23% | 250      | 18% | 75                   | 5% | 1386  | 100% |

Table A.10 Household income (after tax) by parenting status

|                              | Not parenting<br>a child <18 |      | Couple<br>with ch | parent<br>nild<18 | •   | parent<br>nild<18 | Total |      |
|------------------------------|------------------------------|------|-------------------|-------------------|-----|-------------------|-------|------|
|                              | n                            | %    | n                 | %                 | n   | %                 | n     | %    |
| Less than \$500 per week     | 706                          | 16%  | 78                | 5%                | 102 | 21%               | 886   | 14%  |
| \$500-\$1000 per week        | 1803                         | 40%  | 393               | 27%               | 280 | 59%               | 2476  | 38%  |
| \$1000 to \$1500 per week    | 576                          | 13%  | 380               | 26%               | 37  | 8%                | 993   | 15%  |
| \$1500 to \$2000 per week    | 265                          | 6%   | 261               | 18%               | 9   | 2%                | 535   | 8%   |
| More than \$2000 per week    | 135                          | 3%   | 71                | 5%                | 4   | 1%                | 210   | 3%   |
| Don't know/prefer not to say | 1036                         | 23%  | 288               | 20%               | 45  | 9%                | 1369  | 21%  |
| Total                        | 4521                         | 100% | 1471              | 100%              | 477 | 100%              | 6469  | 100% |

Table A.11 Agreement with the statement "I work enough hours to make a living" by parenting status

|                                    |     | Strongly<br>agree |      | Agree |      | Neutral |      | Disagree |     | Strongly<br>disagree |      | Total |  |
|------------------------------------|-----|-------------------|------|-------|------|---------|------|----------|-----|----------------------|------|-------|--|
|                                    | n   | %                 | n    | %     | n    | %       | n    | %        | n   | %                    | n    | %     |  |
| Not<br>parenting<br>a child <18    | 246 | 6%                | 1469 | 33%   | 1250 | 28%     | 1017 | 23%      | 477 | 11%                  | 4459 | 100%  |  |
| Couple<br>parent with<br>child <18 | 79  | 5%                | 429  | 29%   | 433  | 30%     | 367  | 25%      | 152 | 10%                  | 1460 | 100%  |  |
| Sole parent<br>with child<br><18   | 19  | 4%                | 100  | 21%   | 127  | 27%     | 142  | 30%      | 81  | 17%                  | 469  | 100%  |  |
| Total                              | 344 | 5%                | 1998 | 31%   | 1810 | 28%     | 1526 | 24%      | 710 | 11%                  | 6388 | 100%  |  |

Table A.12 Agreement with the statement "I work enough hours to make a living" by gender

|        |     | Strongly agree Agree |      | ree | Neutral |     | Disagree |     | Strongly<br>disagree |     | Total |      |
|--------|-----|----------------------|------|-----|---------|-----|----------|-----|----------------------|-----|-------|------|
|        | n   | %                    | n    | %   | n       | %   | n        | %   | n                    | %   | n     | %    |
| Male   | 156 | 9%                   | 598  | 35% | 469     | 27% | 330      | 19% | 169                  | 10% | 1722  | 100% |
| Female | 185 | 4%                   | 1379 | 30% | 1324    | 29% | 1176     | 26% | 534                  | 12% | 4598  | 100% |
| Other  | 3   | 4%                   | 21   | 31% | 17      | 25% | 20       | 29% | 7                    | 10% | 68    | 100% |
| Total  | 344 | 5%                   | 1998 | 31% | 1810    | 28% | 1526     | 24% | 710                  | 11% | 6388  | 100% |

Table A.13 Agreement with the statement "I work enough hours to make a living" by fortnightly hours

|   | Strongly agree |     | Agree |     | Neutral |     | Disagree |     | Strongly<br>disagree |     | Total |      |
|---|----------------|-----|-------|-----|---------|-----|----------|-----|----------------------|-----|-------|------|
|   | n              | %   | n     | %   | n       | %   | n        | %   | n                    | %   | n     | %    |
| <20 hours<br>in the last<br>fortnight           | 18             | 3%  | 96    | 16% | 123     | 20% | 206      | 34% | 160                  | 27% | 603   | 100% |
| 20 to <40<br>hours in<br>the last<br>fortnight  | 57             | 4%  | 354   | 22% | 481     | 30% | 458      | 29% | 240                  | 15% | 1590  | 100% |
| 40 to <60<br>hours in<br>the last<br>fortnight  | 53             | 4%  | 394   | 27% | 428     | 29% | 413      | 28% | 175                  | 12% | 1463  | 100% |
| 60 to <76<br>hours in<br>the last<br>fortnight  | 52             | 4%  | 415   | 35% | 378     | 32% | 261      | 22% | 74                   | 6%  | 1180  | 100% |
| 76 hours<br>or more<br>in the last<br>fortnight | 164            | 11% | 739   | 48% | 400     | 26% | 188      | 12% | 61                   | 4%  | 1552  | 100% |
| Total   | 344            | 5%  | 1998  | 31% | 1810    | 28% | 1526     | 24% | 710                  | 11% | 6388  | 100% |

Table A.14 Agreement with the statement "I work enough hours to make a living" by contract type

|                     | Strongly<br>agree |     | Agree |     | Neutral |     | Disagree |     | Strongly<br>disagree |     | Total |      |
|---------------------|-------------------|-----|-------|-----|---------|-----|----------|-----|----------------------|-----|-------|------|
|                     | n                 | %   | n     | %   | n       | %   | n        | %   | n                    | %   | n     | %    |
| Casual              | 23                | 2%  | 173   | 18% | 262     | 28% | 294      | 31% | 191                  | 20% | 943   | 100% |
| Permanent part-time | 116               | 3%  | 898   | 26% | 1000    | 29% | 987      | 29% | 429                  | 13% | 3430  | 100% |
| Permanent full-time | 198               | 10% | 894   | 47% | 514     | 27% | 225      | 12% | 70                   | 4%  | 1901  | 100% |
| Total               | 337               | 5%  | 1965  | 31% | 1776    | 28% | 1506     | 24% | 690                  | 11% | 6274  | 100% |

Table A.15 Agreement with the statement "I work enough hours to make a living" by age

|                        | Strongly<br>agree |    | Agree |     | Neutral |     | Disagree |     | Strongly<br>disagree |     | Total |      |
|------------------------|-------------------|----|-------|-----|---------|-----|----------|-----|----------------------|-----|-------|------|
|                        | n                 | %  | n     | %   | n       | %   | n        | %   | n                    | %   | n     | %    |
| 20 or<br>under         | 21                | 5% | 82    | 20% | 125     | 30% | 116      | 28% | 77                   | 18% | 421   | 100% |
| 21 to 25               | 37                | 6% | 182   | 29% | 176     | 28% | 182      | 29% | 59                   | 9%  | 636   | 100% |
| 26 to 30               | 36                | 6% | 185   | 30% | 174     | 28% | 143      | 23% | 76                   | 12% | 614   | 100% |
| 31 to 35               | 32                | 5% | 181   | 28% | 180     | 28% | 155      | 24% | 92                   | 14% | 640   | 100% |
| 36 to 40               | 52                | 8% | 187   | 28% | 192     | 29% | 163      | 25% | 69                   | 10% | 663   | 100% |
| 41 to 45               | 37                | 5% | 200   | 28% | 213     | 30% | 182      | 26% | 76                   | 11% | 708   | 100% |
| 46 to 50               | 33                | 5% | 231   | 34% | 196     | 28% | 155      | 23% | 75                   | 11% | 690   | 100% |
| 51 to 55               | 27                | 4% | 245   | 34% | 199     | 28% | 171      | 24% | 77                   | 11% | 719   | 100% |
| 56 to 60               | 36                | 5% | 260   | 39% | 184     | 28% | 128      | 19% | 56                   | 8%  | 664   | 100% |
| 61 to 65               | 22                | 5% | 174   | 39% | 122     | 27% | 99       | 22% | 33                   | 7%  | 450   | 100% |
| 66 to 70               | 7                 | 6% | 47    | 42% | 28      | 25% | 20       | 18% | 10                   | 9%  | 112   | 100% |
| 71 or over             | 2                 | 6% | 14    | 41% | 13      | 38% | 5        | 15% | 0                    | 0%  | 34    | 100% |
| I prefer<br>not to say | 2                 | 5% | 10    | 27% | 8       | 22% | 7        | 19% | 10                   | 27% | 37    | 100% |
| Total                  | 344               | 5% | 1998  | 31% | 1810    | 28% | 1526     | 24% | 710                  | 11% | 6388  | 100% |

Table A.16 Agreement with the statement "I rely on penalty rates to make a living" by parenting status

|                                    | Stro<br>agi | ngly<br>ree | Agree Neutral I |     | Disagree |     | Strongly<br>disagree |     | Total |    |      |      |
|------------------------------------|-------------|-------------|-----------------|-----|----------|-----|----------------------|-----|-------|----|------|------|
|                                    | n           | %           | n               | %   | n        | %   | n                    | %   | n     | %  | n    | %    |
| Not<br>parenting<br>a child <18    | 991         | 22%         | 1154            | 26% | 1131     | 25% | 888                  | 20% | 292   | 7% | 4456 | 100% |
| Couple<br>parent with<br>child <18 | 372         | 26%         | 400             | 28% | 343      | 24% | 273                  | 19% | 68    | 5% | 1456 | 100% |
| Sole parent<br>with child<br><18   | 150         | 32%         | 119             | 25% | 93       | 20% | 79                   | 17% | 27    | 6% | 468  | 100% |
| Total                              | 1513        | 24%         | 1673            | 26% | 1567     | 25% | 1240                 | 19% | 387   | 6% | 6380 | 100% |

Table A.17 Agreement with the statement "I rely on penalty rates to make a living" by contract type

|                   | Casual |      |      | anent<br>-time | Perm<br>full- | anent<br>time | Total |      |  |
|-------------------|--------|------|------|----------------|---------------|---------------|-------|------|--|
|                   | n      | %    | n    | %              | n             | %             | n     | %    |  |
| Strongly agree    | 171    | 18%  | 867  | 25%            | 454           | 24%           | 1492  | 24%  |  |
| Agree             | 283    | 30%  | 933  | 27%            | 421           | 22%           | 1637  | 26%  |  |
| Neutral           | 265    | 28%  | 805  | 24%            | 461           | 24%           | 1531  | 24%  |  |
| Disagree          | 181    | 19%  | 644  | 19%            | 398           | 21%           | 1223  | 20%  |  |
| Strongly disagree | 40 4%  |      | 177  | 5%             | 165           | 9%            | 382   | 6%   |  |
| Total             | 940    | 100% | 3426 | 100%           | 1899          | 100%          | 6265  | 100% |  |

Table A.18 Agreement with the statement "I know each week what my earnings will be" by parenting status

|                                    | Strongly agree |     | Adree |     | Neutral |     | Disagree |     | Strongly<br>disagree |    | Total |      |
|------------------------------------|----------------|-----|-------|-----|---------|-----|----------|-----|----------------------|----|-------|------|
|                                    | n              | %   | n     | %   | n       | %   | n        | %   | n                    | %  | n     | %    |
| Not<br>parenting<br>a child <18    | 618            | 14% | 2375  | 53% | 719     | 16% | 545      | 12% | 211                  | 5% | 4468  | 100% |
| Couple<br>parent with<br>child <18 | 226            | 16% | 779   | 53% | 206     | 14% | 188      | 13% | 62                   | 4% | 1461  | 100% |
| Sole parent<br>with child<br><18   | 57             | 12% | 234   | 50% | 70      | 15% | 74       | 16% | 35                   | 7% | 470   | 100% |
| Total                              | 901            | 14% | 3388  | 53% | 995     | 16% | 807      | 13% | 308                  | 5% | 6399  | 100% |

Table A.19 Agreement with the statement "I know each week what my earnings will be" by contract type

|                   | Casual |      |      | anent<br>-time |      | anent<br>time | Total |      |  |
|-------------------|--------|------|------|----------------|------|---------------|-------|------|--|
|                   | n      | %    | n    | %              | n    | %             | n     | %    |  |
| Strongly agree    | 45     | 5%   | 433  | 13%            | 409  | 22%           | 887   | 14%  |  |
| Agree             | 258    | 27%  | 1918 | 56%            | 1150 | 60%           | 3326  | 53%  |  |
| Neutral           | 193    | 20%  | 573  | 17%            | 206  | 11%           | 972   | 16%  |  |
| Disagree          | 288    | 30%  | 400  | 12%            | 106  | 6%            | 794   | 13%  |  |
| Strongly disagree | 162    | 17%  | 108  | 3%             | 32   | 2%            | 302   | 5%   |  |
| Total             | 946    | 100% | 3432 | 100%           | 1903 | 100%          | 6281  | 100% |  |

Table A.20 Agreement with the statement "I am satisfied with my overall level of take-home pay" by parenting status

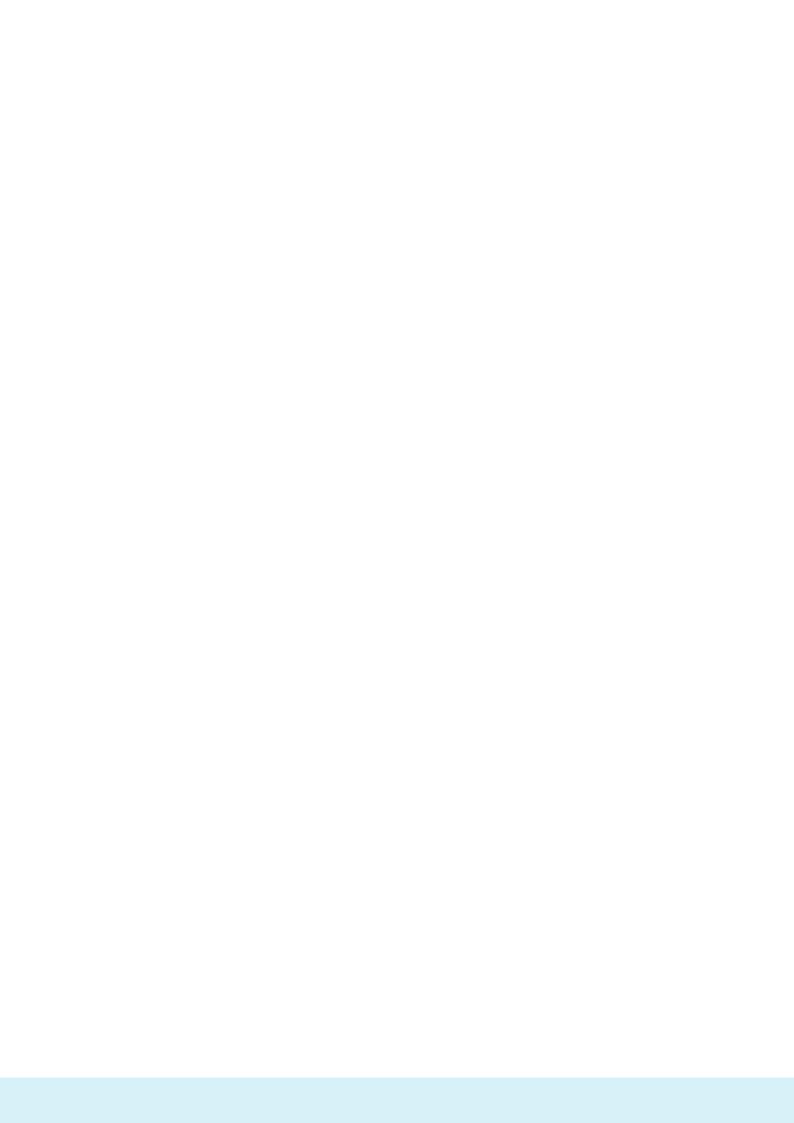
|                                    | Stro | Agree |      | Neu | Neutral Disagree |     |      | Strongly<br>disagree |     | Total |      |      |
|------------------------------------|------|-------|------|-----|------------------|-----|------|----------------------|-----|-------|------|------|
|                                    | n    | %     | n    | %   | n                | %   | n    | %                    | n   | %     | n    | %    |
| Not<br>parenting<br>a child <18    | 196  | 4%    | 1162 | 26% | 1154             | 26% | 1309 | 29%                  | 671 | 15%   | 4492 | 100% |
| Couple<br>parent with<br>child <18 | 48   | 3%    | 366  | 25% | 376              | 26% | 464  | 32%                  | 211 | 14%   | 1465 | 100% |
| Sole parent<br>with child<br><18   | 18   | 4%    | 89   | 19% | 102              | 22% | 174  | 37%                  | 89  | 19%   | 472  | 100% |
| Total                              | 262  | 4%    | 1617 | 25% | 1632             | 25% | 1947 | 30%                  | 971 | 15%   | 6429 | 100% |

Table A.21 Agreement with the statement "I am satisfied with my overall level of take-home pay" by contract type

|                   | Casual |      |      | anent<br>time |      | anent<br>time | Total |      |  |
|-------------------|--------|------|------|---------------|------|---------------|-------|------|--|
|                   | n      | %    | n    | %             | n    | %             | n     | %    |  |
| Strongly agree    | 59     | 6%   | 117  | 3%            | 82   | 4%            | 258   | 4%   |  |
| Agree             | 343    | 36%  | 808  | 23%           | 446  | 23%           | 1597  | 25%  |  |
| Neutral           | 280    | 30%  | 899  | 26%           | 416  | 22%           | 1595  | 25%  |  |
| Disagree          | 187    | 20%  | 1103 | 32%           | 620  | 32%           | 1910  | 30%  |  |
| Strongly disagree | 81 9%  |      | 520  | 15%           | 350  | 18%           | 951   | 15%  |  |
| Total             | 950    | 100% | 3447 | 100%          | 1914 | 100%          | 6311  | 100% |  |

Table A.22 Agreement with the statement "I turn down extra shifts because I won't earn much more after tax and childcare costs" parents with a child aged 12 or under by care use

|  | Strongly agree |     | Adree |     | Neu | Neutral |     | Disagree |     | ngly<br>gree | Total |      |
|--|----------------|-----|-------|-----|-----|---------|-----|----------|-----|--------------|-------|------|
|  | n              | %   | n     | %   | n   | %       | n   | %        | n   | %            | n     | %    |
| Formal care only                       | 21             | 17% | 23    | 18% | 41  | 32%     | 30  | 24%      | 12  | 9%           | 127   | 100% |
| Informal care only                     | 68             | 10% | 113   | 17% | 223 | 33%     | 192 | 28%      | 80  | 12%          | 676   | 100% |
| Both<br>formal and<br>informal<br>care | 84             | 14% | 152   | 26% | 176 | 30%     | 138 | 23%      | 39  | 7%           | 589   | 100% |
| Total                                  | 173            | 12% | 288   | 21% | 440 | 32%     | 360 | 26%      | 131 | 9%           | 1392  | 100% |





The Senate

Select Committee on Work and Care

Final Report

#### © Commonwealth of Australia 2023

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## **Members**

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| Senator Andrew Bragg        | LP, NSW  |
| Senator the Hon Anne Ruston | LP, SA   |
| Senator Jana Stewart        | ALP, VIC |
| Senator Linda White         | ALP, VIC |

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Senator the Hon Anne Ruston (on 6 December 2022)

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## Abbreviations and acronyms

ABS Australian Bureau of Statistics

ACCC Australian Competition & Consumer Commission

ACF Albany Community Foundation ACOSS Australian Council of Social Service

ACT Australian Capital Territory

ACTU Australian Council of Trade Unions

AFDO Australian Federation of Disability Organisations
Aged Care Royal Royal Commission into Aged Care Quality and Safety

Commission

AHRC Australian Human Rights Commission

Ai Group Australian Industry Group

AIHW Australian Institute of Health and Welfare
ANMF Australian Nursing and Midwifery Federation

ASU Australian Services Union

Bubup Wilam Aboriginal Child and Family Centre

CALD culturally and linguistically diverse CCCA Community Child Care Association

CCS Child Care Subsidy

Cheaper Child Care Bill Family Assistance Legislation Amendment (Cheaper

Child Care) Bill 2022

CIB Group Computer Integrated Business Group (Spain) committee Senate Select Committee on Work and Care

CPD Centre for Policy Development

CPI Consumer price index
CPI Consumer price index

CYPDA Children and Young People with Disability Australia
Disability Royal Royal Commission into Violence, Abuse, Neglect and

Commission Exploitation of People with Disability

DSS Department of Social Services
ECD Early childhood development
ECEC early childhood education and care

EMTRs effective marginal tax rates
ESL English as a second language

Fair Work Act
Fair Work Act 2009
FTB
Family Tax Benefit
FWC
Fair Work Commission
FWO
Fair Work Ombudsman

GCLA Gladstone Community Linking Agency

GDP gross domestic product Goodstart Goodstart Early Learning HSU Health Services Union

ILO International Labour Organization

ISP Inclusion Support Program

Job Security committee Senate Select Committee on Job Security

JobSeeker Payment JobSeeker

LGBTIQA+ lesbian, gay, bisexual, transgender, intersex, queer,

asexual and other sexually or gender diverse

NDIS National Disability Insurance Scheme
NEDA National Ethnic Disability Alliance
NES National Employment Standards

NSW New South Wales

OECD Organisation for Economic Co-operation and

Development

PALM Pacific Australia Labour Mobility
PBO Parliamentary Budget Office

PPL Paid parental leave

PPL Act Paid Parental Leave Act 2010
PRA Preschool Reform Agreement
Roundtable Work + Family Policy Roundtable

SA South Australia/n

SCHADS Social, Community, Home Care and Disability Services SDA Shop, Distributive and Allied Employees' Association

SHEV Safe Haven Enterprise Visa

SNAICC Secretariat of National Aboriginal and Islander Child

Care

SPRC Social Policy Research Centre

Summit National Jobs and Skills Summit (2022)

TPV Temporary Protection Visa

UK United Kingdom

WGEA Workplace Gender Equality Agency

WHO World Health Organization
WWCSA Working Women's Centre SA

Yappera Children's Service Cooperative Ltd

## List of Recommendations

#### Recommendation 1

8.11 The committee recommends the Australian Government take a comprehensive and integrated approach to addressing the challenges of work and care in this country. The Australian Government should implement the recommendations in the committee's interim and final reports to a range of systems, including workplace relations, early childhood education and care, paid leave, disability and aged care, as well as financial supports for carers. This reform package should ensure that Australians have a right to care, alongside their right to work, and our systems and laws should provide unequivocal support for this important role through a new work and care social contract fit for the 21st century.

#### Recommendation 2

8.15 The committee recommends the Australian Government include a statement in the employment white paper, providing an estimate of the annual financial contribution of unpaid care to the national economy. Further, the committee recommends that the Australian Government consider including a statement in the Budget papers providing an estimate of the annual financial contribution of unpaid care to the national economy. The committee also recommends that the wellbeing budget include specific analysis of the contribution of care to wellbeing, and include measurement of such care, its state and change over time.

#### Recommendation 3

- 8.31 The committee recommends the National Cabinet develop a framework for and progress the implementation of a universal, quality, place-based and child-centred early childhood education and care (ECEC) system. The new ECEC framework should be developed within 12 months and:
  - be supported by a clear policy framework which seeks to strengthen outcomes for children, their carers, childhood educators and childcare providers;
  - be developed with active consideration of working carers, and especially women, to support better access to paid employment (including outside of core hours) while balancing work and care responsibilities; and/or set rosters that include caring responsibilities; and
  - address 'childcare deserts' by providing ECEC facilities in rural, remote and some regional areas, and ensure culturally-appropriate, community managed and trauma-informed ECEC is made available where needed, especially in First Nations communities.

8.32 The committee further recommends that the Australian Government continue to regularly review ECEC systems for adequacy, and undertake appropriate changes, with a view to universal, early childhood education and care.

#### Recommendation 4

8.34 The committee recommends that the Australian Government work through National Cabinet to develop a framework for a universal early childhood education and care (ECEC) system that is consistent across Australia. This framework should be implemented with a view to increase access to quality ECEC and lower its costs.

#### Recommendation 5

8.40 The committee recommends the Australian Government consider the provision of a further 100 publicly owned early childhood education and care centres (including centres operated by local government), in areas identified as 'childcare deserts' and/or as having unmet demand. The centres should provide holistic, culturally appropriate, and trauma-informed services to children.

#### Recommendation 6

- 8.44 The committee recommends the Australian Government request the Productivity Commission to identify ways to extend the Preschool Reform Agreement (PRA) to both three- and four-year old children, to ensure that all children can access early childhood education and care in the two years prior to commencing school.
- 8.45 The committee further recommends that the hours of subsidised care provided for by the PRA be increased, to a minimum of 15 hours a week (600 hours a year) and a maximum of 30 hours a week (1200 hours a year), based on the needs of the child and their carers.

#### **Recommendation 7**

8.48 The committee recommends the Australian Government request the Productivity Commission to immediately review the Inclusion Support Program and consider appropriate action including, but not limited to the commitment of additional funding of the program, with a view to provide extra support to children who have additional needs to participate in ECEC. Indexation of funding should also be considered.

#### **Recommendation 8**

8.54 The committee recommends the Department of Employment and Workplace Relations and the Department of Education develop a large-scale,

evidence-based, appropriately evaluated, holistic, non-compulsory training and work placement program, to assist informal carers returning to or seeking further engagement with paid employment, training or voluntary work. Recognition of the prior education, employment and experiences of informal carers should be incorporated into the program.

8.55 The committee further recommends that the compulsory elements of ParentsNext be abolished for people providing care.

#### Recommendation 9

- 8.59 The committee recommends the Department of Health and Aged Care, in consultation with key stakeholder groups and allied health professionals, develop a mental health support program tailored to carers aged 25 years and under. The program should consider:
  - the unique mental and physical health impacts of caring on young people;
  - the intersection of mental health for young carers with their education, training and employment opportunities and outcomes; and
  - how to raise awareness in educational settings of the burdens faced by young carers and how educators can support and direct young carers to appropriate support programs.

#### **Recommendation 10**

8.62 The committee recommends the Australian Government review the accessibility, availability, and flexibility of respite care with a view to improving respite care options available to working carers and those they care for.

#### **Recommendation 11**

8.65 The committee recommends the Australian Government develop and implement programs and initiatives for informal carers from migrant and culturally and linguistically diverse (CALD) backgrounds to improve access to carer support services and family support.

#### **Recommendation 12**

8.66 The committee recommends that the Department of Employment and Workplace Relations develop training materials for all staff in care roles about cultural competency and safety, discrimination and anti-racism and the delivery of trauma-informed care.

#### **Recommendation 13**

8.74 The committee recommends the Department of Health and Aged Care and the National Indigenous Australians Agency develop processes to ensure that:

- care services for First Nations people transition to First Nations community-controlled organisations; and
- culturally appropriate training in care service sectors is available to workers providing care to First Nations communities, especially in regional, remote and some urban areas.

#### **Recommendation 14**

8.78 The committee recommends the Australian Government undertake further work in relation to the supported employment sector, including Australian Disability Enterprises (ADEs), to ensure that they meet community expectations, and both improve and increase pathways for disabled people into open employment. This work should build on work already being progressed through the Disability Reform Ministerial Council.

#### **Recommendation 15**

- 8.88 The committee recommends the Australian Government support workers and their representatives in the care sector to use the mechanisms available to them through the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022 to achieve wage increases. This could include care sector workers and their representatives accessing the supported bargaining stream, initiating an application for an equal remuneration order, or a work value claim.
- 8.89 The committee further recommends the Australian Government support a priority application to the Fair Work Commission (FWC) through the newly established care and community sector expert panel, for award wage increases for all care sectors including early childhood education, disability care and aged care, and all sectors covered by the relevant childcare, and Social, Community Home Care and Disability Services Industry (SCHADS) Awards.
- 8.90 In order to address pay equity and to stem the flow of workers out of the care sector, such a priority application should draw the FWC's attention to:
  - the need to reconsider and appropriately reward classifications, wage structures, conditions and entitlements across all care sectors and awards, and under the SCHADS Award. This consideration should include appropriate relative pay across the care sector reflecting the nature of work and qualifications, skills and experience. It should also recognise the impact of gender on caring roles and the unique skills, variability and value of care work;
  - the appropriateness of care sector employees receiving payments for work-related travel time, administrative responsibilities and engagement with essential training; and
  - the appropriateness of a minimum shift call-in time across the care sector (for example, a four-hour minimum or another identified suitable minimum period).

8.91 The Australian Government should consider mechanisms to fund and implement, in accordance with historical practice, any wage increases and improved conditions agreed to by the FWC.

#### **Recommendation 16**

- 8.100 In light of recent and forthcoming legislative amendments, the committee recommends the Australian Government consider mechanisms to fund and implement a pathway to reach international best practice of 52 weeks of paid parental leave. The government-funded leave should be paid at least at the minimum full-time wage, with consideration given to encouraging employers to top up payments to full wage replacement.
- 8.101 The committee also recommends the Australian Government consider further amendments to the *Paid Parental Leave Act* 2010 to:
  - include 'use it or lose it' provisions so that a proportion of the leave is taken by a co-parent;
  - guarantee the full period of paid leave to sole parents; and
  - ensure superannuation is paid in addition to paid parental leave payments.

#### Recommendation 17

- 8.107 The committee recommends that the definition of 'immediate family' in the Fair Work Act 2009 be amended and broadened for the purposes of an employee accessing carer's leave. In addition to the current definition, the following persons should be classified as 'immediate family':
  - any person who is a member of an employee's household, and has been for a continuous period of over 18 months;
  - any of the employee's children (including adopted, step and ex-nuptial children);
  - any of the employee's siblings (including a sibling of their spouse or de facto partner); and
  - any other person significant to the employee to whom the employee provides regular care.

#### **Recommendation 18**

8.111 The committee recommends the Australian Government consider the adequacy of existing leave arrangements and investigate potential improvements in leave arrangements in the *Fair Work Act* 2009, including separate carer's leave and annual leave.

#### Recommendation 19

8.115 The committee recommends the Australian Government request the Fair Work Commission to review access to and compensation for paid, sick and annual leave for casual and part-time workers.

#### **Recommendation 20**

8.119 The committee recommends the Department of the Prime Minister and Cabinet consider the operation of markets in the aged, disability and early childhood education and care sectors and the effectiveness of current models of provision (including profit and not-for-profit models) in delivering quality care and addressing provision in thin markets.

#### **Recommendation 21**

- 8.125 The committee recommends, alongside its Interim Report recommendations to ensure employees have predicable, stable rosters, the Australian Government supports a review by the Fair Work Commission (FWC) of current industrial awards, to require employers to give advance notice of at least two weeks of rosters and roster changes (except in exceptional circumstances) and genuinely consider employee views about the impact of proposed roster changes and to accommodate the needs of the employee.
- 8.126 The committee further recommends the Australian Government support a review by the FWC into current industrial awards, to ensure employees have a 'right to say no' to extra hours with protection from negative consequences.

#### **Recommendation 22**

8.130 The committee recommends the Australian Government write to the Fair Work Commission suggesting a review of the operation of the 38-hour working week set in the National Employment Standards, the extent and consequences of longer hours of work. The review should also consider stronger penalties for long hours and other possible ways to reduce them, including through the work, health and safety system which requires employers to ensure safe working hours as a part of providing a safe workplace.

#### **Recommendation 23**

8.135 The committee recommends the Australian Government consider amending the Fair Work Act 2009 to include an enforceable 'right to disconnect' under the National Employment Standards, giving all workers a right to disconnect once their contracted working hours have finished and restricting employers from communicating with workers outside of work hours, except in the event of an emergency or for welfare reasons.

8.136 The committee further recommends the Australian Government increase penalties for employers who commit wage theft through, for example, unpaid additional hours of work and consider changes to law that make these cases subject to criminal charges.

#### **Recommendation 24**

- 8.142 The committee recommends the mandatory annual reporting of companies with over 20 000 employees in Australia to the Fair Work Commission on workplace practices to ensure roster justice and flexible working arrangements.
- 8.143 The committee further recommends the mandatory collection of data by these companies of requests, including at store level, for roster changes and flexible working arrangements, and the percentage of changes to shifts that have been initiated by the employer within one week of the shift taking place. The data should:
  - include a collection of all requests, including those deemed 'informal', and detail whether these requests were approved, approved with modification, or denied;
  - provide information on the length of employment (up until the date of reporting) for that employee after their request was initially made; and
  - be provided in full to the Workplace Gender Equality Agency and published on the respective company's website.

#### **Recommendation 25**

- 8.151 The committee recommends the Australian Government respond to the recommendations of the Senate Select Committee on Job Security as a matter of priority. The committee reiterates those recommendations and calls on the Australian Government to:
  - develop a new statutory definition of casual employment that reflects the true nature of the employment relationship and is restricted to work that is genuinely intermittent, seasonal or unpredictable; and
  - restrict the use of low base hour contracts, which can be 'flexed up'
    without incurring any pay penalty for additional hours worked beyond
    contract, and ensure permanent part-time employees have access to
    regular, predicable patterns and hours of work. This could include
    implementing penalty rates for any hours worked over the contracted
    amount. For example, if an employee is contracted for 15 hours and their
    employer rosters them for more, they should be paid a penalty rate for
    hours worked beyond the contracted amount.
- 8.152 The committee further recommends that the Australian Government develop clearly delineated statutory definitions of part-time and full-time

employment and that these definitions, as well as a definition of casual employment, be inserted into the *Fair Work Act 2009*. These definitions should accurately reflect modern employment relationships and address employers' use of widely accepted legal loopholes, which can result in employment conditions that do not align with community expectations. In particular, the growing trend of part-time work to function as a form of casual employment without the benefit of casual loading.

#### **Recommendation 26**

- 8.157 The committee recommends that the principle of equal pay for equal work should be applied to gig workers, who currently do not have the same conditions and entitlements as other workers. Gig workers should have the same rights regarding predictability of work, liveable income, decent health and safety standards, and paid sick and holiday leave.
- 8.158 The committee further recommends the Australian Government remove incentives for gig platforms to avoid workplace regulations.

#### **Recommendation 27**

8.166 The committee recommends the Australian Government request the Fair Work Commission undertake a review of standard working hours with a view to reducing the standard working week.

#### **Recommendation 28**

- 8.167 The committee recommends the Australian Government undertake a four-day week trial based on the 100:80:100 model whereby employees retain 100 per cent of the salary while reducing their hours to 80 per cent while maintaining 100 per cent productivity. The trial should be implemented in diverse sectors and geographical locations.
- 8.168 The Australian Government should partner with an Australian university throughout the trial to measure the impact of a four-day week on productivity, health and wellbeing, workplace cultural change, gender equality in the workplace as well as the impact on the distribution of unpaid care across genders.

#### **Recommendation 29**

8.175 Noting that the Productivity Commission will consider and report findings on the abolition of the Child Care Subsidy activity test, the committee recommends the Australian Government consider amending the relevant social policy and family assistance laws to abolish activity tests.

#### Recommendation 30

- 8.180 The committee recommends the Australian Government review the level of Carers Payment and Carers Allowance, acknowledging the significant social and economic contribution that carers make.
- 8.181 The committee also recommends that the Australian Government consider reversal of the current policy which transfers sole parents from Parenting Payment Single to JobSeeker Principal Carer payments when their youngest child turns eight years of age, and imposes mutual obligation activities on them when their youngest child turns six years of age.
- 8.182 The committee further recommends the Australian Government ensure all income security payments are regularly reviewed to ensure that they are adequate.

#### **Recommendation 31**

8.189 The committee recommends the Australian Government amend, without delay, the Fair Work Act 2009 to establish the right to superannuation as a National Employment Standard.

#### **Recommendation 32**

8.195 The committee recommends the Australian Government consider the implementation of a care credit scheme informed by the reform options proposed in the 2013 Australian Human Rights Commission, Investing in care: Recognising and valuing those who care report. As part of its review the Australian Government should investigate possible mechanisms to address the superannuation gap between men and women, including consideration of paying care credits to superannuation for up to five years for parents who take leave and reduce hours of employment to care for others.

#### **Recommendation 33**

- 8.201 The committee recommends the establishment of a new longitudinal data set in parallel to the Household Income and Labour Dynamics in Australia survey with a specific focus on workplaces and the experience of workers within them, including how they intersect with care activities.
- 8.202 The committee further recommends that additional research be funded to independently analyse and publicly report on the circumstances and experiences of carers in Australia.

## **Executive Summary**

This final report of the Senate Select Committee on Work and Care draws on 11 days of hearings across Australia, as well as 125 published submissions. The committee thanks all those who made contributions to our deliberations.

At its core, the committee has investigated the ways in which Australians combine their jobs with care of others—of children, parents, disabled people, of frail and aged friends and family.

Many Australians—and *most* over the course of their lives—combine jobs with care of others for years, and too many are struggling with this combination. They experience time poverty, unpredictable hours of work and care, challenging transitions between work and care through different life stages, high costs, and inflexible working conditions. Many feel the costs of this combination in their household budgets, especially as inflation increases and the costs of care rise.

These effects do not fall evenly. They especially affect women who pay lifetime penalties in lost income and time that is stressed and pressured. And some groups are especially negatively affected: for example, young people caring for family members as they try to work or get to school; immigrant workers who cannot get access to work and care; First Nations communities who need culturally appropriate, place-based early childcare services but cannot find them nearby; low-income households who struggle to pay for care alongside their unpredictable hours of work and incomes.

For the large and growing number of workers in our care industries—childcare, aged care, disability care—the burden is especially intense as they receive low pay in flat career structures in jobs that are demanding, while at the same time juggling their own care responsibilities at home. They are mostly women.

The issue of predictable pay and working hours has emerged as an important and unexpectedly significant issue in the inquiry with too many Australians working in conditions that lack predictable hours and thus pay.

### Time for a new 21st century work and care social contract

While Australia was seen by some as a working-man's paradise in the 1900s, leading the world in establishing working rights like a living wage and reduced working hours, it is far from a working-person's paradise now. The 19th century social contract that provided workers and their households a living income in exchange for their work, is no longer fit for a world where so many workers have caring responsibilities and where so many women join men at work.

Australians now have a right—indeed, an obligation—to work, but they do not have a right to both work and care. This mattered less when the paid workforce was mostly made up of men – with women doing unpaid work at home: it matters a great deal now when the labour force is almost half women and an ageing population is increasing the need for care.

It is time for a new right to care, alongside the right to work. In a world that increasingly relies upon the paid work of its citizens who are also carers, it is time for a new social contract around work and care—one appropriate to the 21st century.

That contract should have at least ten characteristics:

- (1) ensure that workers with caring responsibilities do not suffer large lifetime losses in pay;
- (2) provide paid leave (sick, parental, holiday, carers) to care for others;
- (3) ensure that job insecurity is not the price paid for being a working carer;
- (4) provide flexible jobs that enable care;
- (5) provide critical support at the arrival of children through a strong interlocking system of universal, quality early childhood education and care (ECEC); and
- (6) a pathway to reach a year of paid parental leave (PPL) at minimum wage for new parents, a portion of it shared;
- (7) ensure poverty in retirement is not the reward for a lifetime of work and care;
- (8) provide liveable income support, above the poverty line, for carers when they cannot work;
- (9) facilitate transitions into and out of work over the course of people's lives; and
- (10) enable both men and women to care, ensuring that gendered patterns of hours (men long, women short) do not entrench gender inequality and make it hard for men to care while loading up women with unpaid labour.

The architecture of this new 'contract of care' is reflected in the recommendations of this report, based on the evidence put before it.

### International standards have moved forward: Australia is an outlier

Australia is now an international laggard when it comes to key working conditions of significance to working carers: paid leave when sick or when children are sick; paid parental leave to recover from having a baby, breastfeeding and caring for infants; childcare that is as essential to getting to work as the road workers travel on. Many countries have moved ahead to improve these working conditions, adapting to the changing nature of the worker and their household, but Australia's adaptions have not met those of some of our trading partners.

Further, some of these adaptions have had perverse effects. Most significantly, a common adaption to combining paid work with care in Australia is part-time work, often undertaken by women. Unfortunately, too many part-time jobs are not secure, and they lack essential working conditions like access to training, promotion, pay increases, some forms of leave, and so on. The work of adaption has fallen to working carers to morph their lives around working conditions built for workers and households of the last century. As a consequence, our approach to part-time work in Australia makes us an international outlier. Other countries have not adapted to women and carers' entry to paid work in this way.

This has important consequences for gender inequality in Australia. Many jobs in which men predominate—like management and professional work—have increased their hours of work, making it harder for workers in them to be active carers. On the other hand, Australian women are more commonly found in lower paid and part-time jobs especially in the services, retail and care sectors. This gendered regime of working time, with more men working longer hours and more women working shorter, locks in lifetime patterns of gendered work and care. Its imprint on our persistent gender pay gap and on the gendered allocation of care is deep and significant. It explains the very wide gaps in lifetime earnings for workers with caring responsibilities and it casts a long shadow into retirement for many working carers and women who, after a lifetime of work and care, enter a retirement of poverty. It inhibits the opportunities for men to engage in care.

#### The costs of the current system

The costs of the current system of work and care are felt by individual workers and those they care for. They are also felt across our social system through widening inequality, and in our economy in terms of a diminished labour supply. Many carers would like to have a job and many more would like to work more hours. Childcare shortages are a critical component of this, but so are inflexible working conditions, unpredictable hours that make organising care difficult, high effective marginal tax rates that penalise extra hours, and inadequate aged care and disability respite. There are also costs to the health budget arising from the stress, anxiety and physical and mental load of putting together care responsibilities with work—and these are evident across age groups, beginning with young people who suffer high mental health costs arising from caring for family members when still at school.

Things can be different. Other countries do it differently. There is overwhelming evidence that structural reforms to the architecture of Australia's work and care system would reap significant social and economic benefits not just for individuals and families, but for communities and the national gross domestic product (GDP). It would improve wellbeing.

A whole of government response is required: there are clear steps forward and this report recommends a comprehensive set of actions that need to be considered

holistically. Our work and care challenges must be met by a comprehensive package of measures that change our system, and that move us to a new social contract for the combination of paid work with care in this century.

We must recognise the essential value of care to our community, economy and well-being – by measuring it. This should be considered as a regular part of budget reporting and a key element in any measure of well-being. Calculations of the value of unpaid work in the Australian economy put it at around half of GDP¹: an essential underpinning of all aspects of our economy. Without the work of social reproduction and care, there is no economy.

Universal, quality early childhood education and care is a critical element of change. It is time that the essential infrastructure role of ECEC to the world of work—and beyond—is recognised. Like transport, childcare is essential infrastructure to get to work. The case for universal, quality ECEC is unassailable, proven in many countries including Australia. Good early childcare and learning narrows inequality, improves life chances and can help narrow intergenerational inequity. The return on investment in the sector is multiple. If it is offered as a wrap-around service, bringing together the range of supports essential to a good start for children and new families, it can not only improve health and reduce the chances of poverty but also create strong communities and social connection for families that strengthens communities. That is why a priority recommendation is for quality childcare that is universal, place-based and child-centred.

Underpayment for relative skills, experience and qualifications is endemic across care occupations, reflecting the undervaluation of this work, the feminisation of these occupations and the long shadow of gender inequity. We recommend immediate action by the Fair Work Commission to revalue the work of all types of paid carers, to unpack classifications and create well-paid, decent remuneration structures that are fair and appropriately value care work. Amendments to the *Fair Work Act* 2009 through the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022, passed in late 2022, are a welcome expansion in the capability of the Fair Work Commission to achieve this.

This revaluation must be met by government commitments to consider funding and implementation mechanisms for any pay increases in the care sector agreed to by the Fair Work Commission.

Paid care workers—like most others—also need appropriate remuneration for the time they spend on work-related travel and essential training and administrative

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<sup>&</sup>lt;sup>1</sup> Australian Institute of Health and Welfare, *Informal carers*, 16 September 2021, <a href="https://www.aihw.gov.au/reports/australias-welfare/informal-carers">https://www.aihw.gov.au/reports/australias-welfare/informal-carers</a> (accessed 16 January 2023).

work. The increasing reach of gig work, artificial 'self-employment' and other fractured employment arrangements in the care sector create an argument for improvements in the conditions and terms of care work.

**Paid Parental Leave:** Australia introduced its first national PPL scheme in 2011 and the Australian Government has recently committed to increase it to 26 weeks at minimum wage by 2026. This is very welcome and an important advance for Australia's working parents.

Many countries now provide much longer periods of paid parental leave and the standard is now close to or better than 52 weeks, shared by new parents. There is a strong case for an extended period of paid leave for new parents, especially new mothers in late pregnancy, recovery from birth and when breast feeding. Such leave is an important complement to universal, quality ECEC, ensuring that infants receive the best chance of a good start in the early years.

It is time that Australian parents had a sure pathway to the international standard of paid parental leave, one worthy of an Organisation for Economic Co-operation and Development (OECD) country increasingly relying upon the paid labour of its mothers and women. Successive advances in paid leave should be agreed as an essential part of a new national work and care contract. They are basic infrastructure for an economy dependent upon the labour of carers, especially mothers.

Sick leave and a holiday: access to paid sick leave is a first-order issue for working carers. They need it both for their own sick leave, but also for dealing with the ill health of those they care for. Anyone who has cared for young children knows how frequent that can be. Making arrangements when a child is sick is a source of great stress to working parents and to those caring for all kinds of family members. It is especially stressful for those casual workers have to choose between income and the safe care of themselves or their dependents. The COVID-19 pandemic has emphasised the importance of access to paid sick leave to maintaining safe workplaces and communities.

Holiday pay is also an essential element of a decent working life.

Therefore, a Fair Work Commission review of access to and compensation for paid, sick and annual leave for casual and part-time workers would be highly advantageous.

Working time regulation for a 21st century workforce: some of the most frequently mentioned issues heard by the committee relate to working time: the security, predictability, length, flexibility, intensity and fit with caring responsibilities all emerged as pressing issues.

Working carers need predictable, secure working time. Without it, they cannot plan care. Insecure hours also mean unpredictable and insecure income. Evidence before the committee shows that many Australian workers are working on terms that are inferior to those prevailing a century ago: they cannot predict their pattern of work a week ahead and sometimes tomorrow. This is hard for a worker without caring responsibilities. It is impossible for a worker responsible for someone else's welfare. We make strong recommendations about predictable, secure rosters and the need for workers to have genuine say about roster changes without suffering disadvantage. This is a pressing issue given the fraying of employment standards at a time when our workforce has never been in greater need of security, given its increasing care responsibilities.

Flexibility is also important. The committee commends the amendments to the Fair Work Act 2009 through the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022, passed in late 2022, that made the right to request flexibility enforceable (as recommended in the committee's Interim Report), along with the right to request an extension of unpaid parental leave. However, evidence before the committee suggests that more is needed, and in this light the committee recommends that companies with over 20 000 employees report annually on workplace practices to ensure they uphold a duty to provide a flexible workplace—not in piecemeal response to specific request making, but as a general duty in workplaces where care responsibilities and the need for flexibility is now widespread. Many workplaces already do this: it is time for it to be more general.

The committee heard robust evidence about the impact of long hours of work and the challenges they create for working carers. Carers struggle to do jobs where long hours are regular, and this creates high bars that exclude women and carers. This contributes to a gendered work-care system where men work more, while women do more unpaid domestic work. Our recommendations address this, along with the need for workers to be able to disconnect from the technologies of their work. We recommend a right to disconnect of the kind that now prevails in a range of other countries and some Australian workplaces. Emerging technologies should not tether workers to jobs outside paid working hours without formal agreement and recompense, and they are particularly problematic for working carers.

The question of job insecurity received considerable attention in evidence and we strongly endorse the previous recommendations made by the Select Committee on Job Security. Insecure work—including casual, gig and artificially structured 'self-employment'—make combining work and care very challenging for many, and we recommend new statutory definitions of these forms of work, and better regulation of conditions.

The committee heard substantial evidence about the four-day week. It is many decades since Australia made general reductions in the length of the working week and we are far from our mid-nineteenth century leadership in international rankings for reductions in the length of the working week. It is time for a review of standard hours, the frequency with which they are over-run without recompense, and for more widespread experimentation with shorter working weeks. Many carers seek shorter hours and we heard evidence that shorter working weeks enable the 'mainstreaming' of carers into the workforce without loss of promotion, pay or opportunities.

Many other important issues arose in evidence before the committee, including considerable material about the diversity of carers' and workers' needs, how they change over the course of life including into retirement, and how we need to value care in all its forms. Greater financial support for carers who are not in work was especially highlighted, along with the need to lift all forms of income support above the poverty line.

Key challenges exist in our aged care system in terms of pay and conditions and access to respite. Similarly in relation to disabled people, there are important challenges in ensuring access to open employment and recognising the enormous contribution that workers who support a disabled person make to our social and economic good.

Overwhelmingly, carers with jobs want greater support for what they do: workplaces that enable their participation without penalty, government payments that enable transitions into and out of work and fund periods out of work for care at key moments in life, and infrastructure like aged, disability and childcare that underpins getting to work.

It is time for a new 21st century social contract, one that creates a practical right to care alongside the right—indeed, obligation—to work. And it is time for a holistic, rather than a piecemeal, response.

# Chapter 1 Introduction

- 1.1 The Senate Select Committee on Work and Care (committee) was appointed by resolution of the Senate on 3 August 2022, to inquire into and report on the following matters:
  - (a) the extent and nature of the combination of work and care across Australia and the impact of changes in demographic and labour force patterns on work-care arrangements in recent decades;
  - (b) the impact of combining various types of work and care (including of children, the aged, those with disability) upon the wellbeing of workers, carers and those they care for;
  - (c) the adequacy of workplace laws in relation to work and care and proposals for reform;
  - (d) the adequacy of current work and care supports, systems, legislation and other relevant policies across Australian workplaces and society;
  - (e) consideration of the impact on work and care of different hours and conditions of work, job security, work flexibility and related workplace arrangements;
  - (f) the impact and lessons arising from the COVID-19 crisis for Australia's system of work and care;
  - (g) consideration of gendered, regional and socio-economic differences in experience and in potential responses including for First Nations working carers, and potential workers;
  - (h) consideration of differences in experience of disabled people, workers who support them, and those who undertake informal caring roles;
  - (i) consideration of the policies, practices and support services that have been most effective in supporting the combination of work and care in Australia, and overseas; and
  - (j) any related matters.<sup>1</sup>
- 1.2 On 18 October 2022, the committee tabled a substantive interim report, making eight recommendations.<sup>2</sup> The committee's final report was to be tabled by the

<sup>&</sup>lt;sup>1</sup> *Journals of the Senate*, No. 6, 3 August 2022, pp. 175–177.

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<sup>&</sup>lt;sup>2</sup> See: Senate Select Committee on Work and Care, *Interim Report*, October 2022, www.aph.gov.au/Parliamentary Business/Committees/Senate/Work and Care/workandcare/Interim\_Report/ (accessed 8 February 2023).

second sitting Tuesday in February 2023, and the Senate later agreed to extend this date to 9 March 2023.<sup>3</sup>

## Conduct of the inquiry

- 1.3 Details of the inquiry were made available on the committee's webpage and the committee invited organisations, key stakeholders and individuals to provide submissions.<sup>4</sup> The committee issued several media releases calling for submissions—including after the National Jobs and Skills Summit (Summit).
- 1.4 The committee published 125 submissions, which are listed at Appendix 1 of this report. The committee held the following public hearings for the inquiry:
  - 16 September 2022 in Canberra;
  - 20 September 2022 in Melbourne;
  - 21 September 2022 in Sydney;
  - 7 October 2022 in Canberra;
  - 31 October 2022 in Brisbane;
  - 14 November 2022 in Perth;
  - 15 November 2022 in Albany;
  - 6 December 2022 in Adelaide;
  - 8 December 2022 in Canberra;
  - 20 December 2022 in Sydney; and
  - 30 January 2023 in Sydney.
- 1.5 The committee also undertook a site visit to the Amazon Fulfilment Centre in Kemps Creek, Western Sydney, on 30 January 2023.
- 1.6 A list of witnesses who gave evidence at the above hearings is available at Appendix 2 of this report.

## Acknowledgment

- 1.7 The committee thanks all those who contributed to this inquiry by making submissions, providing additional information and research to the committee, and appearing at public hearings.
- 1.8 As with its interim report, the committee remains grateful to all those who have trusted the committee with their personal stories. Without the examples of people's experiences of trying to combine work and care, the committee could not have properly contemplated and understood the issues. Thank you also for the invaluable contributions from researchers and experts, who provided the committee with important evidence about the work and care system.

<sup>&</sup>lt;sup>3</sup> *Journals of the Senate*, No. 6, 3 August 2022, pp. 175–177; *Journals of the Senate*, No. 30, 7 February 2023, p. 912.

<sup>&</sup>lt;sup>4</sup> The committee's webpage, which includes published submissions, is available at: <a href="https://www.aph.gov.au/Parliamentary">www.aph.gov.au/Parliamentary</a> Business/Committees/Senate/Work and Care/workandcare.

## **Interim report**

- 1.9 The committee's *Interim Report* made clear that the current architecture of the work and care system cannot properly support working carers, with a growing number of Australian workers having care responsibilities for someone else. The system's inadequacies are disproportionately experienced by women, who often find themselves as 'sandwich carers'—caring for both young children and older parents.
- 1.10 The issues and needs of working carers were considered in the *Interim Report's* executive summary:

Millions of Australians balance work and care. They seek and need to maintain a job and income security, with adequate wages, active participation and flexibility in the workforce, access to appropriate leave entitlements, and a supportive care system for those who need it. This includes access to affordable and suitable respite and early childhood education and care (ECEC), as well as appropriate and targeted aged care, health care and disability support services along with employment opportunities.

However, the architecture of work and care is not adequate to our current challenges—let alone our future. It has not adapted adequately to our changing work and social system.

As a result, many of those with caring responsibilities who would like a job cannot work, while others work less hours than they would prefer or are subject to constant roster variations and the insecurity that brings to family life. For some, combining work and care creates stress, or puts pressure on grandparents or other unpaid carers, because work is inflexible, or the care system is inadequate or unaffordable.

The Australian workforce in the care economy is in crisis, facing low wages, overwork, understaffing, and a lack of respect—driving many childcare and aged care workers to leave a job that they love.<sup>5</sup>

## Interim report recommendations

1.11 The committee made eight recommendations in its *Interim Report*, aimed at those areas where more immediate changes could be made to improve the experience of working carers, and to address the issue of 'data poverty' to better determine the extent, nature and effects of the intersection of work and care responsibilities.

#### 1.12 The committee recommended that:

 new questions be included in the Census, or a new regular survey be undertaken of a representative group, to collect data every five years which would allow analysis of the extent and nature of the interaction of work and care responsibilities across Australia;

<sup>&</sup>lt;sup>5</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, p. xv.

- the Government develop an analysis of care work classifications and wage structures to systematically address underpayments and lift wages in the care sector;
- the Fair Work Act 2009 (Fair Work Act) be amended to make the right to request flexible work available to all workers, and other associated conditions;
- the Department of Employment and Workplace Relations amend the Fair Work Act National Employment Standards (NES) to include a right to disconnect with an enforcement mechanism;
- the Fair Work Act be amended to provide improved rostering rights for employees, including predictability, stability and fixed-shift scheduling;
- the *Paid Parental Leave Act* 2010 be amended to legislate a paid parental leave period of 26 weeks;
- the 2022-23 Budget (which at that stage was imminent) include long-term increases in funding to First Nations community-controlled ECEC; and
- the relevant social policy and family assistance laws be amended so that First Nations people were not required to meet activity tests to receive subsidised childcare.
- 1.13 The committee notes that at the time of presenting this final report, the Australian Government has yet to respond to the recommendations from the interim report within the required three-month period. The committee calls on the Australian Government to respond as soon as possible.

## Other relevant inquiries

- 1.14 The *Interim Report* also drew attention to several other inquiries and reviews running concurrently with the committee's work. These inquiries include:
  - the Productivity Commission's inquiry into carer's leave;6
  - the Australian Competition and Consumer Commission (ACCC) examination of the cost of childcare;<sup>7</sup> and
  - development of the Employment White Paper.<sup>8</sup>
- 1.15 These are in addition to the outcomes of the Summit, where agreements were reached in relation to, among other things:
  - skilling and training the workforce;
  - addressing skills shortages;
  - boosting job security and wages;

<sup>6</sup> Productivity Commission, *Carer Leave*, <u>www.pc.gov.au/inquiries/current/carer-leave#draft</u> (accessed 1 February 2023).

Australian Competition & Consumer Commission, *Childcare inquiry*, <u>www.accc.gov.au/focus-areas/inquiries-ongoing/childcare-inquiry</u> (accessed 1 February 2023).

The Treasury, *Employment White Paper – Consultation*, <u>treasury.gov.au/consultation/c2022-322158</u> (accessed 1 February 2023).

- creating safe, fair and productive workplaces; and
- promoting equal opportunities and reducing barriers to employment.<sup>9</sup>
- 1.16 The findings and recommendations of these inquiries and the outcomes of the Summit, along with implementation of the recommendations of this committee, should work together to significantly improve the nation's work and care architecture and better support Australian workers over the course of their life.

## The interim and final report

- 1.17 While the committee's *Interim Report* and this final report can be read separately, the committee encourages readers to consider both reports as complementary. The evidence received by the committee shows that the issues around work, care, gender, childcare and financial security are interconnected and cannot be considered in isolation.
- 1.18 This final report builds upon, and expands, the recommendations of the *Interim Report*, offering a more complete response to the current work and care crisis that this final report more fulsomely documents.

## Report structure

- 1.19 This report consists of eight chapters, considering discrete issues within the work and care system over the course of people's lives, and concluding with recommendations for holistic changes and improvements to that system.
- 1.20 Chapter 2 provides a contextual overview of the structural barriers and social inequalities in Australian society and workplaces. The chapter considers how these conditions are reinforcing gender and other inequalities, devaluing care work and failing to improve women's equal participation in the workforce.
- 1.21 Chapter 3 looks at the ECEC system and presents evidence on the current ECEC and Paid Parental Leave (PPL) systems, concluding with suggestions on how both can be improved.
- 1.22 Chapter 4 looks more closely at the unique work and care circumstances facing specific cohorts—young people, migrant and culturally and linguistically diverse communities, First Nations communities and disabled people.
- 1.23 Chapter 5 examines the undervaluation and conditions of paid and unpaid care and their consequences for working carers, those they care for as well as the workforce and our economy.
- 1.24 Chapter 6 details the evidence received about the importance of predictable working hours, roster justice and job security. It considers the evidence

Some of the specific outcomes of the Jobs and Skills Summit are considered throughout this report. Australian Government, *Jobs and Skills Summit: Outcomes*, 1–2 September 2022, <a href="mailto:treasury.gov.au/sites/default/files/inline-files/Jobs-and-Skills-Summit-Outcomes-Document.pdf">treasury.gov.au/sites/default/files/inline-files/Jobs-and-Skills-Summit-Outcomes-Document.pdf</a> (accessed 1 February 2023).

- regarding the right to disconnect and how workplaces could implement more flexible arrangements to help people better manage their work and care responsibilities. It specifically considers the viability and benefits of a four-day working week for working carers, and in particular, women.
- 1.25 Chapter 7 examines the financial supports available to working carers, including the JobSeeker payment, as well as the leave entitlements available under the NES, such paid and unpaid carer's leave, and PPL.
- 1.26 The committee's view and recommendations are contained in the final chapter which focuses on fixing the architecture of the work and care system, making sure it better aligns with the experiences of working carers and promotes women's engagement with paid employment throughout their working lives.

## Chapter 2

# Social inequalities and structural barriers in Australian society and workplaces

- 2.1 This inquiry into work and care has brought to the fore cultural and social inequalities in our society which are reflected in our workplace structures and systems. This report considers the impact of these inequalities and structural barriers at each stage of people's lives, with particular focus on the experiences of women, as well as specific demographic groups and community sectors.
- 2.2 This chapter explores the ways in which the socio-economic devaluation of care work, and in particular care work undertaken by women, has entrenched gender and other inequalities in our workplaces. This chapter considers the impact of these inequalities throughout people's lives, revealing a lifelong pattern whereby the cost of care is disproportionately borne by women through lower wages, insecure employment and low retirement incomes.
- 2.3 The committee acknowledges recent reforms to Paid Parental Leave (PPL) and other arrangements as significant steps forward.
- 2.4 The policy goal of raising women's workforce participation coupled with piecemeal reforms and incentives have not addressed the underlying systemic issues and barriers faced by women workers with caring responsibilities. Policies have also not addressed the stresses and burdens of the 'double-day' for workers with caring responsibilities.
- 2.5 While women are engaged in the paid labour force at a greater rate than ever before, the terms and conditions of that participation remains inequitable, as women are predominantly in work that is part-time, low-paid and precarious. Furthermore, as the committee noted in its *Interim Report*, women are also overrepresented in lower paid, 'female-dominated' industries including the health, childcare and aged care, disability support and retail and hospitality sectors.<sup>2</sup>
- 2.6 All Australians require care over the course of their lives. The key question before the committee is how the need for adequate care is provided within the constraints of a workplace structure and system that is not designed for working carers. The committee noted in its *Interim Report* that addressing the inequitable

<sup>&</sup>lt;sup>1</sup> Australian Nursing and Midwifery Federation (Victorian Branch), *Submission 1*, p. 1; Workplace Gender Equality Agency, *Submission 17*, p. 2.

<sup>&</sup>lt;sup>2</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, p. 22, www.aph.gov.au/Parliamentary Business/Committees/Senate/Work and Care/workandcare/Interim Report (accessed 15 November 2022).

gender structures that underpin our workplace system and the unpaid care economy requires, as a starting point, placing care at the heart of policy design. It also requires valuing and supporting unpaid care and providing incentives for it to be shared more equitably. This report considers a range of reforms, including structural reform, to address these matters.

#### Socio-economic value of care

- 2.7 Care is a social and community responsibility and serves as a key component of our social contract—the care of others is a collective social responsibility.<sup>3</sup> As Ms El Gibbs noted in her submission, care is 'often seen as an individual, private, act' and yet care is something we do together, 'for the communities we are part of'.<sup>4</sup> Similarly, the Antipoverty Centre made the point that care is a communal act of reciprocity that 'develops and maintains bonds for a healthy community'.<sup>5</sup> Care is recognised as part of the fabric of society and integral to social development.<sup>6</sup>
- 2.8 Associate Professor Elizabeth Hill drew on research which demonstrated that care serves as a foundation of a good society and dynamic and prosperous economy, noting:

High quality care, both paid and unpaid, enables the development of human capabilities, wellbeing and economic productivity, whereas inadequate investment in care infrastructure, including both our services and workforce, weakens our economy, exacerbates inequalities and leaves communities vulnerable.<sup>7</sup>

2.9 The reality is that everyone will require care at various stages of—or throughout—their life, and many of us will provide some form of care to loved ones or friends at various stages. As Ms Gibbs explained:

We all move between these states of well and sick throughout our lives, moving in and out of caring and being cared for. For those of us who are sick and disabled, we are not separate from other citizens, but essential parts of our community. The care we give and receive is how those communities are built and grow.<sup>8</sup>

2.10 Access to, and the provision of care in Australia affects both the quantity and quality of the labour force as well as the pattern and rate of economic

<sup>5</sup> Antipoverty Centre, Submission 110, p. 3.

<sup>&</sup>lt;sup>3</sup> Associate Professor Elizabeth Hill, Australian Work + Family Policy Roundtable, *Committee Hansard*, 7 October 2022, p. 2.

<sup>&</sup>lt;sup>4</sup> Ms El Gibbs, Submission 111, p. 3.

<sup>&</sup>lt;sup>6</sup> Mary Daly, 'Care Policies in Western Europe', in M. Daly (ed.) *Care Work: The Quest for Security,* International Labour Organisation, Geneva, 2002.

Associate Professor Elizabeth Hill, Australian Work + Family Policy Roundtable, Committee Hansard, 7 October 2022, p. 2.

<sup>&</sup>lt;sup>8</sup> Ms El Gibbs, Submission 111, p. 4.

development. Evidence to the committee revealed that our economy is reliant on the continuation of unpaid care which underpins the formal care workforce and workplace structures. Yet, many workplace policies and practices in Australia remain inflexible, thereby limiting the choices and opportunities for workers to balance caring responsibilities with work obligations.

- 2.11 This point was made by several submitters to the inquiry, including the Australian Council of Trade Unions (ACTU) as well as the Victorian Branch of the Australian Nursing and Midwifery Federation which argued that current workplace laws remain inadequate in supporting the needs of employees to balance work and care responsibilities. In this regard, the ACTU argued that workplace laws aimed at directly addressing the historical undervaluation of work in female-dominated sectors had largely failed. In
- 2.12 The committee was told how decades of care and support policy reform in Australia have 'devolved' responsibility for social service provision (including care and support services) from the state to the market, voluntary and not-for-profit sectors.<sup>11</sup>
- 2.13 This trend, coupled with a shift in 'risk and responsibility' away from the state and onto individuals and families in relation to financial security, care, and support, has left workers to manage the care of others in their own time and at their own financial and employment-related expense and often at the cost of their own health and wellbeing, or that of those they care for.<sup>12</sup>

## **Economic contribution of Australia's unpaid carers**

- 2.14 As a starting point, unpaid care is seen as informal and unskilled.<sup>13</sup> As it is not recognised in mainstream economics and is devalued accordingly, it remains largely invisible in national data. As it is often considered to be 'non-work', government spending on care and carers is seen as a cost rather than an investment.
- 2.15 The resulting economic inequality experienced by unpaid carers remains a structural feature of our economy, and the significant contribution that unpaid carers make to the social and economic wellbeing of the nation is overlooked.

<sup>12</sup> Dr Yvette Maker, Submission 54, p. 1.

<sup>13</sup> Ms Louise de Plater, National Industrial Officer, Health Services Union, *Committee Hansard*, 20 September 2022, p. 27.

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<sup>&</sup>lt;sup>9</sup> Australian Council of Trade Unions, *Submission 83*, p. 14. Australian Nursing and Midwifery Federation (Victorian Branch), *Submission 1*, pp. 1-2.

<sup>&</sup>lt;sup>10</sup> Australian Council of Trade Unions, Submission 83, p. 14.

<sup>&</sup>lt;sup>11</sup> Dr Yvette Maker, Submission 54, p. 1.

- Yet, our economy relies on unpaid care work to function and its unpaid care labour force to drive productivity.<sup>14</sup> It is an essential foundation of our economy.
- 2.16 The contribution of Australia's unpaid carers (comprising one in every 10 Australians) to the economy and society is substantial. <sup>15</sup> In monetary terms, unpaid care work in Australia has been estimated to amount to \$650.1 billion per annum—the equivalent of 50.6 per cent of gross domestic product (GDP). <sup>16</sup> Of this, Australians aged over 65 years contribute an estimated \$39 billion per year in unpaid caring and voluntary work. <sup>17</sup> Deloitte estimated that in 2020 alone, 2.2 billion hours of unpaid care was provided by 2.8 million informal carers at an estimated value of \$78 billion. <sup>18</sup>
- 2.17 However, unpaid care work is not included in the calculation of GDP.<sup>19</sup> There is a clear disjunction, therefore, between what is counted in GDP and what is both essential and valuable to our society.
- 2.18 At the same time, there are significant socio-economic costs borne by both carers and their families, including lost earnings for time out of paid employment to care for a loved one. In 2020, the lost earnings of unpaid carers were estimated at \$15.3 billion, or 0.8 per cent of GDP.<sup>20</sup>

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Queensland Nurses and Midwifery Union, Submission 49, p. 5; Antipoverty Centre, Submission 110, p. 10.

Australian Institute of Health and Welfare, Informal carers, 16 September 2021, www.aihw.gov.au/reports/australias-welfare/informal-carers (accessed 16 January 2023). The Institute estimated that there were 2.65 million unpaid carers, based on 2018 statistics. Carers NSW estimates that around one in eight working-age Australians (16 to 65 years) are currently informal carers and that up to four per cent of Australian employees become informal carers each year. Carers NSW, Submission 27, p. 4.

Workplace Gender Equality Agency, Unpaid care work and the labour market, 9 November 2016, p. 3 www.wgea.gov.au/publications/unpaid-care-work-and-the-labour-market (accessed 15 November 2022); Australian Institute of Family Studies, Measuring the value of unpaid household, caring and voluntary work of older Australians, December 2003, p. 19, aifs.gov.au/research/research-reports/measuring-value-unpaid-household-caring-and-voluntary-work-older (accessed 16 January 2023). Prior to the pandemic, the value of unpaid care work was estimated to be \$1.5 billion per week; Workplace Gender Equality Agency, Submission 17, p. 4.

<sup>&</sup>lt;sup>17</sup> Australian Institute of Family Studies, *Measuring the value of unpaid household, caring and voluntary work of older Australians*, December 2003, p. 19.

Deloitte Access Economics, The value of informal care in 2020, May 2020, p. ii; www2.deloitte.com/au/en/pages/economics/articles/value-of-informal-care-2020.html (accessed 15 November 2022).

Workplace Gender Equality Agency, Unpaid care work and the labour market, 9 November 2016, www.wgea.gov.au/publications/unpaid-care-work-and-the-labour-market (accessed 15 November 2022).

<sup>&</sup>lt;sup>20</sup> Deloitte Access Economics, *The value of informal care in 2020*, May 2020, p. ii.

- 2.19 The economic impact on lifetime income and retirement savings for informal carers is substantial. Estimates suggest that the most affected 10 per cent of carers who undertake unpaid care for extended periods will forego at least \$940 000 in lifetime income and \$444 500 in superannuation.<sup>21</sup>
- 2.20 The lack of social and economic value placed on care work was described by the Australian Human Rights Commission in the context of childcare:

There are a range of payments and tax benefits to support individuals with childcare responsibilities. However, these do not adequately reward the considerable benefit this care provides to communities and the economy, nor do they compensate for the serious financial penalties that result from these responsibilities. Despite its significant contribution to the economy, the care of children still does not have the status or value of paid work. Indeed, this is clear in the very conception of the superannuation system, which does not recognise the care of children as a form of work.<sup>22</sup>

## 'A woman's work is never done ... I don't stop (Take care of everyone)'

- 2.21 As the committee's *Interim Report* revealed, the reality for women in Australia today is that they are far more likely than men to take on informal, unpaid care.<sup>23</sup> Care activities are disproportionately absorbed by women at home, at work, in communities and social organisations.<sup>24</sup> For many women, this work is additional to paid employment, thereby creating a 'double burden' of work.
- 2.22 Throughout their lives, women are more likely to take time off work to care for children and parents, more likely to work part-time or in insecure positions, and are more likely to work in lower-paid jobs than men.
- 2.23 In taking on most of the responsibility for the care of children, as a case in point, women are often considered as the secondary income earner in their household. The unequal distribution of unpaid care work reflects and reinforces gender stereotypes regarding men as the primary earners and women as, primarily, carers.

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<sup>&</sup>lt;sup>21</sup> Evaluate and Carers Australia, *Caring Costs Us: The economic impact on lifetime income and retirement savings of informal carers*, March 2022, p. 11, <a href="www.carersaustralia.com.au/caring-costs-us-report-finds-average-lost-earnings-and-superannuation-is-over-567000/#:~:text=earnings%20and%20superannuation.-,Caring%20Costs%20Us%3A%20The%20economic%20impact%20on%20lifetime%20income%20and,a%20further%20%24175%2C000%20in%20superannuation (accessed 15 November 2022).

<sup>&</sup>lt;sup>22</sup> Australian Human Rights Commission, *Accumulating poverty? Women's experiences of inequality over the lifecycle*, 2009, p. 17, <u>humanrights.gov.au/our-work/sex-discrimination/publications/accumulating-poverty-womens-experiences-inequality-over</u> (accessed 15 November 2022).

<sup>&</sup>lt;sup>23</sup> Heading title from: Tina Arena, *Woman's Work* [lyrics], EMI, March 1991. Chief Executive Women, *Submission 44*, p. 3; Senate Select Committee on Work and Care, *Interim Report*, October 2022, p. 6.

<sup>&</sup>lt;sup>24</sup> Chief Executive Women, *Submission 44*, p. 3.

- 2.24 The gendered division of labour which underpins our society and workplaces entrenches the unequal distribution of care. The more time women spend in unpaid care work, the lower the female workforce participation rate.<sup>25</sup> Put differently, unpaid care work is a major factor in determining whether women enter and stay in paid employment, and it constrains their hours of work. It also determines the quality of their work. In fact, the provision of more than 10 hours of care per week significantly reduces a carer's likelihood of being in paid employment.<sup>26</sup>
- The disproportionate burden of unpaid care in Australia has serious and 2.25 unequal consequences for women at every stage of their lives, including in relation to:
  - education, including higher studies;
  - entering the paid workforce for the first time and re-entering the workforce;
  - workplace participation and job security including equal pay with men for equivalent work;27
  - career stability, progression and promotion, including securing leadership roles;28
  - pregnancy, maternity, and parental leave;
  - · superannuation and financial security (including lost earnings during periods out of the workforce);
  - · divorce and separation; and
  - retirement and housing security.
- 2.26 Women disproportionately exit the workforce after the birth of a child to take on the additional unpaid care load. Furthermore, when children are born and the overall domestic workload increases, men's time on housework tends to decline. Even as children grow, this imbalance is 'never fully rectified, with women's workforce participation remaining lower for all age groups through to

<sup>&</sup>lt;sup>25</sup> Workplace Gender Equality Agency, Unpaid care work and the labour market: Insight Paper, 9 November 2016, p. 4, <u>www.wgea.gov.au/sites/default/files/documents/australian-unpaid-care-</u> work-and-the-labour-market.pdf (accessed 15 November 2022).

<sup>&</sup>lt;sup>26</sup> Productivity Commission, Submission 2, p. 5.

The difference between average male and female full-time earnings is currently 14 per cent. The Australian Council of Social Service estimates that this gap widens to 26 per cent when the fact that approximately half of women in paid work are employed part-time is considered. Australian Council of Social Service, Submission 107, p. 2.

<sup>&</sup>lt;sup>28</sup> Workplace Gender Equality Agency, Submission 17, p. 2.

- retirement'.<sup>29</sup> In fact, unpaid care work is the most significant contributing factor to the gender gap in retirement savings and retirement income in Australia.<sup>30</sup>
- 2.27 The unequal burden of care work has a direct impact on women's opportunities and choices, including the ability to secure any form of paid employment. It also has serious and unequal consequences for women in relation to their own wellbeing, physical and mental health, and sense of self-worth.<sup>31</sup>
- 2.28 In this regard, submitters made the point that the nature of care is such that it is continuous and unpredictable, unrelenting and must often be prioritised over other activities.<sup>32</sup> It can also significantly change family dynamics, as one submitter, juggling higher studies and work with care of her mother explained:

I constantly feel like I am not giving enough to my work, or my study. My relationship with mum has become strained as her demands increase and my time with her is no longer spent as mother and daughter but as nurse, maid, servant, and coordinator.<sup>33</sup>

## The costs to men of an inadequate system

- 2.29 The negative consequences of combining a job with caring responsibilities are not confined to women. Many men currently care for children, older parents and others needing care. They struggle with similar costs, barriers and inflexibility that affect women. However, as the data shows, the main consequences disproportionately affect women, given the disproportionate level of care they undertake.
- 2.30 Many men would also like the opportunity to provide more care to their children and loved ones, alongside their jobs. However, their longer hours and the cultural norms and expectations of their jobs frequently prevents this.
- 2.31 The committee heard evidence about the circumstances of young men and women caring for family members and its impact upon their physical and mental health and their participation in education and work.
- 2.32 Improvements in work and care architecture must assist both men and women to participate in both work and care over their lives.

<sup>&</sup>lt;sup>29</sup> Ms Carmel O'Regan, Assistant Secretary, Department of Employment and Workplace Relations, *Committee Hansard*, 16 September 2022, p. 3.

<sup>&</sup>lt;sup>30</sup> Australian Human Rights Commission, *Investing in care: recognising and valuing those who care*, Volume 1, Research Report, 2013, p. 1, humanrights.gov.au/our-work/sex-discrimination/publications/investing-care-recognising-and-valuing-those-who-care (accessed 1 February 2023).

<sup>&</sup>lt;sup>31</sup> Mental Health Carers Australia, Submission 109, p. 4.

<sup>&</sup>lt;sup>32</sup> Name Withheld, Submission 114, p. 2.

Name Withheld, Submission 113, p. 1.

## Piecemeal approach, disincentives, and policy tensions

- 2.33 The committee acknowledges that efforts to increase women's labour force participation have led to some significant improvements. These include PPL schemes and other recent reforms, steps to enforce the right to request flexible work arrangements and childcare support.<sup>34</sup> The committee also recognises that many employers have policies and practices in place to support employees with caring responsibilities.
- 2.34 However, evidence to the committee highlighted the way in which several policies and standards act as a disincentive to workforce participation, alongside other obstacles and challenges. The Workplace Gender Equality Agency (WGEA) argued that that policies and strategies in place that seek to support employees with caring responsibilities have 'not yet translated into improved outcomes for women in the workplace or a more equal division of work and care between women and men'.<sup>35</sup> Childcare is a primary example, with a recent Australian Bureau of Statistics (ABS) survey finding that of the 1.8 million people who wanted to work, over 160 000 of them identified caring for children or others as the primary barrier to working. Of these respondents, 70 per cent were women.<sup>36</sup>
- 2.35 Ms Shelby Schofield from the Office for Women highlighted the consequences for women:

Unaffordable and inaccessible care options are a significant barrier to women entering and increasing their employment. Australia's care workforce is female dominated and low paid relative to other industries. This partly reflects the undervaluation of women's care by employers and institutions. Australia's undervaluation of women's work has masked the costs of care, distorted expectations around appropriate funding for essential care and early childhood education services and hindered our ability to plan for and meet Australia's care workforce needs.<sup>37</sup>

2.36 Evidence to the committee emphasised the importance of reducing current disincentives to increasing women's workforce participation—with particular focus on amendments to personal tax, family benefits and childcare support systems. These disincentives, some of which result from a piecemeal approach to care or are unintended consequences of the interaction between tax settings

<sup>36</sup> Ms Erin Keogh, Assistant Director, Australian Council of Trade Unions, *Committee Hansard*, 31 October 2022, p. 59.

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<sup>&</sup>lt;sup>34</sup> Australian Nursing and Midwifery Federation (Victorian Branch), *Submission 1*, pp 1–2.

Workplace Gender Equality Agency, Submission 17, p. 2.

<sup>&</sup>lt;sup>37</sup> Ms Shelby Schofield, Office for Women, *Committee Hansard*, 8 December 2022, p. 54.

- and the provision of benefits and services, are explored in greater detail in the chapters that follow.<sup>38</sup>
- 2.37 The Work + Family Policy Roundtable (Roundtable) argued that the systemic problems with the undervaluation of feminised sectors and wage discrimination across all sectors of the labour market highlight 'that our industrial relations systems do not deliver adequate outcomes for women and need to be reformed'.<sup>39</sup> The concern remains that the continued dependence on unpaid care work to compensate for inadequate or expensive public services will widen the gender gap further.
- One of the key themes in evidence to the committee throughout the inquiry was the need to move away from a piecemeal approach to the complexities of work and care in favour of a holistic, whole-of-government approach which takes into consideration the experience of working carers, those they care for and employers. As Dr Yvette Maker argued, rather than take a holistic approach to care that encompasses all relevant stakeholders and activities, policy in Australia has tended to favour one activity (informal care or paid care) or constituency (carer or person receiving care) over the other. She argued that consequently, individuals' access to resources and choices about how they live their lives are constrained.40
- Many structural inequalities have been inadvertently reinforced in policy and workplace practices. The committee notes in this regard that until recently with the passage of the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act in December 2022, the only two National Employment Standards (NES) not enforceable under the Fair Work Act 2009 (Fair Work Act) were the right to request flexible working arrangements and to request unpaid parental leave. Recommendation 3 of the committee's Interim Report sought to amend the Fair Work Act accordingly and some steps forward have ensued. However, the recommendation to introduce a positive duty on employers to reasonably accommodate flexible working arrangements has not been acted upon.<sup>41</sup> This report revisits and restates this recommendation.
- 2.40 The committee recognises the diverse impacts that work and care policies have on different demographic and population groups including migrant workers and those on temporary visas, older workers, sole parent workers, workers with disabilities, younger workers and First Nations workers. This report considers

<sup>41</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, Recommendation 3, p. xi.

<sup>38</sup> Per Capita Australia, Submission 88, p. 6; Brotherhood of St. Laurence, Submission 53, p. 2; Chief Executive Women, Submission 44, p. 4.

<sup>&</sup>lt;sup>39</sup> Work + Family Policy Roundtable, *Submission* 22, p. 2.

<sup>&</sup>lt;sup>40</sup> Dr Yvette Maker, *Submission 54*, p. 1.

the specific experiences, challenges and needs of a number of these groups and sectors.

## Increased workforce participation and the gender pay gap

- 2.41 Evidence before the committee revealed that as women's labour participation rate continues to rise, women are also working longer hours in paid employment while continuing to fulfil unpaid caring responsibilities.<sup>42</sup>
- 2.42 The NES in Australia prescribes a 38-hour week. However, fewer workers in Australia are now working hours at the full-time standard, with more working either substantially shorter or substantially longer than the standard 38-hour week. In fact, 40 per cent of employed Australians (or two out of five) routinely work more than 38 hours a week. 43 On average, workers in Australia are putting in 6.1 hours of unpaid overtime every week. 44 At the same time, the majority of those working more than 38 hours are men, with one in ten employed men working more than 50 hours a week. 45
- 2.43 Long working hours have negative consequences for a worker's health, safety, and work-life balance. Gender equality is also regressed, as expectations that people work longer cannot be met by those with caring obligations, most commonly women. The expectation of longer working hours places women at a significant disadvantage in terms of earnings and promotion and can contribute to occupational segregation as working carers avoid long-hour occupations. This especially affects women's and carers' share of leadership, managerial and more senior jobs, with long term impacts on the gendered culture of such critical occupations.
- 2.44 There is a direct correlation between long working hours and high-paying jobs. The committee was informed that workers routinely working significantly more hours than the national standard are generally in senior, well-paid, high-end and high-status jobs. It should be noted, in this regard, that men over the age of 55 are twice as likely as women to be in management in Australia while 'higher-

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<sup>&</sup>lt;sup>42</sup> The female participation rate was 62.3 per cent as at August 2022, which remains low compared to the male participation rate of 71 per cent and short of the record rate for women of 62.5 per cent in June 2022. Ms Carmel O'Regan, Department of Employment and Workplace Relations, *Committee Hansard*, 16 September 2022, p. 13.

<sup>&</sup>lt;sup>43</sup> Australian Bureau of Statistics, *Understanding full-time and part-time work*, 18 February 2021, www.abs.gov.au/articles/understanding-full-time-and-part-time-work#full-time-and-part-time-hours-worked (accessed 11 January 2023).

<sup>44</sup> Ms Helen Dalley-Fisher, Equality Rights Alliance, Committee Hansard, 14 November 2022, p. 39.

<sup>&</sup>lt;sup>45</sup> Professor Lyndall Strazdins, Committee Hansard, 8 December 2022, p. 35; Professor Lyndall Strazdins, Submission 122, p. 3.

paid management opportunities are almost exclusively reserved for full-time workers'.46

2.45 The ramifications for women of these conditions were explained by Professor Lyndall Strazdins:

> The problem is that most particularly senior, well-paid, high-end, high-status jobs routinely work well beyond that [38 hours] in a working week. Then what you have is what is called a gender polarised labour market, where you have men working in long-hour jobs and women working in short-hour jobs. The long-hour jobs receive the rewards and high earnings. That's incentivised. The short-hour jobs receive poorer pay and conditions.47

- 2.46 Research undertaken in Australia by Professor Strazdins and others, and internationally by academics including Liana Christin Landivar, demonstrate that work hours are not only correlated with income but are also linked to benefits offered in the workplace as well as opportunities for advancement and promotion, while also affecting the power to bargain for flexibility.<sup>48</sup>
- Landivar's research revealed that countries with shorter maximum weekly work hours have less work-hour inequality between spouses 'as each additional allowable overtime hour over the standard working week increased the work-hour gap between couples by 20 minutes'. Her research demonstrates that inequality in work hours and gender inequality in labour supply are associated with country-level work-hour regulations.49 Countries that have not put enforceable measures in place to limit work-hour differences, through either regulation or incentive mechanisms to avoid extremely short or long hours, have greater inequality in employment hours.
- 2.48 Professor Strazdins explained that this gender gap in work hours has widened in Australia as women's labour force participation has grown:

In July 2010, on average, full-time Australian men worked 41.0 weekly hours compared with 35.8 hours for full-time women – a difference of about 4.1 hours more. This calculates out to 16.4 additional hours per month, or 180.4 hours per year, assuming 1 month leave. It represents a major, gendered, labour market advantage. This gender gap in working time has widened over the past decades, even as women's labour force participation has risen.

<sup>48</sup> Liana Christin Landivar, 'The gender gap in employment hours: do work-hour regulations matter?', Work, **Employment** and Society, Volume

<sup>&</sup>lt;sup>46</sup> Workplace Gender Equality Agency, Wages and Ages: Mapping the Gender Pay Gap by Age, 27 June 2022, www.wgea.gov.au/publications/wages-and-ages (accessed 16 January 2023).

<sup>&</sup>lt;sup>47</sup> Professor Lyndall Strazdins, Private capacity, Committee Hansard, 8 December 2022, p. 35.

<sup>29(4),</sup> August 2015, p. 551, journals.sagepub.com/doi/epub/10.1177/0950017014568139 (accessed 11 January 2023).

<sup>&</sup>lt;sup>49</sup> Liana Christin Landivar, 'The gender gap in employment hours: do work-hour regulations matter?', Work, Employment and Society, Volume 29(4), August 2015, p. 550.

Thirty years ago in Australia, full-time men worked an average of just 1.4 hours more than full-time women.<sup>50</sup>

- 2.49 Within this context, evidence suggests that there is a tendency amongst men to use flexible working arrangements for 'performance enhancing purposes' by increasing their work intensity and working hours for reward (including income and promotion), but this can increase the prospect of work-family conflict. Social and cultural gender norms dictate that women, in direct contrast, are expected to increase their responsibility within the family when working flexibly, which can also potentially increase the scope for work-family conflict, but without any financial or other reward.<sup>51</sup>
- 2.50 Professor Strazdins has analysed employment and women's healthy work hours thresholds (i.e. the hours of paid work and unpaid care worked before negative health impacts arise). Her analysis shows that when women work the same long hours as men and their unpaid care work is accounted for, their healthy workhour threshold is considerably lower than men doing the same, and they end up compromising their own health trying to 'juggle' everything. According to her research, men's lower unpaid work gives them an invisible health advantage every week: with men able 'to work 13 hours more than an average woman before they compromise their mental health'.<sup>52</sup>
- 2.51 As a long-hour job is impossible to combine with unpaid care, women are faced with the option of either cutting back on care to work long hours, or cutting back on work to fulfil care responsibilities. As there are only 24 hours in the day, women are forced into a difficult choice.
- 2.52 Professor Strazdins informed the committee that the incentivisation of long hours in the workforce has therefore created a system that immediately disadvantages women for these reasons, effectively creating a two-tier labour market. This has significant implications for working women—especially when considering that women are overrepresented in part-time work in Australia.<sup>53</sup>
- 2.53 At the same time, Australians are increasingly working to, or returning to the workforce at, an older age. In April 2021, approximately 619 000 older Australians (aged 65 years and over) were employed in the labour force, of

Heejung Chung and Tanja van der Lippe, 'Flexible Working, Work-Life Balance, and Gender Equality: Introduction, *Social Indicators Research*, Volume 141, 2022, abstract, <a href="link.springer.com/article/10.1007/s11205-018-2025-x">link.springer.com/article/10.1007/s11205-018-2025-x</a> (accessed 11 January 2023).

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<sup>&</sup>lt;sup>50</sup> Professor Lyndall Strazdins, Submission 122, p. 4.

<sup>&</sup>lt;sup>52</sup> Professor Lyndall Strazdins, Committee Hansard, 8 December 2022, p. 34.

<sup>&</sup>lt;sup>53</sup> In March 2020, 44 per cent of women workers worked part-time hour compared with approximately 18 per cent of male employees. Penny Vandenbroek, Parliamentary Library, *Gender wage gap statistics: a quick guide*, Research paper, 16 November 2020, <a href="https://www.aph.gov.au/About Parliament/Parliamentary departments/Parliamentary Library/pubs/rp/rp2021/Quick Guides/Wages">www.aph.gov.au/About Parliament/Parliamentary departments/Parliamentary Library/pubs/rp/rp2021/Quick Guides/Wages</a> (accessed 15 November 2022).

- which 39 per cent were women.<sup>54</sup> Over the last 20 years, the workforce participation rate of older Australians has more than doubled (from 6.1 per cent in 2001 to 15 per cent in 2021).<sup>55</sup> This is amongst the most significant changes in labour participation patterns in recent years, especially amongst older women.
- 2.54 Previously, women who engaged in unpaid labour absorbed much of the responsibility for the provision of care, to the detriment of their own career aspirations. However, the growth of women's participation in the formal labour market coupled with the longer hours they are working, raises questions about the future of care in Australia and the future of women's health and wellbeing.
- 2.55 The future of care in Australia comes into greater focus when considering the number of people requiring informal care is set to grow by 23 per cent, from 1.25 million in 2020 to 1.54 million in 2030.<sup>56</sup> How our society addresses the issue of care, now and into the future, has significant implications for the achievement of gender equality, with a significant risk that women will be confined to the double and disproportionate burden of work and care.
- 2.56 At the same time, however, the provision of support for female workers to manage their care responsibilities to participate in paid employment will not address the prevailing structural inequalities. Professor Marian Baird AO noted in this regard that the assumption that women will continue to provide unpaid care suits the current policy settings. She argued, however, that while it assumes that women will provide the care, 'it doesn't provide the policy framework in which that care can be provided'.<sup>57</sup>

## A way forward

- 2.57 A key theme of this inquiry, as reflected in the evidence to the committee, is negotiating the tension between efforts and policies to support the unpaid care work undertaken primarily by women and their equal participation in the paid workforce—without a substantial increase in working hours and a risk to health.<sup>58</sup>
- 2.58 In considering these challenges, the committee acknowledges evidence which called for a comprehensive, whole-of-government policy approach which incorporates the experiences, views, and aspirations of working carers themselves. To this end, the committee emphasises the importance of

Professor Marian Baird AO, University of Sydney Business School, Committee Hansard, 21 September 2022, p. 45.

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<sup>&</sup>lt;sup>54</sup> Australian Institute of Health and Welfare, Older Australians, 30 November 2021, www.aihw.gov.au/reports/older-people/older-australians/contents/employment-and-work (accessed 15 November 2022).

<sup>&</sup>lt;sup>55</sup> Australian Institute of Health and Welfare, Older Australians, 30 November 2021.

<sup>&</sup>lt;sup>56</sup> Department of Social Services, Submission 119, p. 4.

<sup>&</sup>lt;sup>58</sup> Dr Yvette Maker, *Submission 54*, p. 1.

- recognising and addressing the differential impacts on women through different stages of their lives as well as First Nation people, migrants and refugees, disabled persons, those living in rural and remote communities and others in the community with divergent experiences.
- 2.59 The Roundtable argued that institutional support is required to 'allow women to fully engage in or access the paid employment they would like and that can provide them with economic security'.<sup>59</sup> Many submitters argued for the need to rethink the sustainability of our current care infrastructure, particularly following the COVID-19 pandemic which increased gender inequality and further hindered women's labour force participation. The point was made that our policy and regulatory settings are not fit for purpose given the gender composition of our labour market and the economic challenges we now face.<sup>60</sup> It imposes costs on both men and women across their lives, and it has significant impacts upon our economy through its impacts upon labour supply and health budgets.
- 2.60 The reality is that in Australia today, women have increased their labour force participation rate more than men have increased unpaid care contributions. Estimates suggest, however, that if the gap between women's and men's labour participation rate were halved, households would be better off by an estimated \$140 billion over 20 years.
- 2.61 The following chapters consider a range of mechanisms, reforms, programs and changes to provide greater opportunities for workers on various incomes with caring obligations. The committee considers these matters from the different perspectives of working carers at different stages of their lives, noting the important differences in the experience of different cohorts of society.

<sup>60</sup> Associate Professor Hill, Work + Family Policy Roundtable, Committee Hansard, 7 October 2022, p. 3.

<sup>&</sup>lt;sup>59</sup> Work + Family Policy Roundtable, *Submission* 22, p. 2.

# Chapter 3

# Early childhood education and care

- 3.1 The importance of a quality, affordable and accessible early childhood education and care (ECEC) system cannot be overstated. Alongside the growing evidence showing that quality ECEC is essential to childhood development and life chances, access to ECEC for working carers helps support carers to participate in the workforce actively and flexibly, while balancing their childcare responsibilities.
- 3.2 This chapter considers the evidence received by the committee in support of a reformed ECEC system—one which is affordable, universal, and of high quality. A reformed ECEC system should help support, normalise and encourage women's return to work, but place at its centre the wellbeing of children in all their diversity. Vital to this is an effective Paid Parental Leave (PPL) scheme which encourages primary and secondary carers to re-enter the workforce after caring for young children. In this way, ECEC and PPL are essential and complementary parts of the framework supporting working carers.
- 3.3 This chapter also examines issues such as childcare deserts across Australia, the impact of COVID-19 on the provision of childcare services, and current government measures in place to support ECEC enrolment and engagement. It will also put forward evidence about how leave provisions, including PPL, could be better structured to help people balance work and care responsibilities and remain engaged in the workforce.

## The current ECEC framework

3.4 As detailed in Chapter 3 of the committee's *Interim Report*, <sup>1</sup> ECEC can include formal childcare, informal paid or unpaid care, and services delivering a preschool program. The *Interim Report* also explained the following responsibilities for early childcare between jurisdictions:

- the Australian Government—has policy responsibility for formal care; administers fee subsidies for childcare (and provides some funding to Australian Government approved services); oversees quality accreditation systems in early childhood education and care;
- **state and territory governments**—are responsible for the policy and funding of preschools; and

<sup>&</sup>lt;sup>1</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, Chapter 3 <a href="https://www.aph.gov.au/Parliamentary Business/Committees/Senate/Work and Care/workandcare/Interim Report/">www.aph.gov.au/Parliamentary Business/Committees/Senate/Work and Care/workandcare/Interim Report/</a> (accessed 8 February 2023).

• **preschool education**—is delivered using a variety of funding and delivery models, including private provision.<sup>2</sup>

### Issues with the current system

- 3.5 The ECEC system is a substantial piece of the puzzle for those trying to balance paid employment with caring for young children, with seeking income security, active participation in the workforce and access to suitable leave entitlements. It facilitates job-seeking, education, volunteering and community engagement, and is also crucial to the development of children in the first five years of their life.
- 3.6 The Hon Jay Weatherill AO, Director of the Thrive by Five initiative with the Minderoo Foundation, pointed to the 'profound' evidence showing 'how the trajectory in the first five years then determines, fundamentally, the trajectory for life'. He continued that 'the time and expense and difficulty of altering a trajectory that's established in the first five years proves to be very difficult'.<sup>3</sup>
- 3.7 It is known that the size of a child's brain reaches 90 per cent of an adults by the age of five. Accordingly, a child's early years are 'critical to lifelong learning and wellbeing'.<sup>4</sup>
- 3.8 The Department of Education drew attention to data from the Australian Early Development Census, indicating that preschool reduces the number of children who are not ready to start school by approximately 10 per cent—with preschool being of particular benefit to First Nations children, and those from disadvantaged families and communities.<sup>5</sup>
- 3.9 However, as was made clear in the committee's *Interim Report* and in a considerable volume of other research and evidence, Australia's ECEC system does not provide sufficient support to carers with young children, nor does it provide the best possible start for children.
- 3.10 The following issues about Australia's current ECEC system were discussed in the committee's *Interim Report*:<sup>6</sup>

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Department of Education, Schooling, 17 August 2022, <u>www.education.gov.au/schooling</u> (accessed 13 January 2023).

<sup>&</sup>lt;sup>3</sup> The Hon Jay Weatherill AO, Director, Thrive by Five, Mindaroo Foundation, *Committee Hansard*, 6 December 2022, p. 2.

Mitchell Institute, Victoria University, Deserts and oases: How accessible is childcare in Australia? March 2022, p. 2, <u>www.vu.edu.au/sites/default/files/how-accessible-is-childcare-report.pdf</u> (accessed 13 January 2023).

Department of Education, *Preschool Reform Funding Agreement*, <u>www.education.gov.au/child-care-package/preschool/preschool-reform-funding-agreement</u> (accessed 13 January 2023).

<sup>&</sup>lt;sup>6</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, Chapters 2 and 3.

- the ECEC system is a major weak point in the care and support system, and is a source of stress and instability;
- it is particularly problematic for employees engaged in work with unpredictable or non-core hours;
- many working parents face significant challenges in accessing appropriate ECEC, which would enable them to work the hours they wish to;
- the high cost of ECEC acts as a barrier to working carers accessing care to support their engagement with paid employment;
- lack of access to ECEC, including 'childcare deserts', has a direct, negative impact on earning potential and career progression for working carers;
- workforce shortages, with ECEC educators facing low wages and high demands;
- a lack of long-term funding for community controlled and culturally appropriate ECEC services for First Nations communities, and in regional, remote and rural areas; and
- the negative impact of activity tests on subsidised childcare.
- 3.11 Further, as the committee's *Interim Report* highlighted, the gendered nature of care responsibilities means that women are more likely to be responsible for the care of children. Women are thus more likely being asked to make difficult choices between their caring roles, and engaging in the workforce and progressing their career. This choice has direct financial consequences for women, especially later in life.
- 3.12 The issues with the current ECEC framework—including financial issues—were well summarised by the Centre for Policy Development (CPD) in its 2021 report, *Starting Better*. The CPD observed that:

The early childhood sector is expensive and underfunded. As a share of family income, the costs of early childhood education and care in Australia are among the highest in the developed world. Many children are locked out of services altogether, with almost two thirds of families citing expense as a problem. Mothers who want to work say that looking after children is the main reason why they can't look for a job.

. . .

Our Early Childhood Development (ECD) system remains difficult, expensive, and confusing for everyone to navigate. The range of services available for parents to choose from often does not reflect what would best meet the needs of children and families. In fact, it's misleading to call this collection of services a 'system' at all since the parts rarely connect well.<sup>7</sup>

3.13 The Parenthood made the point that 'successful early childhood development policies focus on equipping families with the time, resources, knowledge, and

Centre for Policy Development, Starting Better: A Guarantee for Young Children and Families, November 2021, pp. 2 and 6, <u>cpd.org.au/wp-content/uploads/2021/11/CPD-Starting-Better-Report.pdf</u> (accessed 23 January 2023).

skills' to provide care. The Parenthood explained, however, that these policies in Australia are lacking and inaccessible, especially around ECEC, saying:

Australia had the fourth most expensive early childhood education and care (ECEC) fees in the OECD [Organisation for Economic Co-operation and Development]. Participation rates in ECEC lag global peers and Australia's female workforce participation is peculiarly low. Workplace discrimination against parents is prolific. These are all structural drivers of gender inequity which remains stubbornly entrenched.<sup>8</sup>

3.14 Similarly, Ms Alannah Batho argued that 'having and raising children is absolutely critical to the healthy functioning of our economy and our society', but also maintained that social changes around the distribution of work have not been reflected in the ECEC framework. Ms Batho explained that:

Kindergarten and school hours and holidays were previously not problematic, in the model where the mother worked at home full-time and was able to pick up and drop off the children and care for them during school holidays. However, it is clear [childcare] hours are fundamentally inconsistent with a household in which both parents work.

. . .

A huge proportion of our workforce are parents. The fact that our working system is so incompatible with the realities of parenting, and that these are seen as individual rather than collective issues, is unacceptable.<sup>9</sup>

- 3.15 The Parenthood drew attention to research suggesting that Australia's lack of early support to children and families, or late intervention, is estimated to cost the economy more than \$15 billion annually.<sup>10</sup>
- 3.16 A lack of access to ECEC also has direct impacts on children when they start school. The CPD observed that one in five children will start school developmentally vulnerable, rising to two in five for children without the benefits of ECEC.<sup>11</sup>

## The need for cheaper and universal childcare

3.17 The issues detailed above need to be addressed if Australia is to have an ECEC system which supports people balancing work and care, while providing the best possible start in life for babies and children. The evidence about the

<sup>&</sup>lt;sup>8</sup> The Parenthood, *Making Australia the best place in the world to be a parent*, [no date], p. 4, d3n8a8pro7vhmx.cloudfront.net/theparenthood/pages/669/attachments/original/1613473151/Final Report - Making Australia The Best Place In The World To Be A Parent.pdf?1613473151 (accessed 23 January 2023).

<sup>9</sup> Ms Alannah Batho, Submission 8, pp. 2–3.

<sup>&</sup>lt;sup>10</sup> The Parenthood, *Submission 16*, p. 3.

<sup>&</sup>lt;sup>11</sup> Centre for Policy Development, *Starting Better: A Guarantee for Young Children and Families*, November 2021, p. 1.

importance of a child's early years to their entire life reinforces the importance of access to quality, holistic ECEC.

- 3.18 The committee received compelling evidence that universal, affordable and accessible childcare would create significantly improved outcomes for children and their families, and for working carers—and especially for women and their engagement with paid employment.
- 3.19 The committee was pointed to considerable evidence, showing that access to adequate, quality ECEC plays a vital role in ensuring better life outcomes for children, and for increasing workforce participation for carers.
- 3.20 For example, Goodstart Early Learning (Goodstart) observed that many families and children face 'complex administrative and structural barriers that impact their ability to fully realise the benefits' of ECEC. Goodstart noted that:

Access to affordable, high quality early childhood education and care is critical to supporting workforce participation for carers. It is also essential that children with disability, developmental delays or other inclusion support needs have their needs met so they can fully participate in and benefit from early learning.<sup>12</sup>

3.21 As noted by the Department of Education, the benefits of an effective ECEC system help both children and their carers:

A strong early childhood education system built around early learning gives children the best start in life—supporting them to build social and behavioural skills to help prepare them to transition to school.

For parents and carers, affordable childcare enables them to participate in the workforce, pursue further education or other opportunities to contribute to their community—bolstering the social wellbeing and economic prosperity of the nation.

Affordable childcare can have an immediate impact on the capacity of primary carers (predominantly women) to engage in the workforce, as well as a lasting impact on labour market outcomes throughout the remainder of their careers.<sup>13</sup>

3.22 The Work + Family Policy Roundtable (Roundtable) said that Australia's ECEC policy 'must be reframed in order to deliver the triple dividend of supporting labour force participation, sustaining decent, fairly remunerated employment, and investing in the next generation'. The Roundtable called for:

... a national system of publicly funded, free early childhood education and care. This universal system should be available for all children regardless of their parents' workforce participation, where they live or their socioeconomic status.<sup>14</sup>

<sup>14</sup> Work + Family Policy Roundtable, *Submission* 22, p. 5.

Goodstart Early Learning, Submission 106, p. 1.

Department of Education, Submission 33, p. 3.

- 3.23 Similarly, the Thrive by Five initiative advocated for a 'universal, high-quality, early-learning system' across Australia, to go beyond childcare and incorporate universal access and 'high quality connected services' that are place-based and community led.<sup>15</sup>
- 3.24 Mr Weatherill noted that such an approach would also include PPL, high-quality ECEC and preschool, 'extensive infant maternal health services', and involves wrap-around, place-based care including:

...navigators for families that require more-extensive support and it needs to speak effectively to some of the other more-episodic service systems—like child protection, disability, allied health.

Our ultimate goal is to have something at the level of the neighbourhood, which is friendly and welcoming, where relationships can be formed with parents and where all of the needs of parents of young children are met in the one place.<sup>16</sup>

3.25 Further to this, Mr Weatherill argued Commonwealth leadership and system accountability was necessary, with measurements of outcomes in the first five years—at the moment, there is no clear reporting or responsible entity for assessing such outcomes. He concluded that there is:

... quite a complex system of systems that nobody is really responsible for. The big conceptual challenge for the Commonwealth is to decide, first, whether they are going to exercise the function of leadership there and, secondly, how that system is then going to be built. These are not trivial questions; they are really complex questions.<sup>17</sup>

3.26 The Community Child Care Association (CCCA) pointed to research showing that participation in high quality ECEC is linked with higher levels of parental and female employment, financial and income security and improved health outcomes over people's lives.<sup>18</sup>

The intersection of paid parental leave and ECEC

- 3.27 ECEC needs to be supported by an effective PPL scheme—the two are complementary and form an essential part of the framework for supporting those combining work and care after the birth of a child.
- 3.28 As was noted in evidence, parents are often left with the 'invidious choice of relying for a period of time on only one salary ... or outsourcing care for their child at a very young age'.<sup>19</sup>

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<sup>&</sup>lt;sup>15</sup> The Hon Jay Weatherill AO, Mindaroo Foundation, Committee Hansard, 6 December 2022, p. 2.

<sup>&</sup>lt;sup>16</sup> The Hon Jay Weatherill AO, Mindaroo Foundation, Committee Hansard, 6 December 2022, p. 2.

<sup>&</sup>lt;sup>17</sup> The Hon Jay Weatherill AO, Mindaroo Foundation, Committee Hansard, 6 December 2022, p. 2.

<sup>&</sup>lt;sup>18</sup> Community Child Care Association, Submission 40, p. 1.

<sup>&</sup>lt;sup>19</sup> Ms Alannah Batho, Submission 8, p. 3.

- 3.29 However, if Australia's PPL scheme was extended, and ECEC more affordable, accessible and of a high quality, then working parents—and particularly women—would not need to make this choice.
- 3.30 Ms Samantha Page, Chief Executive Officer of Early Childhood Australia, summarised this intersection well and outlined how both ECEC and PPL could be improved to better complement each other:

We understand that not everybody can afford to take long paid parental leave at the minimum wage. I think we need to address both the rate of paid parental leave and the length of paid parental leave. We know it's good for babies. It's very good for babies to have time at home with both parents, so we do need to make sure that we're including fathers and second carers. It's good for babies to have that time at home, and it's good for families to feel that they're not rushed back to work or rushed into the service system.

We are conscious that some families need to make that decision anyway and will come back quite early after paid parental leave, which is why early childhood education for those very children needs to be top notch—it really needs to be high quality. But, certainly, we'd like to see paid parental leave available to more families for a longer period of time at a higher rate; and we've suggested adding superannuation, to try and reduce that longer-term penalty that women, particularly, face when they take time out of the workforce.<sup>20</sup>

3.31 Mr James Fleming, Executive Director of the Australian Institute of Employment Rights, also pointed out that an inadequate level of PPL and a lack of affordable childcare 'is a significant contributor to gender inequality' in Australia, leading to reduced women's workforce participation and career progression. Mr Fleming recommended that a more generous PPL scheme (like that in Sweden), combined with affordable ECEC, would be 'sufficient to ensure parents can return to work, with no gaps in income, whilst having a child—and every child has a right to a childcare place'.<sup>21</sup>

## A guarantee for young children

- 3.32 The committee was frequently pointed to the CPD's *Starting Better* report, which proposed a guarantee for young children and their families. The guarantee is 'based on evidence of what has the greatest impact' and 'connects all parts of the [early childhood development] system from the day a child is born until the early years of primary school'. The guarantee focuses on:
  - a more generous paid parental leave scheme;
  - incentives to share caring roles in families;
  - maternal and child health;

<sup>20</sup> Ms Samantha Page, Chief Executive Officer, Early Childhood Australia, *Committee Hansard*, 16 September 2022, p. 28.

<sup>&</sup>lt;sup>21</sup> Mr James Fleming, Executive Director, Australian Institute of Employment Rights, *Committee Hansard*, 20 September 2022, p. 1.

- wraparound services and support;
- quality, low or no cost, reliably high-standard ECEC preschools and services, with a stable workforce of qualified educators;
- access for young children to two years of preschool and three days of free or low-cost ECEC; and
- the early years of primary school.<sup>22</sup>
- 3.33 The CPD argued that while the guarantee would take a 'decade of sustained effort' to deliver such reform:

Benefits of the guarantee are substantial, and include additional economic growth, tax revenue and reduced government spending on welfare, health and the justice system. Similar proposals aligned with the guarantee have projected even larger returns.

We estimate the costs and benefits of the guarantee will break even when fully rolled out [in 2030]. By 2045, all benefits of the guarantee will be realised as children who attend high-quality ECD services move into the workforce, leading to an estimated yearly return on investment of \$15 billion.

A guarantee for young children and families is one of the best ways to address disadvantage because it increases the prospects for children to thrive, learn and earn throughout their lifetimes. By making it easier for women to balance work and family, and by improving wages and conditions in the female-dominated early childhood sector, the guarantee also drives gender equality.<sup>23</sup>

## Childcare costs and accessibility

- 3.34 There was extensive evidence put to the committee about the prohibitive costs of ECEC, and the lack of clarity around the leave and financial supports available to parents to support a child's participation in early education.
- 3.35 The CPD drew attention to a survey of 1700 parents by the Front Project, which found that ECEC was too expensive and that:
  - almost half of respondents had made significant financial sacrifices to access ECEC;
  - nearly half of respondents found the subsidy system difficult to understand;
  - the costs of ECEC services were opaque; and
  - the cost of ECEC was a barrier to having (more) children.<sup>24</sup>

<sup>&</sup>lt;sup>22</sup> Centre for Policy Development, *Starting Better: A Guarantee for Young Children and Families*, November 2021, pp. 40–45.

<sup>&</sup>lt;sup>23</sup> Centre for Policy Development, *Starting Better: A Guarantee for Young Children and Families*, November 2021, pp. 2–3.

<sup>&</sup>lt;sup>24</sup> Centre for Policy Development, *Starting Better: A Guarantee for Young Children and Families*, November 2021, p. 7.

- 3.36 It was put to the committee that free ECEC would be greatly beneficial to the Australian economy, to families, working carers and to children. It would remove a key barrier to access and reduce administrative complexities and costs.
- 3.37 The Parenthood called for access to free, high-quality ECEC for all Australian children, at an estimated cost of \$20 billion per year. The organisation argued that the investment would lift the future productivity of children once they grow up and enter the workforce, which could add up to \$2.15 billion to gross domestic product (GDP) by 2050, as well as lifting the current participation of women in the labour market. This could lift GDP by up to \$47.2 billion (1.2 per cent) by 2050.<sup>25</sup>
- 3.38 The Parenthood made the broader point about engagement in the workforce, submitting that proper investment in ECEC 'presents a compelling and immediate solution to the workforce shortages being experienced across industries and sectors'. <sup>26</sup>
- 3.39 Some stakeholders supported cheaper, but not necessarily free, ECEC. For example, Mr Weatherill suggested that while childcare might not necessarily have to be made 'free', it should be 'so affordable that cost is no barrier', and financial disincentives should be removed.<sup>27</sup>
- 3.40 Mr Weatherill made the point that generally speaking, childcare has not been accessible for families with a 'chaotic relationship with the world of work'. However, he noted that 'all the evidence is that they would be the ones that most benefit' from a universal childcare system.<sup>28</sup>
- 3.41 The committee was pointed to international examples of best practice in ECEC, which further highlighted the limitations of Australia's current ECEC system and its prohibitive costs.
- 3.42 For example, the Parenthood has reported that in Sweden and Norway, every child receives subsidised ECEC, 'regardless of family income, enabling both parents to engage in paid work'.<sup>29</sup> The Parenthood submitted that:

If the average Australian woman had the same workplace participation patterns after having children as the average Swedish woman, she would earn an additional \$696,000 over her working life; and retire with an additional \$180,000 in superannuation. Mums in Sweden being able to more consistently participate in paid work after having children is a result of

<sup>27</sup> The Hon Jay Weatherill AO, Mindaroo Foundation, Committee Hansard, 6 December 2022, p. 2.

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<sup>&</sup>lt;sup>25</sup> The Parenthood, Making Australia the best place in the world to be a parent, [no date], p. 25.

<sup>&</sup>lt;sup>26</sup> The Parenthood, Submission 16, p. 4.

<sup>&</sup>lt;sup>28</sup> The Hon Jay Weatherill AO, Mindaroo Foundation, Committee Hansard, 6 December 2022, p. 3.

<sup>&</sup>lt;sup>29</sup> The Parenthood, Making Australia the best place in the world to be a parent, [no date], p. 25.

having access to the infrastructure that enables mothers and fathers to equitably and sustainably combine work and care.<sup>30</sup>

### The for-profit childcare system

- 3.43 Concerns were raised with the committee about how the for-profit provision of care is having a detrimental impact on both the quality and availability of ECEC services.
- 3.44 According to the Mitchell Institute at Victoria University, private childcare providers can be for-profit and receive government support, with about 50 per cent of childcare providers now being private and for-profit, and 35 per cent private and not-for-profit. A further 11 per cent are managed by state or local governments and four per cent by non-government schools.<sup>31</sup>
- 3.45 In examining the availability of childcare across the country and determining the expansive existence of 'childcare deserts', the Mitchell Institute formed the view that the 'underlying principles of the childcare system' encourage providers to 'establish services where there is the lower risk and the greater reward'. The institute continued that:

One way of illustrating this is to explore the correlation between price and accessibility.

... Often these areas of higher supply and higher fees are also areas of greater advantage. For instance, in Greater Melbourne, the area with both the highest fees per hour and the highest average number of childcare places per child is Stonnington-West. This area includes some of Melbourne's most affluent suburbs such as Toorak, South Yarra and Armadale.

[The analysis] suggests that there is an incentive for providers to operate in advantaged areas where they can charge higher fees, even if there is greater competition. This leaves more disadvantaged areas with lower levels of childcare accessibility. As a consequence, Australia is not fully capitalising on the long-term benefits to children from more disadvantaged backgrounds of high-quality early learning.<sup>32</sup>

3.46 This is an important argument given the evidence of how access to quality care is especially important to disadvantaged children. A similar argument was put forward by the Roundtable, which suggested the current ECEC is 'hampered by the market-based model', as it 'incentivises service delivery in urban areas and the higher socioeconomic areas'. This was at the expense of less profitable locations:

<sup>&</sup>lt;sup>30</sup> The Parenthood, *Submission 16*, p. 3.

Mitchell Institute, Victoria University, *Deserts and oases: How accessible is childcare in Australia?* March 2022, p. 11.

<sup>&</sup>lt;sup>32</sup> Mitchell Institute, Victoria University, *Deserts and oases: How accessible is childcare in Australia?* March 2022, p. 35.

.... leading to childcare 'deserts' in lower socio economic areas and in regional locations. The current market-based system is one of the most expensive in the world, yet services are poorly distributed, many do not reach minimum standards and the sector faces labour shortages, unfilled vacancies and difficulties in recruitment.<sup>33</sup>

#### Childcare deserts

- 3.47 In March 2022, the Mitchell Institute examined access to centre-based daycare for children across Australia, and presented findings which measured the supply of childcare across the country, compared with potential demand (the number of children living in each neighbourhood).<sup>34</sup>
- 3.48 The Institute found that childcare access is highly dependent on where people live, with about nine million Australians living in neighbourhoods classified as 'childcare deserts'—areas where there are less than 0.333 childcare places per child, or, in other words, more than three children per one childcare place. The Institute observed that 'families in regional areas are the most at risk of suffering from poor access' and found 'concerning correlations between access to childcare and socio-economic status'.<sup>35</sup>
- 3.49 The Mitchell Institute reached several important conclusions directly relevant to the committee's work. The Institute concluded that systemic problems exist and that profit potential drives ECEC provision in some locations, with significant implications for workforce participation:

Current settings result in the low provision or an absence of provision [of early learning facilities] in many areas. Regional and remote areas are especially at risk. About one million Australians have no access to childcare at all. The population centres most likely not to have any childcare accessible within a twenty-minute drive are towns with a population under 1,500.

When examining the relationship between cost and relative access, we found that areas with the highest fees also generally have the highest levels of childcare accessibility. This suggests that providers are not only establishing services where there are greater levels of demand, but where they are likely to make greater profits.

There is also an association between the accessibility of childcare and female workforce participation. Female parents with a child aged under 5 years who live in a childcare desert have lower levels of workforce participation.

While lower levels of female workforce participation in an area will affect demand for childcare, it may also be that difficulty in accessing childcare

Work + Family Policy Roundtable, Submission 22, p. 5.

<sup>&</sup>lt;sup>34</sup> Mitchell Institute, Victoria University, *Deserts and oases: How accessible is childcare in Australia?* March 2022, p. 4.

Mitchell Institute, Victoria University, *Deserts and oases: How accessible is childcare in Australia?* March 2022, p. 4.

leads to parents and carers choosing not to participate in the workforce while their children are young.

One of the many functions of ECEC is to enable greater workforce participation. However, it is not clear that the current approach is fully supporting this aim.<sup>36</sup>

- 3.50 Childcare deserts reflect the fact that access to care in childcare in regional locations is restricted compared to urban locations, with children from regional locations more likely to start school with learning development vulnerabilities.
- 3.51 It was observed in evidence that market failure in childcare occurs especially beyond outer metropolitan areas—supply in regional and remote areas would therefore need to be created to implement a universal childcare system, as 'even the not-for-profits can't find a way of making it work in the bush'.<sup>37</sup>

### Female workforce participation

- 3.52 It was made clear to the committee that limited availability and high costs of ECEC directly impact the opportunity for carers of young children, and primarily women, to engage in paid employment.
- 3.53 Dr Mary Crawford, President of Graduate Women Queensland, presented research to the committee noting women who want to work—or work more—are disincentivised by the high cost of ECEC, with Australian ECEC costs as a share of family income among the highest in the developed world.<sup>38</sup>
- 3.54 To overcome these barriers, Dr Crawford called for the introduction of universal preschool, particularly given the fact that raising young children was one of the biggest barriers to women's entry into paid employment. Dr Crawford outlined the benefits of this approach:

It would have benefits to the children themselves. Of course, we know about early intervention and so on. It would also provide an opportunity for and normalise women's return to work. It would also mean that it's not just for women who can afford to access preschool and early childcare.<sup>39</sup>

3.55 In its examination of 'childcare deserts', the Mitchell Institute found that 'regions where more people live in a childcare desert also have lower levels of workforce

<sup>&</sup>lt;sup>36</sup> Mitchell Institute, Victoria University, *Deserts and oases: How accessible is childcare in Australia?* March 2022, p. 8.

<sup>&</sup>lt;sup>37</sup> The Hon Jay Weatherill AO, Mindaroo Foundation, Committee Hansard, 6 December 2022, p. 3.

<sup>&</sup>lt;sup>38</sup> Dr Mary Crawford, Graduate Women Queensland, opening statement tabled at a hearing in Brisbane, 31 October 2022, p. 1.

<sup>&</sup>lt;sup>39</sup> Dr Mary Crawford, Graduate Women Queensland, Committee Hansard, 31 October 2022, p. 50.

participation for females' with a child under five in the home.<sup>40</sup> The Institute noted that there could various, complex factors for this association:

Lower levels of female workforce participation in an area will affect demand for childcare. It may also be that difficulty in accessing childcare can lead to parents and carers choosing not to participate in the workforce while their children are young.

The interaction between demand and supply of childcare will affect families and carers differently. There is a need for further research to understand how access to childcare is influencing workforce participation and the decisions parents and carers are making, especially females, regarding employment. This is particularly important in terms of understanding barriers that some may experience based on location and lower access to childcare.<sup>41</sup>

3.56 In its *Starting Better* report, the CPD pointed to research showing that more affordable preschool in the year before school resulted in additional hours of paid work, and more parents joining the workforce. The Front Project estimated that increased workforce participation would increase tax revenue by more than \$292 million in one year'.<sup>42</sup>

### Child Care Subsidy

- 3.57 The Child Care Subsidy (CCS) is the main form of government financial support for childcare costs, with a subsidy paid directly to childcare centres to reduce the fees paid by parents. The CCS is available for centre-based daycare, outside school hours care, family daycare and in-home care.
- 3.58 As outlined in the *Interim Report*,<sup>43</sup> access to the CCS depends on a family's income, the hourly rate cap based on the type of approved childcare used, the child's age, the number of children in care, and the hours of activity a carer and their partner do (otherwise known as the activity test).<sup>44</sup>
- 3.59 The Family Assistance Legislation Amendment (Cheaper Child Care) Bill 2022 was passed in late November 2022, and will implement more affordable childcare from July 2023. As part of these changes \$4.5 billion will be allocated to, among other things:

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<sup>&</sup>lt;sup>40</sup> Mitchell Institute, Victoria University, *Deserts and oases: How accessible is childcare in Australia?* March 2022, p. 36.

<sup>&</sup>lt;sup>41</sup> Mitchell Institute, Victoria University, *Deserts and oases: How accessible is childcare in Australia?* March 2022, p. 36.

<sup>&</sup>lt;sup>42</sup> Centre for Policy Development, *Starting Better: A Guarantee for Young Children and Families*, November 2021, p. 22.

<sup>&</sup>lt;sup>43</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, Chapter 4.

<sup>44</sup> Services Australia, Child care subsidy: How much can you get, 22 August 2022, www.servicesaustralia.gov.au/how-much-child-care-subsidy-you-can-get?context=41186 (accessed 19 January 2023).

- lift the maximum CCS rate to 90 per cent for families earning \$80 000 or less (currently 85 per cent up to \$72 446);
- increase CCS rates, with the CCS rate tapering down by one per cent for each additional \$5000 of family income, until it reaches zero for families earning \$530 000 (currently, the CCS progressively decreases to zero for incomes over \$356 756); and
- invest \$33.7 million to increase subsidised ECEC to a minimum of 36 hours per fortnight for families with First Nations children.<sup>45</sup>

#### Calls to increase the CCS

- 3.60 There was some support offered for the recently announced increase to the CCS. However, the evidence to the committee suggests that further reform is needed.<sup>46</sup>
- 3.61 For example, while welcoming the increase of CCS rate to 90 per cent, G8 Education argued that the subsidy rate should be increased to 95 per cent for low-income families.<sup>47</sup>
- 3.62 Similarly, in its 2020 report into cheaper childcare, the Grattan Institute called for a boost to the CCS, and a change to its design so that second-earners could take home more pay from additional hours at work. The institute called for a 95 per cent subsidy for low-income households, tapering for family incomes over \$68 000. The institute suggested that:

This would be a major economic reform. We estimate that higher workforce participation from this additional \$5 billion a year in childcare spending would boost GDP by about \$11 billion a year. This is on par with the estimated economic benefit from cutting the company tax rate to 25 per cent.<sup>48</sup>

3.63 In supporting broader access to the CCS, the Grattan Institute noted that the CCS was the 'single biggest policy lever the Commonwealth Government has to boost the workforce participation of women with children'.<sup>49</sup>

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For previous figures, see Senate Select Committee on Work and Care, *Interim Report*, October 2022, Chapter 4, paragraphs 4.31 to 4.33. Department of Education, *Cheaper Child Care*, 20 December 2022, <a href="www.education.gov.au/early-childhood/cheaper-child-care">www.education.gov.au/early-childhood/cheaper-child-care</a> (accessed 19 January 2023); *Explanatory Memorandum*, Family Assistance Legislation Amendment (Cheaper Child Care) Bill 2022, p. 2.

<sup>&</sup>lt;sup>46</sup> The committee considers the impact of activity tests on receiving support payments, including for the CCS, later in this report.

<sup>&</sup>lt;sup>47</sup> G8 Education, Submission 92, p. 2.

<sup>&</sup>lt;sup>48</sup> Danielle Wood, Kate Griffiths and Owain Emslie, Grattan Institute, *Cheaper Childcare: A practical plan* to boost female workforce participation, August 2020, p. 3, grattan.edu.au/wp-content/uploads/2020/08/Cheaper-Childcare-Grattan-Institute-Report.pdf (accessed 16 January 2023).

<sup>&</sup>lt;sup>49</sup> Danielle Wood, Kate Griffiths and Owain Emslie, Grattan Institute, *Cheaper Childcare: A practical plan to boost female workforce participation*, August 2020, p. 51.

#### **Government ECEC initiatives**

3.64 The following section outlines a number of current government initiatives which are aimed at supporting ECEC engagement and participation, and presents some of the evidence received about how these programs could be reformed to the benefit of both children and childcare providers.

### Early Years Strategy

3.65 Noting the importance of early intervention, the Australian Government has announced the development of a new Early Years Strategy, to:

Create an integrated, holistic approach to the early years and increase accountability for the education, wellbeing and development of Australia's children, especially those experiencing vulnerability and disadvantage.<sup>50</sup>

3.66 According to the Department of Education, one of the key aims of the Early Years Strategy is to ensure focus on areas where it is most needed—including First Nations children, and children experiencing vulnerability or disadvantage. Providing these children with the 'best opportunities to support their learning and development' would, according to the Department of Education:

... improve lifetime outcomes for them and their families, including through strengthened workforce participation.<sup>51</sup>

- 3.67 The Department of Education submitted that through the examination of programs and ECEC funding, the Australian Government will look at ways to reduce program and funding silos across departments, and better integrate and coordinate functions and activities across government.<sup>52</sup>
- 3.68 The National Early Years Summit was held at Australian Parliament House on 17 February 2023 to bring together 'parents, community organisations and representatives from across government, non-government, academic and business sectors to discuss the development of the Commonwealth Early Years Strategy'. The Department of Social Services has also opened consultation on a discussion paper to ensure the forthcoming strategy 'gets it right for Australian children and families'. 54

Department of Social Services, *Early Years Strategy*, <u>www.dss.gov.au/families-and-children-programs-services/early-years-strategy#:~:text=The%20National%20Early%20Years%20Summit,survey%20until%203%20March%202023</u> (accessed 20 February 2023).

<sup>&</sup>lt;sup>50</sup> Department of Education, *Submission 33*, p. 5.

Department of Education, *Submission 33*, p. 5.

Department of Education, *Submission 33*, p. 5.

<sup>&</sup>lt;sup>54</sup> Department of Social Services, Early Years Strategy, engage.dss.gov.au/early-years-strategy/ (accessed 20 February 2023).

### Current inquiries and reviews

- 3.69 On 9 February 2023 the Prime Minister announced the establishment of a Productivity Commission inquiry into Australia's ECEC sector, to be led by Professor Emerita Deborah Brennan AM. Minister for Early Childhood Education, the Hon Anne Aly MP, advised that the outcomes of the inquiry are expected to 'to be a huge part of our [government's] reforms in early childhood education and care', and supporting 'affordable, accessible, equitable and high-quality ECEC that reduces barriers to workforce participation and supports children's learning and development'.<sup>55</sup>
- 3.70 The inquiry will include consultations with state and territory governments and the ECEC sector, as well as with the Closing the Gap Early Childhood Care and Development Policy Partnership on matters relating to First Nations children, families, and services. The inquiry is due to report to government by 30 June 2024.<sup>56</sup>
- 3.71 The Australian Competition and Consumer Commission is also currently conducting a Child Care Price Inquiry, looking into the market for the supply of childcare services, including costs, locations, quality and competition and how these factors impact childcare provider viability, quality and profits. An interim report is due in June, with a final report due in December 2023.<sup>57</sup>

### Preschool Reform Agreement

- 3.72 The committee notes that several states have introduced three-year-old preschool (discussed later in this chapter), with the Australian Government funding four-year-old preschool. Recent reforms around preschool funding have seen the cessation of the Universal Access National Partnership Agreements, and implementation of the Preschool Reform Agreement (PRA).
- 3.73 The PRA, announced as part of the 2021–22 Budget, is a four-year national reform agreement to 'strengthen the delivery of preschool and better prepare

The Hon Anthony Albanese MP, Prime Minister, *Press conference - Mocca Childcare Centre*, Canberra, 9 February 2023, <a href="www.pm.gov.au/media/press-conference-mocca-childcare-centre-canberra">www.pm.gov.au/media/press-conference-mocca-childcare-centre-canberra</a> (accessed 20 February 2023); Department of Education, 'Productivity Commission inquiry into Australia's early childhood education and care system', *Media release*, 9 February 2023, <a href="www.education.gov.au/child-care-package/announcements/productivity-commission-inquiry-australias-early-childhood-education-and-care-system">www.education.gov.au/child-care-package/announcements/productivity-commission-inquiry-australias-early-childhood-education-and-care-system">www.education.gov.au/child-care-package/announcements/productivity-commission-inquiry-australias-early-childhood-education-and-care-system</a> (accessed 20 February 2023).

Department of Education, 'Productivity Commission inquiry into Australia's early childhood education and care system', *Media release*, 9 February 2023; Productivity Commission, *Terms of reference*, 9 February 2023, <a href="www.pc.gov.au/inquiries/current/childhood/terms-of-reference">www.pc.gov.au/inquiries/current/childhood/terms-of-reference</a> (accessed 20 February 2023).

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<sup>&</sup>lt;sup>57</sup> The Hon Anthony Albanese MP, Prime Minister, *Press conference - Mocca Childcare Centre*, Canberra, 9 February 2023; Australian Competition and Consumer Commission, *Childcare inquiry*, <a href="https://www.accc.gov.au/focus-areas/inquiries-ongoing/childcare-inquiry">www.accc.gov.au/focus-areas/inquiries-ongoing/childcare-inquiry</a> (accessed 20 February 2023).

- children for the first year of school', and to improve preschool enrolments, attendance and participation.<sup>58</sup>
- 3.74 The Department of Education observed that while 96 per cent of children were enrolled in 600 hours of preschool in 2019—an increase from 12 per cent in 2008—such enrolment rates did not 'always translate to full participation or maximum use of the 600 hours'. Despite the high enrolment figures in 2019, only 72 per cent of those families used the full 600 hours per child, with lower numbers for First Nations and disadvantaged children.<sup>59</sup>
- 3.75 Under the PRA, the Australian Government will provide \$1.84 billion to the states and territories, from 2022 to 2026,<sup>60</sup> via a per child contribution (around \$1340 in 2022). The Department of Education explained that this funding will support the delivery of 15 hours of preschool a week (600 hours a year), for all children in the year before they start school. The Department continued that:

Under previous agreements, states and territories could use Commonwealth funding flexibly to support the provision of universal access. This resulted in different costs for families across Australia.

Under the new agreement, state and territories must pass on the Commonwealth's per-child contribution to benefit children in the setting in which they attend.

This reform is designed to create greater funding equity for families and children across Australia.<sup>61</sup>

3.76 In addition, the Department of Education advised that from 2024, the Australian Government would work with state and territory governments to establish new bilateral preschool attendance targets, and 'to develop, trial and implement a preschool outcomes measure'. These reforms will be supported by an additional \$28.7 million to 'improve the quality and transparency of preschool data available nationally', and to develop a new Preschool Performance Framework.<sup>62</sup>

This does not include payments made prior to 30 June 2022 under the National Partnership on Universal Access to Early Childhood Education; *Preschool Reform Agreement Federation Funding Agreement, Education and Skills,* 6 December 2021, <u>federalfinancialrelations.gov.au/sites/federalfinancialrelations.gov.au/files/2022-12/PRA%20</u>

<u>Variation compilation All%20States.pdf</u> (accessed 16 January 2023).

Department of Education, Preschool Reform Funding Agreement, 23 September 2022, www.education.gov.au/child-care-package/preschool/preschool-reform-funding-agreement (accessed 16 January 2023).

<sup>&</sup>lt;sup>59</sup> Department of Education, Preschool Reform Funding Agreement, 23 September 2022.

National Partnership on Universal Access to Early Childhood Education; *Preschool Reform Agreement Federation Funding Agreement, Education and Skills*, 6 December 2021.

<sup>62</sup> National Partnership on Universal Access to Early Childhood Education; *Preschool Reform Agreement Federation Funding Agreement, Education and Skills*, 6 December 2021.

3.77 As discussed later in this chapter, evidence was received by the committee in support of extending the PRA to children from the age of three, in line with the approach now being taken in some jurisdictions.

### Inclusion Support Program

- 3.78 The Child Care Safety Net, a government initiative, provides extra support for vulnerable children. Part of the Safety Net is the Inclusion Support Program (ISP), which provides approximately \$133 million per year to:
  - ... support to mainstream [ECEC] services to build capability and capacity to include children with additional needs (such as disability, challenging behaviours, serious health conditions, including mental health and trauma related behaviours) alongside their typically developing peers.<sup>63</sup>
- 3.79 The ISP, via its Inclusion Development Fund (which has an annually capped funding allocation set every financial year), provides four discrete funding subsidy streams, for:
  - immediate/time-limited support—short-term employment of an additional educator;
  - an additional educator—long-term employment of an additional educator;
  - family daycare top up—to allow eligible family daycare services to include children with additional needs, where including the child results in the educator being unable to enrol the maximum number of children as allowed
  - innovative solutions support—to provide innovative, flexible; and responsive solutions to inclusion where barriers have been identified.<sup>64</sup>
- 3.80 The Department of Education noted that the ISP is not a disability program, but rather one which prioritises children with additional needs—which may include disabled children. While supporting mainstream ECEC providers to improve their capacity and capability to provide inclusive practices for all children, the Guidelines for the ISP note that it is also aimed at providing:
  - ... parents or carers of children with additional needs with access to appropriate and inclusive ECEC services that assist those parents or carers to increase their activity including work, study and training.<sup>65</sup>
- 3.81 Ms Kelly Millar, National Social Policy Manager at Goodstart, explained to the committee that the ISP is the 'only Commonwealth funding stream that funds

<sup>63</sup> Department of Education, Submission 33, p. 6.

<sup>&</sup>lt;sup>64</sup> Department of Education, Inclusion Support Program Guidelines: Version 2.4 September 2022, p. 8, www.education.gov.au/child-care-package/resources/inclusion-support-program-guidelines (accessed 19 January 2023).

<sup>65</sup> Department of Education, Inclusion Support Program Guidelines: Version 2.4 September 2022, p. 8.

- additional educators above ratio in rooms', which is important for children with a disability, developmental delay or other support needs.<sup>66</sup>
- 3.82 Goodstart noted that by supporting children with additional needs to engage with early childhood education this program also supports the increased workforce participation of working carers. However, Goodstart noted that in a 'market-based delivery model with many for-profit providers, there are multiple disincentives' for the enrolment of children with higher support needs and to this end, the ISP was not meeting its objectives.
- 3.83 Goodstart explained that the funding under the ISP for an additional educator was capped at 25 hours per week, 'which generally does not align to the family's CCS activity test result or to the child's enrolled hours'. Goodstart was of the view that this therefore:

... limits the workforce participation of parents of children with an inclusion support need, who we know have lower workforce participation than other parents and will frequently report having their hours cut by ECEC providers to match the 25hrs that an additional educator is funded. In terms of child development and safety, it is also counter-intuitive with evidence showing these children are more prone to injury and may benefit from more hours of early education.<sup>67</sup>

- 3.84 Additionally, Goodstart suggested that the educator wage subsidy provided by the ISP has not been indexed since 2016, and therefore the subsidy loses value as wages increase. Goodstart concluded that as the ISP is not meeting its core objectives, 'children and families are not being supported in the way they deserve' and some children cannot enrol due to inadequate support and funding.<sup>68</sup>
- 3.85 In summary, Mr John Cherry, Head of Advocacy with Goodstart explained that improvements to the ISP were needed to:
  - ... support children with inclusion needs to participate in early learning, which provides vital support for parents with caring responsibilities for children with additional needs to participate in the workforce. Support people need to be funded for all the hours that the child attends, and the funding rate needs to be indexed to reflect increases in wage costs since 2015, which is the last time it was set.<sup>69</sup>
- 3.86 It was Goodstart's view that improving the ISP would be 'one of the most effective changes that could be made to support families balancing work and

<sup>68</sup> Goodstart Early Learning, Submission 106, pp. 3–4.

Ms Kelly Millar, National Social Policy Manager, Goodstart Early Learning, Committee Hansard, 31 October 2022, p. 4.

<sup>&</sup>lt;sup>67</sup> Goodstart Early Learning, Submission 106, p. 4.

<sup>&</sup>lt;sup>69</sup> Mr John Cherry, Head of Advocacy, Goodstart Early Learning, *Committee Hansard*, 31 October 2022, p. 1.

care responsibilities'. Goodstart recommended the following steps to improve the program:

- increase the educator wage subsidy to align with the award and index annually;
- match educator funded hours to a child's enrolled hours, 'so families have confidence their child receives the support they need' while they undertake their other responsibilities; and
- implement an Access and Continuity Guarantee to ensure children have timely access to funding and support upon enrolment and during transition periods.<sup>70</sup>

### Preschool reform in Australian jurisdictions

- 3.87 Across Australia, some jurisdictions are starting to implement reforms to their kindergarten and preschool funding arrangements, in order to increase enrolments and participation and improve learning outcomes. These reforms are also seeing these services being extended to three-year-olds, with many benefits forecast to flow from this earlier access for children, their carers and the broader Australian economy.
- 3.88 The amendments being made in various jurisdictions are detailed below.

#### Victoria

- 3.89 In its 2020–21 Budget, the Victorian Government announced funding of \$773.8 million for ECEC over 202–21, and a further \$302 million across 2021–22 to roll out three-year-old kindergarten. In doing so, the Victorian Government noted that for every one dollar invested in ECEC, Australia receives two dollars back over the course of a child's life, 'through higher productivity and earning capacity, and reduced government spending on health, welfare and crime'. The Victorian Government also drew attention to research finding that two years of quality kindergarten will have the following positive impacts on children:
  - better cognitive and social skills when they start school;
  - higher exam scores at 16 years, including better grades in English and maths;
  - more developed social and emotional outcomes at age 16; and
  - children are more likely to take more final year exams and go on to higher academic study.<sup>71</sup>
- 3.90 The Victorian Government recently announced \$9 billion in funding to expand its kindergarten programs. The funding will support the following initiatives:

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<sup>&</sup>lt;sup>70</sup> Goodstart Early Learning, *Submission 106*, pp. 3–4.

<sup>&</sup>lt;sup>71</sup> Victorian Government, *Three-Year-Old Kindergarten for Victoria*, 10 January 2023, <a href="https://www.vic.gov.au/three-year-old-kindergarten-victorians">www.vic.gov.au/three-year-old-kindergarten-victorians</a> (accessed 13 January 2023).

- from 2023, free kindergarten will be available for all Victorian three- and four-year-old children at participating services in both standalone (sessional) services and long daycare (childcare) settings;
- over the next decade, four-year-old kindergarten will transition to 'pre-prep'
   —increasing to a universal 30-hour a week program of play-based learning
   for every four-year-old child in Victoria; and
- fifty Victorian government-owned and affordable childcare centres will be established, in areas that have unmet demand to make it easier for families to access childcare; the first of the centres will be available in 2025.<sup>72</sup>
- 3.91 The new Victorian kindergarten program will provide from five and up to 15 hours per week of a kindergarten program for three-year-olds, and 15 hours per week (600 hours a year) for four-year-olds. The Victorian Government notes that it is 'strongly encouraged' that all children attend kindergarten programs for two years before school, as a 'crucial part of their educational journey'.<sup>73</sup>
- 3.92 It is forecast that the roll-out of the broader kinder program will allow 28 000 people to return to work, including 26 600 women. Further, the funding will be provided directly by the government to participating kindergarten programs, meaning families are not out of pocket. The Victorian Government explained to families that:

If your child attends a kindergarten program within a long day care setting, a \$2,000 Free Kinder subsidy will offset the kindergarten program component of your out-of-pocket fees.

Long day care centres will be required to pass on the full amount to parents as a direct reduction in their out-of-pocket fees. This will provide a free program for some families and a significantly reduced cost for other families, depending on service fees, number of days attended, and the amount of Commonwealth subsidy received.<sup>74</sup>

#### New South Wales

3.93 The New South Wales (NSW) Government's 'Early Years Commitment' includes a \$5.8 billion investment to introduce a new, universal pre-kindergarten year in the year before primary school, to be fully implement by 2030. The NSW Government has said that this new approach will actively consider working carers and those working outside of core hours:

A key objective of Universal Pre-Kindergarten is to provide families with access to no-cost, high quality preschool, for more hours and more days per week, on days and at locations that work for them.

<sup>&</sup>lt;sup>72</sup> Victorian Government, *Give your child the best start in life*, 17 January 2023, <u>www.vic.gov.au/give-your-child-the-best-start-in-life</u> (accessed 17 January 2023).

<sup>&</sup>lt;sup>73</sup> Victorian Government, *Give your child the best start in life*, 17 January 2023.

<sup>&</sup>lt;sup>74</sup> Victorian Government, Give your child the best start in life, 17 January 2023.

It will also include models that incorporate care beyond the hours of 9am and 3pm to support working families.<sup>75</sup>

3.94 The NSW Government, through its Affordable and Accessible Childcare and Economic Participation Fund, will invest up to \$5 billion over 10 years, to, among other things, target areas with low levels of childcare accessibility, and where there are the highest financial barriers to households accessing ECEC. NSW Treasury advised that active consideration will be given to making sure the fund is properly financed over the long-term:

> Because the Commonwealth childcare subsidy arrangements can change, the Fund is also designed to evolve over time to meet contemporary challenges and address gaps that may arise as Commonwealth policy evolves. To that end, the NSW Government will invest \$775 million over the next four years. From 2026-27 onwards, and following a comprehensive evaluation, the NSW Government will invest an amount recommended by an independent expert to ensure NSW families have adequate access to childcare at affordable prices to maximise workforce participation, capped at \$650 million per year indexed to CPI [consumer price index].

It is expected that this funding, together with Commonwealth Government reforms, will support the delivery of approximately an additional 47,000 ongoing and affordable childcare places, ramping up over several years.<sup>76</sup>

3.95 As part of this investment, from 2023–24 childcare providers will be able to bid for funding through a competitive process, 'to help them deliver more accessible and affordable childcare'. In addition, the funding is intended to:

> ... expand infrastructure in overcrowded centres, establish new centres in childcare deserts, employ staff or reduce the fees passed on to parents facing some of the highest disincentives to return to the workforce because of childcare costs.

75 NSW Government, Early Years Commitment: Universal Pre-Kindergarten,

education.nsw.gov.au/early-childhood-education/early-years-commitment/universal-prekindergarten (accessed 20 January 2023). Pilot programs for universal pre-kindergarten are currently underway in the Mount Druitt, Wagga Wagga, Kempsey-Nambucca and Bourke-Cobar-Coonamble regions. See 2023 Universal pre-Kindergarten pilot guidelines for further education.nsw.gov.au/early-childhood-education/operating-an-early-childhoodeducation-service/grants-and-funded-programs/2023-universal-pre-kindergarten-pilot-guidelines (accessed 20 January 2023).

2022,

<sup>&</sup>lt;sup>76</sup> NSW Treasury, Affordable and Accessible Childcare: The Affordable and Accessible Childcare and Economic Participation Fund, 22 June 2022, www.treasury.nsw.gov.au/childcare-fund/affordable-andaccessible-childcare (accessed 20 January 2023).

Support will be targeted at areas with low levels of childcare accessibility and where households face the highest financial barriers to working as a result of childcare costs.<sup>77</sup>

3.96 The Early Years Commitment also includes \$281.6 million over four years to address the 'ongoing shortages of qualified early childhood educators and teachers'. The funding is aimed at staff retention, and at attracting more staff to the ECEC sector through innovative pathways and financial measures including up to \$25 000 in higher education scholarships for those studying early childhood teaching, and up to \$2000 for those undertaking vocational education and training qualifications.<sup>78</sup>

### Queensland

3.97 Queensland recently introduced new kindergarten funding arrangements, with a \$1 billion investment over five years, from 1 January 2023. The Queensland Department of Education will:

... provide funding to eligible kindergarten service providers to ensure greater access to a quality kindergarten program for Queensland children and to reduce out-of-pocket fees for many families from 2023.<sup>79</sup>

- 3.98 The package has increased the government's annual investment in kindergarten from \$130 million to \$211 million per year, and will also provide:
  - \$33 million to expand Kindy Uplift<sup>80</sup> from 400 to 930 services;
  - \$38.5 million to help remote and regional services attract and retain early childhood teachers; and
  - \$95 million in support for families with children with disability.81
- 3.99 The Queensland Education Minister, Grace Grace MP, said that:

Forty thousand children will benefit from reduced fees regardless of whether they attend a community kindergarten or kindy in a long day care.

NSW Treasury, Affordable and Accessible Childcare: The Affordable and Accessible Childcare and Economic Participation Fund, 22 June 2022.

NSW Government, Early Years Commitment: Transforming early childhood education and development for NSW families, June 2022, p. 19, <u>education.nsw.gov.au/early-childhood-education/early-years-commitment/universal-pre-kindergarten</u> (accessed 20 January 2023).

Queensland Department of Education, 2023 Kindergarten Funding: Funding Category Guidelines, p. 2, earlychildhood.qld.gov.au/fundingAndSupport/Documents/kindy-funding-guidelines.pdf (accessed 18 January 2023).

Information on Kindy Uplift can be found at: Queensland Government, Kindy uplift pilot, 3 February 2023 <u>earlychildhood.qld.gov.au/funding-and-support/grants-tenders-and-funding/kindy-uplift-pilot</u> (accessed 7 February 2023).

The Hon Anastacia Palaszczuk, Premier and the Hon Grace Grace, Minister for Education, Queensland, 'Cheaper kindy for 40,000 Queensland families', *Media Statements*, 23 February 2022, <a href="mailto:statements.qld.gov.au/statements/94528">statements.qld.gov.au/statements/94528</a> (accessed 18 January 2023).

That means a family with one child in kindy could save up to \$3200 per year. And a family with two children in kindy could save up to \$6400.

Fourteen thousand children will also be able to access completely free kindy: this will be for our most vulnerable and disadvantaged children in areas we know kids can miss out.

Currently, around 20,000 children have reduced kindy fees, and a very small number of them receive free kindy  $\dots$ <sup>82</sup>

3.100 Unlike Victoria and NSW, Queensland's eligibility for funded care does not extend to three-year-olds, with funding eligibility limited to children aged four years. The Queensland Government made it clear that service providers should only 'offer non-eligible children (3-year-olds) places' in approved programs if places are available 'after finalising the enrolment of eligible children'. It continued:

Families are required to pay full fees and the Queensland Government will not offset costs. The out-of-pocket expense for families of non-eligible children must be based on the full cost of operating the program.<sup>83</sup>

#### South Australia

3.101 In September 2022, the Government of South Australia (SA) announced a Royal Commission into that state's ECEC system, with a view to determining how ECEC services can best support the future success of children. It will also examine 'preschool for all three-year-old children and the supports families might need to access quality education and care, including out of school hours care at all ages'.<sup>84</sup>

3.102 The terms of reference for the Royal Commission are to examine:

- The extent to which SA families are supported in the first 1000 days of a child's life, focused on opportunities to further leverage ECEC to enable equitable and improved outcomes for SA children.
- How universal, quality preschool programs for three- and four-year-olds can be delivered in SA, with considerations of accessibility, affordability, quality and how to achieve universality for both age cohorts. Consideration of universal preschool for three-year olds should be undertaken, with a view to such an approach commencing in 2026.

The Hon Anastacia Palaszczuk, Premier and the Hon Grace Grace, Minister for Education, Queensland, 'Cheaper kindy for 40,000 Queensland families', *Media Statements*, 23 February 2022.

Queensland Government, Early Childhood Education and Care, *Queensland kindergarten funding:* Child eligibility criteria, 13 January 2023, <a href="mailto:earlychildhood.qld.gov.au/funding-and-support/grants-tenders-and-funding/kindergarten-funding-for-queensland/child-eligibility-criteria">earlychildhood.qld.gov.au/funding-and-support/grants-tenders-and-funding/kindergarten-funding-for-queensland/child-eligibility-criteria</a> (accessed 18 January 2023).

<sup>84</sup> South Australian Government, Royal Commission into Early Childhood Education and Care, 17 October 2022, <a href="https://www.sa.gov.au/topics/education-and-learning/early-childhood-education-and-care/early-childhood-royal-commission">www.sa.gov.au/topics/education-and-learning/early-childhood-education-and-care/early-childhood-royal-commission</a> (accessed 13 January 2023).

- How all families can have access to out of school hours care at both preschool and primary school ages, including considerations of accessibility in all parts of the state, affordability and quality in public and private settings.<sup>85</sup>
- 3.103 Rather than examining historical issues, the Royal Commission is seeking evidence from experts and from families, in order to 'provide advice to the government on delivering a high-quality early years system that is fit for the future'.86
- 3.104 The Royal Commission will deliver its findings in August 2023. The committee encourages the National Cabinet and all jurisdictions to consider the recommendations made by the Royal Commission, and how these might be applied to the broader, national context.

### ECEC access for three-year-olds

- 3.105 Evidence to the committee and other research strongly supports children accessing quality ECEC from three years of age, an approach being rolled out in several jurisdiction as detailed above.
- 3.106 Mr Cherry from Goodstart, welcomed the reforms to ECEC announced in NSW and Victoria, saying it was 'incredibly exciting' and that he hoped that the NSW and Victorian approach would became the new benchmark nationally. Mr Cherry noted the importance of national consistency on this issue—as the two years of ECEC access in NSW and Victoria could widen the education gap between those jurisdictions and the rest of the country. Mr Cherry said that those states were 'setting the benchmark and we would encourage all other states to follow'.87
- 3.107 Ms Anne Twyman from the Department of the Education recognised the importance of preschool, and advised that the department was trying to get an accurate measure on 'the right dosage at the right age' for children to be attending preschool. Ms Twyman continued that:

International evidence has suggested that the earlier you can get children into play based learning, particularly disadvantaged children, the more they can reap benefits in the longer term. That goes to the benefits of access to a high quality preschool, which provides benefits in terms of greater educational outcomes and less access to more of the support services in later life.

<sup>&</sup>lt;sup>85</sup> South Australian Government, Royal Commission into Early Childhood Education and Care, What is the Royal Commission?, 17 October 2022, <a href="www.sa.gov.au/topics/education-and-learning/early-childhood-education-and-care/early-childhood-royal-commission">www.sa.gov.au/topics/education-and-learning/early-childhood-education-and-care/early-childhood-royal-commission</a> (accessed 13 January 2023).

<sup>&</sup>lt;sup>86</sup> South Australian Government, Royal Commission into Early Childhood Education and Care, *What is the Royal Commission*?, 17 October 2022.

<sup>&</sup>lt;sup>87</sup> Mr John Cherry, Goodstart Early Learning, Committee Hansard, 31 October 2022, p. 10.

So we know it has benefits. We're certainly trying to get the year before fulltime school right, so we're working with states and territories on what the outcomes can look like, so we have a body of information in Australia that can tell us what is best for Australian children. As we look overseas, we're looking at OECD figures et cetera around what works for disadvantaged children, what works for children aged three and what works in play based learning.<sup>88</sup>

### Childcare during COVID-19

- 3.108 Steps taken at the height of the COVID-19 pandemic demonstrated that free and more accessible childcare can successfully be implemented, with positive benefits for parents and children.
- 3.109 Temporary adjustments were made to ECEC in light of the pandemic, with new funding arrangements and a relief package implemented, providing free childcare for families during the early stages of the pandemic.
- 3.110 As explained by the Department of Education, ECEC services were considered 'essential' during the height of the pandemic and they therefore remained open, allowing parents to continue their workforce participation. However, attendance was impacted, which 'had consequences for workforce participation and longer-term sector viability', with particular negative impacts on mothers and people working part-time or casually. The department observed that:

During lockdowns and again during the initial Omicron wave, attendance declined significantly. Recognising that childcare is a key enabler of workforce participation, the Australian Government invested around \$3.2 billion to keep services open and viable through the first two years of the COVID-19 pandemic.<sup>89</sup>

- 3.111 The committee was presented by evidence about the benefits of the free childcare provided during the pandemic and, in some cases, increased attendance. Ms Kelly Millar from Goodstart said the organisation observed:
  - an increase in average days, particularly for vulnerable children (including First Nations children, and those at risk of abuse or neglect; and that
  - the removal of administrative burdens through Centrelink encouraged attendance from more vulnerable cohorts and also removed stigma, as childcare was free for everyone.<sup>90</sup>

<sup>&</sup>lt;sup>88</sup> Ms Anne Twyman, First Assistant Secretary, Department of Education, *Committee Hansard*, 16 September 2022, p. 11.

<sup>&</sup>lt;sup>89</sup> Department of Education, Submission 33, p. 7.

<sup>90</sup> Ms Kelly Millar, Goodstart Early Learning, Committee Hansard, 31 October 2022, p. 11. The impact of the COVID amendments to ECEC for First Nations engagement with childcare, and especially the benefits of removing the activity test, are discussed further in Chapter 7, and the unique experiences of First Nations people combining work and care explored in Chapter 4.

- 3.112 Contrary to the experience of Goodstart, Ms Michele Arcaro, Assistant Secretary with the Department of Education, said that 'most providers did see a significant drop in the number of children attending, despite the fact that childcare effectively was free'. However, Ms Arcaro pointed to anecdotal evidence suggesting that some parents utilised childcare more during this period, because the administrative burden had been reduced.<sup>91</sup>
- 3.113 Mr Weatherill drew attention to how attitudes about childcare shifted during the pandemic. He remarked on the shift over the last decade from viewing ECEC not just as an element of employment policy, but as an early-learning system. He continued, explaining that:

What we saw during COVID was that the school based education system does two things. It educates children, but it also looks after children while parents are at work ... The big conceptual leap is that we need to think about the childcare system as an education system that does two things. It creates a developmental system for children, but it also is a place where children can go when parents are working or dealing with other issues in their lives. 92

### Support for early childhood educators

- 3.114 The committee received extensive evidence about how Australia's ECEC system must be supported by specialised, properly remunerated and supported childhood educators.
- 3.115 As argued by the Community Child Care Association (CCCA), the play-based learning outcomes derived from ECEC are 'guided by pedagogical theories and practice and are delivered by a highly specialised workforce of trained educators and teachers', with educators playing 'a vital role in enhancing children's learning and development'.<sup>93</sup>
- 3.116 However, it has been clear for some time that the ECEC workforce—and the working carers they support—has been undervalued, underappreciated, and under-resourced.
- 3.117 Mr Cherry outlined to the committee the issues that Goodstart was having with staff retention. Through exit surveys, the organisation had learnt that overall, the three main reasons for people leaving childhood education were low pay, burnout and lack of professional recognition. Mr Cherry pointed out that:

We've been working under high-stress environments since the beginning of the pandemic, and our staffing shortages have been getting worse and worse and worse. As you can imagine, once a centre starts going bad with staff

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<sup>&</sup>lt;sup>91</sup> Ms Michele Arcaro, Assistant Secretary, Department of Education, *Committee Hansard*, 16 September 2022, p. 13.

<sup>&</sup>lt;sup>92</sup> The Hon Jay Weatherill AO, Mindaroo Foundation, Committee Hansard, 6 December 2022, p. 1.

<sup>93</sup> Community Child Care Association, Submission 40, p. 1.

vacancies, it increases the pressure on everyone who's left behind, and it just gets worse. Pay is also part of that. $^{94}$ 

3.118 As noted by the Parenthood, the female-dominated ECEC workforce is 'contracting at an unprecedented and alarming rate'—with more than 6600 vacancies in July 2022. The Parenthood stressed that:

The quality of the ECEC workforce has a direct impact on the experiences of children. It is vital to address the supply and retention of suitably qualified teachers and educators, particularly in rural and remote areas, to ensure there is a pipeline of future educators and teachers to deliver the early education children need, and that parents need in order to work and provide for their families.<sup>95</sup>

3.119 The CPD's *Starting Better* report also found that workers in the ECEC system are not properly valued and supported, directly impacting on service quality:

Australia's dedicated early childhood workforce is mostly made up of women. Conditions vary, but generally, they are among our lowest paid professionals. Underinvestment in skills development and limited options for career progression has led to high staff turnover. This workforce churn holds back the quality of education and care.<sup>96</sup>'

### Wages and conditions in the ECEC sector

- 3.120 A large body of evidence was presented to the committee about the low rates of pay in ECEC, and the consequences of low pay for service provision. Making childcare more affordable will not increase provision unless the wages and labour supply issues are addressed.
- 3.121 Many submissions pointed to the low pay rates, the lack of reward for education, skills and experience relative to other occupations, and the absence of a fully developed classification structure and pay relativities comparison for the ECEC sector. These issues emerged as a priority concern in a number of submissions.
- 3.122 The Australian Council of Trade Unions (ACTU), for example, submitted that ECEC needed to be 'delivered by highly skilled, properly paid and securely employed educators' The ACTU argued that low pay in the care economy was 'endemic', and pointed to a 2021 United Workers Union survey which found that 85 per cent of ECEC educators said it would be difficult for them to find \$400 in an emergency.<sup>97</sup>

<sup>&</sup>lt;sup>94</sup> Mr John Cherry, Goodstart Early Learning, Committee Hansard, 31 October 2022, p. 11.

<sup>&</sup>lt;sup>95</sup> The Parenthood, Submission 16, p. 4.

<sup>&</sup>lt;sup>96</sup> Centre for Policy Development, *Starting Better: A Guarantee for Young Children and Families*, November 2021, p. 2.

<sup>&</sup>lt;sup>97</sup> Australian Council of Trade Unions, *Submission 83*, pp. 2 and 9. See also: Independent Education Union, *Submission 21*, p. 2.

- 3.123 The Australian Education Union voiced its concern about the role of governments in prohibiting wage growth for public ECEC educators:
  - ... governments have the power, as funders and employers of public educators, to directly affect the salaries, working conditions, and professional autonomy of its educator workforce. However, the majority of state and territory governments have introduced legislative or executive-ordered pay caps and pay freezes on educators' pay and have adopted positions during collective bargaining that fail to improve teachers' working conditions and continue to impose burdensome workloads and excessive hours of work on educators.<sup>98</sup>
- 3.124 Mrs Michele Carnegie, Chief Executive Officer of Community Early Learning Australia, spoke to the issue of both pay and labour supply. Ms Carnegie made a number of suggestions for immediate action to improve wages and conditions for early childhood educators, including:
  - a government funded wage subsidy of 15 per cent while the FWC reviews the award, so that 'we can address the immediate acute workforce shortage and establish a stable workforce that is suitably remunerated';
  - enabling overseas qualified educators and teachers access to Australian workplaces to fill vacant positions; and
  - growing community-managed ECEC services, so that 'children and families can benefit from low fees and high quality'.<sup>99</sup>
- 3.125 The Roundtable called for the implementation of strategies to 'sustainably fund and support a highly skilled properly paid care workforce'. Specifically, the Roundtable argued for higher remuneration for early childhood educators 'in recognition of the skilled nature of the work they perform and the important role they play in children's lives and development'. 100

### Childhood educator wage subsidy

- 3.126 In light of the significant and long-standing issues with low rates of pay for childcare educators, there were calls for an overall increase to early childhood educator pay, and for more timely assistance through an immediate educator wage supplement.
- 3.127 For example, Goodstart called for improved pay and conditions, 'starting with an immediate increase in wages through a government-funded subsidy', which would segue into broader remuneration reform.<sup>101</sup>

Goodstart Early Learning, *Submission 106*, p. 3; Mr John Cherry, Goodstart Early Learning, *Committee Hansard*, 31 October 2022, p. 2.

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<sup>&</sup>lt;sup>98</sup> Australian Education Union, Submission 18, pp. 3–4.

<sup>&</sup>lt;sup>99</sup> Mrs Michele Carnegie, Chief Executive Officer, Community Early Learning Australia, *Committee Hansard*, 21 September 2022, p. 12.

<sup>&</sup>lt;sup>100</sup> Work + Family Policy Roundtable, *Submission* 22, p. 2.

- 3.128 Goodstart was of the view that 10 000 additional educators were needed, to deliver the extra ECEC places available due to the reforms of the Cheaper Childcare Bill. Goodstart proposed wage supplements of five to 10 per cent of wages, be paid to all teachers and educators in long daycare centres:
  - ... to commence as soon as possible to secure the workforce ahead of [the 2023] reforms. The Commonwealth should seek an assurance from the States that these supplements would be exempt from payroll tax, which would simplify administration considerably. Providers should be required to pay the supplements into staff as wages or improved conditions. 102
- 3.129 Mr Cherry suggested that the 10 per cent wage supplement should be funded by government, and made clear that Goodstart would:
  - ... love to provide a pay rise to our educators to match school rates, but a 20 per cent to 30 per cent pay increase would involve a fee increase of 15 per cent to 20 per cent, which would simply make childcare unaffordable for families.
  - ... Ten per cent is not enough. But, in the context of a tight budget and the environment we face, we think it would be enough to stabilise our workforce. 103
- 3.130 Ms Pauline Vamos of Chief Executive Women, also called for an 'immediate, interim 10 per cent wage supplement' for educators in ECEC, to complement other reforms such as increases to the CCS and removal of CCS activity tests.<sup>104</sup>
- 3.131 More broadly, Goodstart called for all reforms to be accompanied by 'significant investment in the ECEC workforce', especially as childhood educators were often parents and carers themselves, and the ECEC workforce was 'pivotal to lifting our economy'. 105

<sup>103</sup> Mr John Cherry, Goodstart Early Learning, *Committee Hansard*, 31 October 2022, p. 2.

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<sup>&</sup>lt;sup>102</sup> Goodstart Early Learning, Submission 106, p. 3.

Activity tests are discussed later in this report. Ms Pauline Vamos, Chair of Policy and Engagement Committee and Board Member, Chief Executive Women, Committee Hansard, 21 September 2022, p. 65.

<sup>&</sup>lt;sup>105</sup> Goodstart Early Learning, Submission 106, p. 3.

# Chapter 4

# Work and care experiences of specific groups

- 4.1 The task of combining work and care responsibilities is experienced differently between and across individuals and families, genders, abilities and social groups. Other factors, such as financial and income security and the nature of the surrounding community, can also impact on the lives of working carers.
- 4.2 The committee recognises there is a vast spectrum of experience when it comes to work and care. While acknowledging this variability in experience, the committee has received evidence and this chapter will focus on several groups with unique work and care circumstances, namely:
  - young people;
  - First Nations communities;
  - disabled people; and
  - migrant and culturally and linguistically diverse (CALD) communities.
- 4.3 This chapter outlines the evidence the committee has received on how these groups interact with Australia's current work and care system, the barriers facing people in these social groups to engage in both paid employment and respite, and the suggestions put forward for positive change.

### Young carers

4.4 This section outlines the barriers faced by young carers and considers how inequalities experienced in the early stages of life contribute to long-term socio-economic disadvantage. Specifically, this section explores the ways in which patterns of care can impact educational attainment for young people by reducing opportunities for further education and employment.

# Identifying young carers

4.5 Young carers are 'people up to 25 years old' who provide informal care.<sup>1</sup> The caring responsibilities of young carers often go beyond what is usually expected of people at a young age.<sup>2</sup> While current data likely fails to capture the true extent of young people with caring responsibilities in Australia,<sup>3</sup> the Australian

<sup>&</sup>lt;sup>1</sup> Carers Australia, *Young carers*, <u>www.carersaustralia.com.au/about-carers/young-carers/</u> (accessed 9 December 2022).

<sup>&</sup>lt;sup>2</sup> Australian Institute of Family Studies, *The Longitudinal Study of Australian Children: Annual statistical report 2016—Young carers* (Chapter 5), August 2017, p. 85.

<sup>&</sup>lt;sup>3</sup> See Dr Tania King and Ms Ludmila Fleitas Alfonzo, *Submission 60*, pp. 2–3; Children and Young People with Disability Australia, *Submission 75*, p. 25; MS Australia, *Submission 6*, p. 4.

Bureau of Statistics (ABS) has identified 59 100 individuals under 15 years of age as carers.<sup>4</sup>

- 4.6 The ABS also estimates that 272 000 young people aged 15 to 24 years provide informal care to someone needing assistance, either due to disability or old age.<sup>5</sup>
- 4.7 The committee was told, however, that the number of young carers is under-reported in Australia. Dr Tania King and Ms Ludmila Fleitas Alfonzo articulated a range of factors exacerbating the under-identification of young carers and consequent lack of support provided to them. They stated:

Young carers are one of the most under-recognised and under-served groups in society – current service systems and polices do not adequately recognise or serve them. A key reason for this is identification - identifying young carers is challenging and complicated. Young carers often do not consider themselves to be carers because they don't see their actions and responsibilities as atypical. For this reason, many do not proactively seek or engage with formal services (Smyth et al., 2011). Often under-identification can be attributed to a lack of awareness among some service providers and agencies, lack of awareness among potential gatekeepers such as teachers and health professionals, and stigma (Cass et al., 2011). Ethical considerations also further complicate the identification of young carers, with some evidence that young carers may be unwilling to self-identify due to fear of adverse intervention, such as removal of the young person (or the person being cared for) into other care arrangements (Cass et al., 2011).

- 4.8 Other submitters made the point that young carers are under-identified in the social security system as 'evidentiary data only appears to exist for those claiming some form of social security payment such as carer allowance' which doesn't include data on young carers.<sup>7</sup>
- 4.9 Further, Children and Young People with Disability Australia (CYPDA) explained to the committee that the constrained definitions of carer in government policy falls short of accounting for the dynamic nature of the caring responsibilities that young people undertake, limiting their visibility in the support services system:

Where programs and funding, supports and services are built around the notion of the one carer and one career household, limitations are placed on the entire family system. For example, a family may share care responsibilities across grandparents, siblings, neighbours and paid supports during school term and may need to vary this approach during school

<sup>&</sup>lt;sup>4</sup> Australian Bureau of Statistics, *Disability, Ageing and Carers, Australia: Summary of Findings*, 24 October 2019, <a href="www.abs.gov.au/statistics/health/disability/disability-ageing-and-carersaustralia-summary-findings/latest-release">www.abs.gov.au/statistics/health/disability/disability-ageing-and-carersaustralia-summary-findings/latest-release</a> (accessed 9 December 2022).

<sup>&</sup>lt;sup>5</sup> Australian Bureau of Statistics, Disability, Ageing and Carers, Australia: Summary of Findings, 24 October 2019.

<sup>&</sup>lt;sup>6</sup> Dr Tania King and Ms Ludmila Fleitas Alfonzo, Submission 60, p. 3.

<sup>&</sup>lt;sup>7</sup> MS Australia, Submission 6, p. 4.

holidays in the absence of accessible vacation care. Carer's allowance or payments are not flexible in this same way and vacation care and Child Care Subsidy, is connected to the child and family, rather than other informal supports. Ultimately families are balancing job security, caring responsibilities and family dynamics across multiple systems – education, health, NDIS [National Disability Insurance Scheme], etc with no support to navigate those systems or maintain the capacity of informal supports.<sup>8</sup>

- 4.10 The committee was also told that the existing knowledge base that underpins the support and recognition of young carers is inadequate. When discussing the challenges that young carers experience, submitters and witnesses emphasised that effective support mechanisms in work and education settings should rely on data that is timely, comprehensive, consistent and comparable. Additionally, without understanding the experience of young carers, submitters stressed that institutions are constrained in their ability to understand the support needed, plan service delivery in partnership with young carers, allocate resources, and assess outcomes. 10
- 4.11 Mr Ian Clarke APM of the Albany Youth Support Association explained to the committee that young carers suffering from mental health challenges are also becoming increasingly complex to identify in formal settings such as schooling, clinical, and workplace environments. Mr Clarke noted that this is due to the fact that caring responsibilities for young people can include a range of circumstances, including:

... dysfunctional families where there is suffering from substance abuse, family violence and all those sorts of things, where a young person needs to step up and take an almost parental role. They don't have the toolbox. We know they lack the capability to do any of that sort of thing. In many cases that goes unseen by people. We certainly see that from the perspective of the youth because we're looking after those young people who present with a variety of different complex issues as we move forward.<sup>11</sup>

4.12 The Centre for Disability Research and Policy echoed this observation, highlighting that a broader contextual understanding of a young carer's circumstances was required to identify and understand the mental health challenges resulting from caring responsibilities:

Young carers can experience poorer mental wellbeing than their peers, and that research is needed to identify suitable supports and resources to help to redress this issue. Furthermore, recognising that providing care can

9 See MS Australia, Submission 6, p. 4; Children and Young People with Disability Australia, Submission 75, pp. 7 and 25; Professor Ian Hickie AM, private capacity, Committee Hansard, 31 October 2022, p. 73.

<sup>11</sup> Mr Ian Clarke APM, Albany Youth Support Association, *Committee Hansard*, 15 November 2022, p. 29.

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<sup>8</sup> Children and Young People with Disability Australia, Submission 75, p. 25.

<sup>&</sup>lt;sup>10</sup> See Centre for Excellence in Child and Family Welfare, *Submission 71*, p. 6.

impact in positive and negative ways upon the physical and mental health of young carers, the stigma that is linked to a carer status can impede access to support services among these people.<sup>12</sup>

4.13 Professor Patrick McGorry AO, Executive Director of Orygen, also noted the challenges that may arise from being an 'unseen' carer, resulting in a 'blind spot' in the support services system. He stated:

Young people providing care often do not refer to themselves as carers or seek appropriate support, so they're kind of a blind spot in our current system in many respects. The young carers experience their own mental health impacts. The national carers survey found that 73.8 per cent of young carers reported high or very high psychological distress, compared to 46 per cent of all other carers. Young carers report feeling alone and sleep deprived and often cope in unproductive ways with substance abuse or self-harm.<sup>13</sup>

4.14 Dr King and Ms Alfonzo made the point that the challenges in identifying young carers and the resulting oversight in policy has significant implications for their educational, occupational, and economic outcomes:

Young carers are one particular population group that is commonly missed from considerations about unpaid care. This is a substantial oversight, because this caring has substantial implications for their health and wellbeing. While young carers are generally not combining caring and work, they are commonly combining care and schooling, and this care has significant implications for their educational, occupational and economic outcomes.<sup>14</sup>

### Improving data to inform service delivery and support

- 4.15 Submitters outlined that robust data on young carers will ensure that funding and service delivery is best allocated to maximise support.<sup>15</sup> In effect, submitters explained that building a better understanding of the needs of young carers may raise awareness of the challenges they face in service provision, employment, and education settings.<sup>16</sup>
- 4.16 Unless a holistic picture of young carers is captured, the committee heard that young carers may lack visibility in policy development. In discussing this issue, CYPDA posited that 'without high-quality data, there are limited opportunities

<sup>&</sup>lt;sup>12</sup> Centre for Disability Research and Policy, Submission 7, p. 10.

Professor Patrick McGorry AO, Executive Director, Orygen, Committee Hansard, 31 October 2022, p. 66.

<sup>&</sup>lt;sup>14</sup> Dr Tania King and Ms Ludmila Fleitas Alfonzo, *Submission 60*, p. 2.

<sup>&</sup>lt;sup>15</sup> See MS Australia, *Submission 6*, p. 4; Children and Young People with Disability Australia, *Submission 75*, pp. 7 and 25.

<sup>&</sup>lt;sup>16</sup> See Professor Patrick McGorry AO, Orygen, *Committee Hansard*, 31 October 2022, pp. 66–67; Children and Young People with Disability Australia, *Submission 75*, p. 25.

to develop evidence-based approaches to protect children and young people and monitor existing and new interventions'.<sup>17</sup>

4.17 CYPDA illustrated the importance of focussing on the experience of young carers and sharing this information across jurisdictions:

The lack of representation of children and young people in policy development is further compounded by the lack of any oversight of the departments and portfolios whose work directly impacts their lives. CYPDA argues that readily available data for this cohort is either non-existent or misrepresented. There should be a focus on transparency of information across systems and jurisdictions to ensure the experiences and outcomes of children and young people are adequately recognised.<sup>18</sup>

4.18 Building on this approach, Professor Ian Hickie AM also called for continuous data collection to measure how caring roles are being accommodated in formal settings such as the workplace. Specifically, Professor Hickie recommended moving 'beyond the rhetoric of wellbeing to looking at which of those measures is most suitable for the nation but which can be applied at the individual industry or individual employer level'. He stated that one of the key issues is the need to:

... move to a more data informed approach as distinct from being driven by things like bad events, individual incidents, medico-legal and insurance type claims, which is really where most of the action has been, rather than continuous monitoring of the wellbeing of workforces that is then related to what is happening in those real workplaces and to those workers with multiple roles.<sup>20</sup>

### Young carers and school

- 4.19 Young carers face the challenge of undertaking their caring responsibilities within the constraints of education and workplace systems that are not designed for them.
- 4.20 The committee received evidence explaining that the barriers for young carers in the education system can lead to unemployment, poor health outcomes, social isolation, and disadvantage over their lives.<sup>21</sup> In effect, young carers who have been unable to fully participate in education, which would prepare them for the workforce, often fail to achieve their full potential through no fault of their own.
- 4.21 Caring responsibilities have been shown to have a significant impact on young carers' ability to be at an educational and social level comparable to their

<sup>&</sup>lt;sup>17</sup> Children and Young People with Disability Australia, *Submission 75*, p. 25.

<sup>&</sup>lt;sup>18</sup> Children and Young People with Disability Australia, *Submission 75*, p. 7.

<sup>&</sup>lt;sup>19</sup> Professor Ian Hickie AM, Committee Hansard, 31 October 2022, p. 73.

<sup>&</sup>lt;sup>20</sup> Professor Ian Hickie AM, Committee Hansard, 31 October 2022, p. 73.

<sup>&</sup>lt;sup>21</sup> See Professor Ian Hickie AM and Professor Patrick McGorry AO, Orygen, *Committee Hansard*, 31 October 2022, pp. 66–76.

non-carer counterparts. The Department of Social Services reported that '60% of young carers aged up to 25 years old have not studied beyond high school, and on average current young carers were expected to be on income support in 43 years over their lifetime'.<sup>22</sup>

- 4.22 According to Professor McGorry young carers have been reported to have:
  - ... lower reading and numeracy NAPLAN [National Assessment Program Literacy and Numeracy] scores in year 9 compared to peers. Twenty-eight per cent of young carers were at least once per week unable to attend school, and a further 39 per cent, due to caring responsibilities, were unable to attend school one to three times each month.<sup>23</sup>
- 4.23 Submitters stressed that for young carers, educational attainment was an important predictor of their future health, employment and welfare prospects.<sup>24</sup>
- 4.24 Mr Clarke explained to the committee that these issues derive from young carers being forced to balance several additional demands such as:
  - ... taking on the parental role of looking after siblings [which is] forcing them to focus on what's happening inside the household, and they're not actually able to deal with the concept of growing up themselves. So they're disengaged from school and education, which then puts them on the back foot going forward into the workforce, going into their own lives, getting a family together and all those other aspects which impact on the general person's life as they grow up.<sup>25</sup>
- 4.25 Professor McGorry recommended that formal education institutions provide targeted support and adopt more flexible practices to ensure that young people with caring responsibilities are assisted through higher education. Professor McGorry suggested that such practices might include:
  - ... having more time and having other sources of support, flexibility and tolerance. ... There are quite a few sympathetic teachers and lecturers within the universities, but then there are others who have a very hard line—they're probably old school and not very helpful at all.<sup>26</sup>

<sup>24</sup> See Professor Ian Hickie AM and Professor Patrick McGorry AO, Orygen, *Committee Hansard*, 31 October 2022, pp. 66–76.

Department of Social Services, Try, Test and Learn Fund: Data Driven Job Opportunities for Young Carers, 12 March 2021, <u>www.dss.gov.au/try-test-and-learn-fund/data-driven-job-opportunities-for-young-carers</u> (accessed 20 December 2022).

<sup>&</sup>lt;sup>23</sup> Professor Patrick McGorry AO, Orygen, Committee Hansard, 31 October 2022, p. 66.

<sup>&</sup>lt;sup>25</sup> Mr Ian Clarke APM, Albany Youth Support Association *Committee Hansard*, 15 November 2022, pp. 31–32.

<sup>&</sup>lt;sup>26</sup> Professor Patrick McGorry AO, Orygen, Committee Hansard, 31 October 2022, p. 76.

- 4.26 The committee further heard that the structure of the education system precluded young carers from achieving desired educational outcomes, in turn setting them apart from their peers and resulting in a sense of social isolation.<sup>27</sup>
- 4.27 Specifically, Ms Etta Palumbo, Chief Executive Officer of the Neurological Council of Western Australia, voiced concerns about the disadvantage that young carers experience in the schooling system and highlighted how young carers in such positions were penalised for undertaking caring responsibilities:

That makes it very difficult ... when they are providing a significant amount of care and trying to get to school. Then they're truants and so forth or they're not performing at school, or they then go to work and find it very difficult as well.<sup>28</sup>

4.28 Ms Palumbo remarked that many young carers, particularly those from disadvantaged backgrounds, need support to navigate the increasingly complex school to employment pathway to avoid being left behind later in life. Ms Palumbo explained that:

The difference between me and a young person who is looking after someone is I have 53 years of experience to call upon, a great number of networks and an understanding of health conditions. A 16-, 17- or 18-year old would have none of that, so there need to be support mechanisms in place and people who are watching out for young carers that can connect them to all of the things that they need as a carer who might be older. ... your career prospects are going to be significantly impacted because you're just trying to figure out how to get to the next day.<sup>29</sup>

- 4.29 Evidence to the committee highlighted that at the crucial juncture between school and work, the disadvantage that young carers experience can compound and result in long-term consequences such as limited:
  - workplace participation and job security;
  - career progression and promotion;
  - opportunities for further study or training;
  - financial security; and
  - a limited sense of belonging and wellbeing.<sup>30</sup>

<sup>&</sup>lt;sup>27</sup> See Ms Etta Palumbo, Chief Executive Officer, Neurological Council of Western Australia, Committee Hansard, 14 November 2022, p. 58; Mr Ian Clarke APM, Albany Youth Support Association, Committee Hansard, 15 November 2022, p. 31; Mr Sean Gardyne, Program Manager, Carers WA, Committee Hansard, 14 November 2022, p. 13; Carers Australia, Submission 10, p. 5; Mr David Miltitz, Chief Executive Officer, Carers South Australia (SA), Committee Hansard, 16 December 2022, p. 14.

<sup>&</sup>lt;sup>28</sup> Ms Etta Palumbo, Neurological Council of Western Australia, *Committee Hansard*, 14 November 2022, p. 58.

<sup>&</sup>lt;sup>29</sup> Ms Etta Palumbo, Neurological Council of Western Australia, *Committee Hansard*, 14 November 2022, p. 58.

See Ms Etta Palumbo, Neurological Council of Western Australia, Committee Hansard, 14 November 2022, p. 58; Mr Ian Clarke APM, Albany Youth Support Association, Committee Hansard, 15 November 2022, pp. 31–32; Professor Patrick McGorry AO, Orygen, Committee Hansard, 31 October

# Young carers and work

- 4.30 The committee heard that when trying to enter the workforce, young carers are already at a significant disadvantage compared to their non-carer counterparts. Regardless of what stage they leave school, young carers enter the workforce on the back foot. This disadvantage may be further exacerbated by a lack of recognition of the skills gained from informal caring in work and education settings.<sup>31</sup>
- 4.31 Carers Australia noted that transitioning from school to work is difficult for young carers as young people have limited qualifications or experience when entering the workforce.<sup>32</sup>
- 4.32 Mr Sean Gardyne, Program Manager of Carers WA, conveyed to the committee that when transitioning from school to employment, many young carers experience low confidence due to gaps in their employment history. When discussing an employment program for young carers, Mr Gardyne stated that young carers often:
  - ... turn up to the program feeling like they don't have much to contribute to the employment environment. Their confidence is really low, and, often, there are barriers to getting them into employment, such as not having many referees on their resume or trying to explain huge gaps in their employment. That can often be a factor with getting employment because people ask, 'What have you done during that time?' The caring role sometimes doesn't seem like a lot of preparation for stepping into some of the roles that they do, but there are a lot of transferable skills from the caring role, which is something that people often discover whilst actually doing the course.<sup>33</sup>
- 4.33 Mr David Miltitz, Chief Executive Officer of Carers South Australia (SA), also noted that there is a large gap in support for young carers to develop the knowledge and skills that will prepare them for the labour force. Mr Miltitz stated that:

I think there is a gap in that transition between either your high school years and work or your higher education and work. I think there's a real gap in support. In South Australia, we find it far easier to engage young carers from, say, 12 to 16 [years]. Once young people get into high school, it is much harder to engage young carers in that 18-to-25-year age bracket ... where people go from high school into work and then university into work placements. I think there's a gap there, and there could be plenty more work done.<sup>34</sup>

<sup>2022,</sup> p. 66; Mr David Miltitz, Carers SA, *Committee Hansard*, 16 December 2022, p. 14; Mr Sean Gardyne, Carers WA, *Committee Hansard*, 14 November 2022, p. 13.

<sup>&</sup>lt;sup>31</sup> Professor Ian Hickie AM, Committee Hansard, 31 October 2022, p. 75.

<sup>&</sup>lt;sup>32</sup> Carers Australia, Submission 10, p. 9.

<sup>&</sup>lt;sup>33</sup> Mr Sean Gardyne, Carers WA, Committee Hansard, 14 November 2022, p. 13.

<sup>&</sup>lt;sup>34</sup> Mr David Miltitz, Carers SA, Committee Hansard, 16 December 2022, p. 14.

4.34 Further, Mr Hugh Reilly, Executive General Manager of atWork Australia, argued for the need for change in workplace settings, stressing that a lack of tolerance for young people with caring responsibilities is a prevalent issue in the current labour market:

The situation with carers, especially with young people who are carers, is that we get a lot of feedback that employers don't necessarily always believe a young person when they say, 'I have to care for a family member.' They're seen more as unreliable, and there's a lot of social isolation there for a young person who has maybe been at home rather than already built up a lot of social connections before they left school.<sup>35</sup>

# Mental health challenges

- 4.35 Young carers experience a range of unique barriers in combining school, work and care. They have been reported to face significant challenges and poorer life outcomes than their non-caring counterparts.<sup>36</sup> The reasons for this are complex and multifaceted. Poor life outcomes for young carers are not only influenced by patterns of care that may not be constant or predictable, but also by cumulative stressors, such as limited experience, support, education, mental health challenges, unemployability, and poverty.<sup>37</sup>
- 4.36 Mr Clarke argued that punitive systems and the resulting disadvantage that young carers experience, exacerbated their vulnerability to socio-economic challenges relative to their non-carer counterparts, further entrenching inequality and the likelihood of falling into a cycle of poverty. Mr Clarke noted that the majority of young carers are:
  - ... forced into a situation of high stress and high demand, often in a lower socioeconomic environment—I say often, but not exclusively—and that's where homelessness starts, with the disengagement and all the other aspects that come in to impact on that.<sup>38</sup>
- 4.37 Overwhelmingly, evidence to the committee highlighted the emotional toll of the caring role on young carers. The committee was told that factor, intensified

<sup>35</sup> Mr Hugh Reilly, Executive General Manager, atWork Australia, *Committee Hansard*, 14 November 2022, p. 47.

See Mental Health Carers Australia, *Submission 109*, p. 2; Dr Tania King and Ms Ludmila Fleitas Alfonzo, *Submission 60*, pp. 4–5; Shop, Distributive and Allied Employees' Association, *Submission 37*, p. 23; Social Policy Research Centre, *Submission 19*, pp. 10–11; Independent Education Union, *Submission 21*, p. 3; Social Policy Research Centre, *Submission 19*, Attachment 1, p. 3.

<sup>&</sup>lt;sup>36</sup> Dr Tania King and Ms Ludmila Fleitas Alfonzo, *Submission 60*, pp. 4–5; Carers Australia, *Submission 10*, p. 9.

<sup>&</sup>lt;sup>38</sup> Mr Ian Clarke APM, Albany Youth Support Association *Committee Hansard*, 15 November 2022, p. 31.

- by financial hardship, a lack of respite, support, and social isolation, can exacerbate mental health challenges for young carers.<sup>39</sup>
- 4.38 Professor McGorry stated that he had worked with a number of young carers who had presented with symptoms of psychological distress as a result of the insecurity they experience in their everyday lives:
  - ... if you look at the causes of this worsening situation of mental health in young people, most of them boil down to issues of insecurity, whether it's financial, employment, climate change or any of the megatrends that are affecting society.<sup>40</sup>
- 4.39 Similarly, Mr Clarke had also experienced the complexities of young people presenting with mental health issues as a result of caring. He explained that young people were:
  - ... suffering their own mental health issues, disengaging from education and from the social environment around them and, of course, leading on to work. It's becoming increasingly common with young people. We see the complexities of young people presenting these days increasing substantially. We come to this particular hearing from the perspective of saying: the carer role is not just those people that are already in the workforce; it's the impact of the carer role for those right from a very early age that are doing that.<sup>41</sup>
- 4.40 Mr Clarke continued that there were increased demands on organisations that provide mental services to young people, which was corroborated by mental health experts such as Professor McGorry and Professor Hickie.<sup>42</sup>
- 4.41 For example, Mr Clarke posited that there were numerous factors that could be attributed to this rise, including limited employment prospects, social isolation and access to education. He explained that:
  - ... It's isolation and it's disengagement from the general community and often, socially, from those younger people around them—their own cohort, if you like. There is additional mental health stress that's placed on those young people in trying to deal with those challenges that are presenting at home—whether it be violence or whether it be somebody that's very mentally unwell and displaying all sorts of different behaviours that would be very distressing to anybody—from a very, very young age.

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<sup>&</sup>lt;sup>39</sup> See Mr Ian Clarke APM, Albany Youth Support Association, Committee Hansard, 15 November 2022, p. 29; Professor Patrick McGorry AO, Orygen, Committee Hansard, 31 October 2022, pp. 72–73; Professor Ian Hickie AM, Committee Hansard, 31 October 2022, p. 73.

<sup>&</sup>lt;sup>40</sup> Professor Patrick McGorry AO, Orygen, Committee Hansard, 31 October 2022, p. 72.

<sup>&</sup>lt;sup>41</sup> Mr Ian Clarke APM, Albany Youth Support Association, *Committee Hansard*, 15 November 2022, p. 29.

<sup>&</sup>lt;sup>42</sup> See Professor Patrick McGorry AO, Orygen, *Committee Hansard*, 31 October 2022, pp. 72–73; Professor Ian Hickie AM, *Committee Hansard*, 31 October 2022, p. 73.

So they're disengaged from school and education, which then puts them on the back foot going forward into the workforce, going into their own lives, getting a family together and all those other aspects which impact on the general person's life as they grow up. From our perspective, that's really what we see in that space as the impact of that enforced carer role.<sup>43</sup>

4.42 More broadly, Mr Andrew Sharpe, Chief Executive Officer of the City of Albany, explained that mental health issues for young carers can exacerbate economic challenges in housing, unemployment, and health services as well as limit productivity. Mr Sharpe noted that these challenges have compounded, increasing the strain on local infrastructure and support services:

Particularly with young people, what we are seeing is a lot more homelessness—people who are dropping out of normal society or the pressures are getting too much and the family unit isn't available to provide that support. Even the agencies in town providing supported accommodation for younger people are at maximum capacity and, similar to childcare, there are big waiting lists.<sup>44</sup>

- 4.43 Submitters further made clear that adverse mental health effects for young carers can be heightened due to caring responsibilities that are beyond their capacity and maturity, with Carers NSW saying that young carers commonly provide 'assistance which often exceeds community expectations of what a child or young person can and should be responsible for'.<sup>45</sup>
- 4.44 Mental Health Carers Australia explained that:

Without adequate support, children and young people in a mental health carer role can face 'lifelong effects on cognitive and social development, learning and education, work opportunities, finances' and overall health.<sup>46</sup>

4.45 While it is not the case that all young carers experience mental health challenges, submitters reported that young people who require support commonly experience issues in accessing services and obtaining wrap-around care. In particular, witnesses highlighted the under-identification of young carers and stigma as key barriers.<sup>47</sup>

<sup>44</sup> Mr Andrew Sharpe, Chief Executive Officer, City of Albany, *Committee Hansard*, 15 November 2022, p. 7.

<sup>47</sup> See Mr Andrew Sharpe, City of Albany, *Committee Hansard*, 15 November 2022, pp. 6–7; Mr Ian Clarke APM, Albany Youth Support Association *Committee Hansard*, 15 November 2022, pp. 33–34; Mr David Miltitz, Carers SA, *Committee Hansard*, 16 December 2022, p. 14.

<sup>&</sup>lt;sup>43</sup> Mr Ian Clarke APM, Albany Youth Support Association, *Committee Hansard*, 15 November 2022, pp. 31–32.

<sup>&</sup>lt;sup>45</sup> Carers NSW, Young Carers Policy Statement, 2020, <a href="https://www.carersnsw.org.au/uploads/main/Files/2.Services-and-Support/Our-programs-and-services/">www.carersnsw.org.au/uploads/main/Files/2.Services-and-Support/Our-programs-and-services/</a> YC/Young-Carer-Policy-Statement-2020.pdf (accessed 18 December 2022).

<sup>&</sup>lt;sup>46</sup> Mental Health Carers Australia, Submission 109, p. 2.

# Stigma and isolation

- 4.46 Along with poor mental health, stigma emerged as a prevalent theme throughout the inquiry when the topic of young carers was raised. Witnesses noted that stigma around young carers and mental health contributed to separation from support networks and a reduced capacity to engage in the community due to caring, which often exacerbates the vulnerability of young people.<sup>48</sup>
- 4.47 Witnesses also discussed how reducing stigma around caring would increase the willingness of young people to seek help early; be open about the challenges around caring responsibilities; and build understanding in schools, workplaces, and remote/regional communities.<sup>49</sup>
- 4.48 In particular, Mr Sharpe, identified stigma as one of the key barriers that has led to poor outcomes for young carers in regional and remote areas. Mr Sharpe explained that:
  - ... there is a stigma attached to that [caring]. A lot of people don't like to share the dilemmas that they are going through in their lives. I think we probably all suffer from that to some degree. If we've got something going on, we like to take care of it ourselves, get it fixed and move on. But in this world we live in today, it's really about having a bit of courage to come forward and say that you're going through a difficulty—whether that's a young person or someone who's in the workplace.<sup>50</sup>
- 4.49 Some witnesses told the committee that young carers living in rural and remote areas were concerned about being recognised when accessing support services. Witnesses also told the committee that they were aware of young carers who had travelled to different towns to avoid being identified.<sup>51</sup> In these areas, Mr Ian Clarke stressed that social connections made through support groups are extremely valuable, particularly in a caring situation that is otherwise isolating and demanding:

One of our guys is a FIFO [fly-in fly-out worker] who works on a platform for Shell, and when he's home he's in and out of the youth centre on a constant basis, both employed and as a volunteer. But he's a great mentor,

Mrs Caroline Thompson, Community Skills Western Australia, Committee Hansard, 14 November 2022, p. 61.

<sup>&</sup>lt;sup>48</sup> See Mr Andrew Sharpe, City of Albany, Committee Hansard, 15 November 2022, p. 6; Mrs Caroline Thompson, Executive Director, Community Skills Western Australia, Committee Hansard, 14 November 2022, p. 61.

<sup>&</sup>lt;sup>49</sup> See Mr Ian Clarke APM, Albany Youth Support Association, *Committee Hansard*, 15 November 2022, p. 32 and Mr David Miltitz, Carers SA, *Committee Hansard*, 16 December 2022, p. 14.

<sup>&</sup>lt;sup>50</sup> Mr Andrew Sharpe, City of Albany, Committee Hansard, 15 November 2022, p. 6.

particularly for the young men coming in. He rounds them up and brings them in, and it's very positive from their perspective.<sup>52</sup>

4.50 Mr David Miltitz discussed the importance of starting to destigmatise caring in the education system through the fostering of social connections between carers and non-carers. Mr Miltitz explained:

Carers, young carers in particular, have a want, generally, an emotional and behavioural need, to help people and they have got that innate ability to do that but so do other people. You don't have to be a young carer to do that, so we're trying to destignatise the young carer component, and bring a broader section of young people together who want to have social impact with like-minded ways of operating and then provide that external support from us, as an organisation, into the school, and to build a carer champion within the staffing group. I would love that impact to be systemic but at the moment it's purely that understanding and personal connection with the schools that has the biggest impact.<sup>53</sup>

4.51 Mr Dennis Wellington, Mayor of the City of Albany, explained that closer collaboration between disparate service providers also assists with identifying young carers who are isolated and in need of support:

We had a problem two years ago where we had three kids—one 17 and two of 12—all kill themselves in the same week. They all shot themselves with the family gun, two of them while Mum and Dad were at home. At that time, I called a meeting of all the mental health agencies, and we found that there were eight different agencies in town looking for that and four of them had never met the others. They now have a committee that meets every month, does cross pollination et cetera. The disparate services like that don't seem to be working in that regard, so mental health in younger people is a particular a problem, as is accommodation for the kids.<sup>54</sup>

4.52 Mr Clarke continued that in addition to forming social connections to combat the stigma around receiving support, young carers greatly benefit from a holistic approach and wrap-around care. He stated:

There's no one service provision that can be done individually. There are a number of people who do that. The way our youth workers operate is they have a case management system, which is basically a holistic approach to the care of that young person. It might be you are a mental health provider, a medical practitioner or a dentist. It could be getting the drivers licence and going to Centrelink. All those sorts of things require a multitude of people having input with specialist skills, but the youth worker is providing the wraparound service around that young person. I suppose in answer to what

Mr Ian Clarke APM, Albany Youth Support Association Committee Hansard, 15 November 2022, pp. 33–34.

<sup>&</sup>lt;sup>53</sup> Mr David Miltitz, Carers SA, Committee Hansard, 16 December 2022, p. 14.

<sup>&</sup>lt;sup>54</sup> Mr Dennis Wellington, Mayor, City of Albany, Committee Hansard, 15 November 2022, p. 5.

you're asking: absolutely it's a collaboration. You can't do anything individually. $^{55}$ 

# Young carer-centred reform

- 4.53 Along with better data and information on the number and experiences of young carers, the committee received several suggestions on what could be done to better support young carers in navigating the education to employment pathway, including vocational support, career advice, and adjustments such as flexible schedules and assessments.<sup>56</sup>
- 4.54 For example, Professor Hickie contended that the committee should consider targeted support mechanisms to uplift education, training, and skills development to address the disadvantage experienced by young carers. He stated that younger carers:
  - ... need to be supported in their education, training and skills so they become more skilled workers over time and don't miss out because of the caring roles that they're also doing at the same time.<sup>57</sup>
- 4.55 To increase the recognition of young carers and shift cultural conventions in these spaces, Professor Hickie recommended that formal credentialling for caring skills or a recognised prior learning qualification would alleviate some disadvantage for young carers. In discussing the formal caring industry as an example, Professor Hickie suggested that:
  - ... the recognition of prior learning is actually a critical factor. We have many people with years of experience in the caring professions who receive no credit for it. Tying that into formal credentialling is a key issue which could be achieved. That would bring people back in and reward them for what they've done, and also encourage them in further skill development right across the lifespan. And we are desperate for workers in all of those areas to receive more recognition for what they've done but then also to combine that with new knowledge.<sup>58</sup>
- 4.56 Similarly, Carers Australia called for more support for young carers navigating the school to employment pathway, in recognition of the fact that the transition into the workforce becomes more difficult the older a person becomes. Speaking of carers more broadly in post-school years, Carers Australia made the point that:

Mr Ian Clarke APM, Albany Youth Support Association Committee Hansard, 15 November 2022, p. 32.

See Mr David Miltitz, Carers SA, Committee Hansard, 16 December 2022, p. 14; Carers Australia, Submission 10, p. 5; Professor Ian Hickie AM, Committee Hansard, 31 October 2022, p. 71; Professor Patrick McGorry AO, Orygen, Committee Hansard, 31 October 2022, p. 76.

<sup>&</sup>lt;sup>57</sup> Professor Ian Hickie AM, Committee Hansard, 31 October 2022, p. 71.

<sup>&</sup>lt;sup>58</sup> Professor Ian Hickie AM, Committee Hansard, 31 October 2022, p. 76.

Carers who have contributed the most hours and years of care are least likely to be able to transition with any ease to the job market when their full-time caring role changes, as they often have a severely attenuated and interrupted work history and no current referees. In many cases their previous qualifications or experience no longer meets current standards or expectations.<sup>59</sup>

4.57 The Independent Education Union also supported changes to policy frameworks to enable children and young people to access education by creating flexible options. It argued:

Given the diverse and complex nature of caring responsibilities, it is essential that legislative and policy frameworks enable individual families to access a variety of formal care options, in ways that support them to engage with paid work. There can be no single, prescriptive solution that will meet the needs of all individuals and families. It is however, possible to design and enact legislative and policy frameworks that support the provision of dynamic and flexible options within the formal education and care sector.<sup>60</sup>

- 4.58 In particular, witnesses highlighted the importance of investing in tiered models of service delivery to provide young people with access to holistic support mechanisms.<sup>61</sup> To this end, Professor McGorry stated that effective multidisciplinary support mechanisms require reliable funding and adequate staffing.<sup>62</sup>
- 4.59 Finally, describing a 'significant public health crisis around mental health' in Australia, which is centred around young people, Professor McGorry highlighted the immediate need for mental health support. He made the point that rather than being a substantial cost to the public, investing in the mental health of young people is extremely cost effective, paying for itself several times over through reduced numbers of young people missing out on education, employment and training. In addition, as Professor McGorry indicated, investing in the mental health of young carers, has a secondary effect on 'reducing the need for people to be cared for in the home by families'.

#### First Nations communities

4.60 It was put to the committee that increased engagement of First Nations people in the provision of culturally-appropriate Early Childhood Education and Care

60 Independent Education Union, Submission 21, p. 3.

<sup>&</sup>lt;sup>59</sup> Carers Australia, *Submission* 10, p. 9.

<sup>&</sup>lt;sup>61</sup> Professor Patrick McGorry AO, Orygen, *Committee Hansard*, 31 October 2022, p. 71; Professor Ian Hickie AM, *Committee Hansard*, 31 October 2022, p. 71.

<sup>&</sup>lt;sup>62</sup> Professor Patrick McGorry AO, Orygen, Committee Hansard, 31 October 2022, pp. 70–71.

<sup>63</sup> Professor Patrick McGorry AO, Orygen, Committee Hansard, 31 October 2022, p. 66.

<sup>&</sup>lt;sup>64</sup> Professor Patrick McGorry AO, Orygen, Committee Hansard, 31 October 2022, p. 71.

- (ECEC) and in supporting First Nations people into paid employment—including caring roles—would help First Nations people better combine work and care responsibilities.
- 4.61 One of the more immediate priority challenges identified in the committee's *Interim Report* related to the importance of ECEC for First Nations communities, with a lack of long-term funding for culturally appropriate ECEC in regional, remote, and some urban areas recognised as having a detrimental impact on First Nations children.<sup>65</sup>
- 4.62 In its *Interim Report*, the committee noted the Australian Government's then-recent announcement regarding increased access to subsidised care of at least 36 hours per fortnight for First Nations children. The committee takes this as an acknowledgement on the part of the Australian Government of the need for positive action.
- 4.63 The committee also received compelling evidence which showed that:
  - quality, culturally appropriate, community managed, and trauma-informed ECEC is a vital means of improving the lives of First Nations children (by assisting their parents into study and work, and interrupting intergenerational trauma); and
  - the activity tests associated with subsidised childcare have a disproportionate negative impact on First Nations families and parents (and holds them back from work and study).<sup>66</sup>
- 4.64 As a result of these findings, the committee, in its *Interim Report*, recommended 'an immediate increase in long-term funding to First Nations ECEC, and removal of the activity tests for First Nations people to receive childcare subsidies'.<sup>67</sup>
- 4.65 Over recent months, the committee has heard further evidence about the unique circumstances facing First Nations people in providing informal care and engaging with ECEC and employment.
- 4.66 For example, the submission of the Department of Social Services and Services Australia noted that First Nations people are more likely to live in rural areas, report lower health outcomes and experience greater socio-economic disadvantage, which in turn creates a need for additional informal care.<sup>68</sup>

Obloitte Access Economics, Carers Australia: The Value of informal care in 2020, May 2020, cited in Department of Social Services and Services Australia, Submission 119, p. 11.

<sup>&</sup>lt;sup>65</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, p. xviii. www.aph.gov.au/Parliamentary Business/Committees/Senate/Work and Care/workandcare/Interim Report/ (accessed 8 February 2023).

<sup>&</sup>lt;sup>66</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, pp. xviii–xix.

<sup>&</sup>lt;sup>67</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, p. xix.

- 4.67 The Secretariat of National Aboriginal and Islander Child Care (SNAICC) indicated that while Aboriginal children aged from zero to 14 years are twice as likely to have a disability as non-Indigenous children, they have limited access to culturally appropriate assessment and early intervention services. The committee was told that assessments conducted by mainstream service providers are less likely to be conducted using a trauma-informed cultural focus. It was also noted that families seeking support for developmental delay or disability often face the additional barriers of language, workforce issues, racist service providers and socio-economic disadvantage.<sup>69</sup>
- 4.68 It was noted that in First Nations communities—including both remote and urban communities—institutions that are used and trusted by the community are often those which are Aboriginal-controlled, and these tend to be health services. There are also some communities which 'have a slightly more problematic relationship with the education system' as children transition to school. It is often a system that is not viewed as culturally safe, and one that community members may have had less than positive experiences with. This makes community engagement that much more challenging.<sup>70</sup>
- 4.69 The committee was also told that there is increasing recognition that it is no longer appropriate to assume that a mainstream ECEC response is going to deliver positive outcomes. It was argued that specific strategies are needed for First Nations communities, and that:

Universal means everyone, so, if it doesn't work for those communities, it's not a universal system.<sup>71</sup>

# Access to early childhood education and care

4.70 Access to ECEC for First Nations families was raised as a priority issue by several organisations. In evidence, SNAICC recognised that the goals of ECEC focus both on workforce participation and supporting children, but SNAICC told the committee that a lack of access to ECEC negatively impacts First Nations families' ability to participate in the workforce.<sup>72</sup>

<sup>&</sup>lt;sup>69</sup> Ms Miranda Edwards, National Workforce Adviser, Early Years, Secretariat of National Aboriginal and Islander Child Care, *Committee Hansard*, 20 September 2022, p. 37.

<sup>&</sup>lt;sup>70</sup> The Hon. Jay Weatherill AO, Thrive by Five, Minderoo Foundation, *Committee Hansard*, 6 December 2022, p. 10.

<sup>&</sup>lt;sup>71</sup> The Hon. Jay Weatherill AO, Minderoo Foundation, Committee Hansard, 6 December 2022, p. 10.

<sup>&</sup>lt;sup>72</sup> Secretariat of National Aboriginal and Islander Child Care, Submission 14, p. 1; Ms Miranda Edwards, Secretariat of National Aboriginal and Islander Child Care, Committee Hansard, 20 September 2022, p. 37.

#### Need for a new funding model

4.71 SNAICC argued that quality, culturally appropriate ECEC is vital, particularly as it supports the growth and development of Aboriginal and Torres Strait Islander children, who should have:

... a base entitlement of 30 hours per week culturally safe, quality early education from ages zero to five, which enables our children to meet their full potential. This will be an improvement in the availability, affordability and navigability of ECEC which will enable workforce participation.<sup>73</sup>

- 4.72 SNAICC was also in support of the development of additional ECEC services in areas of high Aboriginal and Torres Strait Islander populations, in order to address the 'thin markets for culturally safe ECEC provision'.<sup>74</sup>
- 4.73 SNAICC provides culturally safe, wrap-around, holistic services which are designed to meet the complex needs of vulnerable First Nations children, but SNAICC suggested that the current ECEC funding model was simply not adequate for this.<sup>75</sup>
- 4.74 SNAICC explained that despite subsidies—which target lower- and middle-income families—the current funding model does not support ECEC providers to set up in regional, remote and disadvantaged metropolitan areas. It was also noted that even those services which manage to operate within the current funding constraints still find themselves facing major staff shortages, which makes it difficult (or impossible) to expand their services.
- 4.75 As was noted in the *Interim Report*, the committee was told that the reasons for staff shortages vary, but include the:

... low status of the profession, inadequate investment in the professional development of ECEC educators and teachers, low pay and lack of equity and pay and conditions between the ECEC workers and teachers, and lack of clear pathways for career progression.<sup>76</sup>

4.76 SNAICC stressed that for Aboriginal and Torres Strait Islander ECEC centres, which require the cultural skills for Aboriginal and Torres Strait Islander staff, the situation is even worse, for a variety of reasons, including:

... institutional barriers in education; university entrance requirements of English, maths and numeracy without options of transition programs; uneven, inadequate or culturally unsafe support from further and higher education institutions; lack of familiarity with technologies used for blended

<sup>75</sup> Ms Miranda Edwards, Secretariat of National Aboriginal and Islander Child Care, *Committee Hansard*, 20 September 2022, p. 37.

<sup>&</sup>lt;sup>73</sup> Ms Miranda Edwards, Secretariat of National Aboriginal and Islander Child Care, *Committee Hansard*, 20 September 2022, p. 37.

<sup>&</sup>lt;sup>74</sup> Secretariat of National Aboriginal and Islander Child Care, Submission 14, p. 2.

Ms Miranda Edwards, Secretariat of National Aboriginal and Islander Child Care, Committee Hansard, 20 September 2022, p. 37.

or online learning; and lack of role models for tertiary study in home communities.<sup>77</sup>

4.77 SNAICC's National Workforce Adviser, Ms Miranda Edwards, discussed the impact the lack of childcare has on families, drawing on a case study from Ti Tree in the Northern Territory:

There are fewer ECEC services in the regional and remote areas where there are more children and families existing on or below the poverty line. Where there are fewer ECEC services there are fewer women with children under five years of age in the workforce. The activity test impacts childcare affordability and workforce participation. Families with unpredictable incomes, casual work or short-term contracts can't take on more work without stable childcare but can't book an ongoing or stable childcare place without the guarantee of a wage shift to pay for it. It's a vicious cycle. Families can apply for the additional childcare subsidy for vulnerable children, but this is stigmatising and culturally unsafe, renewing the trauma created by forced child removal, as it requires families to label their child as vulnerable. This implies that the family should be under the scrutiny of child protective services.<sup>78</sup>

# Wrap-around services

- 4.78 SNAICC stressed the importance of integrated, wrap-around services, and observed that families using SNAICC services are frequently impacted by a higher level of caring responsibility. This includes situations where children and parents are disabled, and where there are high kinship caring responsibilities, including for children in contact with child protection and out-of-home care services.<sup>79</sup>
- 4.79 The Yappera Children's Service Cooperative (Yappera), a not-for-profit Aboriginal community-controlled organisation, told the committee that it provides both long day care and kindergarten for First Nations children and applies wrap-around and holistic support models, which means they are also responsive to family and community needs. Yappera's programs include art, music and dance, bush kinder and school readiness programs and activities. In addition, they provide onsite specialist services for families, which include audiology, optometry, dental checks, immunisations, speech therapy and

<sup>&</sup>lt;sup>77</sup> Ms Miranda Edwards, Secretariat of National Aboriginal and Islander Child Care, *Committee Hansard*, 20 September 2022, p. 37.

<sup>&</sup>lt;sup>78</sup> Ms Miranda Edwards, Secretariat of National Aboriginal and Islander Child Care, *Committee Hansard*, 20 September 2022, pp. 37–38.

<sup>&</sup>lt;sup>79</sup> Ms Miranda Edwards, Secretariat of National Aboriginal and Islander Child Care, *Committee Hansard*, 20 September 2022, p. 37.

- maternal and child health. They also run family and community wellness programs and activities, and host a variety of family and community events.<sup>80</sup>
- 4.80 While stressing how vital the provision of holistic, wrap-around services and support is, the representatives of both Yappera and Bubup Wilam Aboriginal Child and Family Centre (Bubup Wilam), also stressed just how difficult these services are to fund. It was noted that organisations have to be resourceful in finding funding for extra programs, requiring a considerable amount of extra work for staff, outside the scope of their normal duties as educators. Staff also work with families to build up trusting relationships and build on that trust to link families to services when they are seen as requiring extra support. Staff share cultural knowledge, and cultural expertise, and share that with peer staff. They also develop cultural support plans for every Aboriginal child enrolled in their service—a task also outside the scope of their nominal roles.<sup>81</sup>
- 4.81 Regardless of the additional funds, resources and work required, these organisations remain committed to putting in wrap-around supports to support both children and families.<sup>82</sup>
- 4.82 In evidence, Ms Stacey Brown, Chief Executive Officer of Yappera, stated that:

The work that Lisa [Thorpe] and I also do is around putting in wraparound supports, so using our resources, our dollars and our support in the organisation to minimise the risk of child protection intervention for families. It's all of those additional wraparound supports that we're doing, and in some instances, it's the work of child protection, which we are presenting on tomorrow at the Yoorrook Justice Commission, talking about particular case studies where we are using our own resources – and this is a lot of time and money – just to support our families and keep kids in community and keep kids with family.<sup>83</sup>

# First Nations workforce participation

4.83 Ms Lisa Thorpe, Chief Executive Officer of Bubup Wilam, noted that it has recently focussed on workforce development, and in particular, valuing its Aboriginal workforce. Ms Thorpe told the committee that this has its own challenges:

<sup>&</sup>lt;sup>80</sup> Ms Stacey Brown, Chief Executive Officer, Yappera Children's Service Cooperative Ltd, *Committee Hansard*, 8 December 2022, p. 1.

Ms Stacey Brown, Yappera Children's Service Cooperative Ltd. and Ms Lisa Thorpe, Chief Executive Officer, Bubup Wilam Aboriginal Child and Family Centre, Committee Hansard, 8 December 2022, p. 8

Ms Stacey Brown, Yappera Children's Service Cooperative Ltd. and Ms Lisa Thorpe, Bubup Wilam Aboriginal Child and Family Centre, *Committee Hansard*, 8 December 2022, pp. 1–11.

<sup>&</sup>lt;sup>83</sup> Ms Stacey Brown, Yappera Children's Service Cooperative Ltd, *Committee Hansard*, 8 December 2022, p. 8.

There is a huge difference between how an Aboriginal person will come in and work in a space where they are looking after their own community's children and breaking into the workforce, which has been held by teachers, by educators, teaching at a higher level. The ability to share the knowledge has been really difficult, and, because of the people holding the job positions, Aboriginal people have not been able to grow. So Aboriginal people are sitting at the bottom of the ladder, working in an early years centre.<sup>84</sup>

- 4.84 Mr Chris Twomey from the Western Australian Council of Social Service told the committee of several benefits to developing an Aboriginal community services workforce. He argued that employing people with knowledge and insight, and 'people who are culturally secure and trusted delivering services to local people' means that those accessing the services feel as though they are receiving the support required. At the same time, this approach builds the local economy, by ensuring that jobs are going to locals and 'you're not having FIFO or drive-in drive-out services being delivered'.85
- 4.85 Mr Twomey continued that this also means a service gets:

... the benefit of that person being embedded in the community, and a lot of their knowledge and insight is being shared by family and it's being reflected on the boards of local organisations or whatever they're doing. So, for the investment that you put into developing more local services, you actually get more impact.<sup>86</sup>

# Supporting First Nations staff

4.86 Witnesses such as Ms Thorpe made it clear that in the ECEC sector, First Nations staff have an additional layer of responsibility, central to which is accountability to the community:

You're always in the spotlight of being accountable to your community, to your family. Children come into your families or your community families and you have an extra layer of burden of responsibility – maybe not a burden but an extra layer of responsibility that they have a care factor about because they're Aboriginal children. It's not written anywhere. In the expectations of the Aboriginal workforce there is also an unwritten rule about how we look after our children, and the whole process and the pressures of when issues of a potential risk or something might happen to a young Aboriginal worker in that space.<sup>87</sup>

Mr Chris Twomey, Leader, Policy and Research, Western Australian Council of Social Services, Committee Hansard, 14 November 2022, p. 7.

Mr Chris Twomey, Western Australian Council of Social Services, *Committee Hansard*, 14 November 2022, p. 7.

<sup>&</sup>lt;sup>84</sup> Ms Lisa Thorpe, Bubup Wilam Aboriginal Child and Family Centre, *Committee Hansard*, 8 December 2022, p. 6.

Ms Lisa Thorpe, Bubup Wilam Aboriginal Child and Family Centre, *Committee Hansard*, 8 December 2022, p. 8.

4.87 It was also noted that a lot of young workers are also supporting their own families, or their nieces and nephews—particularly during their early working years. Ms Thorpe told the committee that First Nations staff carry a huge additional, underlying load, particularly as everything her organisation does is 'about the growth of Aboriginal children, their identity, their cultural business and the strengths they grow' which largely is left up to the Aboriginal staff to do. The committee was told that:

Everyone's qualified the same as a cert [certificate] III diploma or kindergarten teacher, but the cultural load they carry just by being Aboriginal people and the stuff that happens, the work on the ground, is left up to them. So there's a lot of unwritten law.<sup>88</sup>

# Access to care services and support

- 4.88 The committee was told that First Nations people from regional and remote areas can have difficulty in accessing the care and support services they need, with direct impacts on their ability to either care or work.
- 4.89 For example, Ms Fiona Hunt of Basic Rights Queensland noted that First Nations elders must frequently leave Country to access aged-care services, which means leaving their family and friends behind.<sup>89</sup>
- 4.90 The Albany Community Foundation (ACF) also provided evidence about the limited access to services in Albany and the experiences First Nations people have in attempting to engage with community supports. Ms Bianca Blake of the ACF indicated that, generally speaking, the organisation sees 'less help-seeking from Aboriginal and Torres Strait Islander people', adding that the lack of resources across the community is a primary problem:

But I don't necessarily think that's because there's less of a need. Actually, from what I've seen in the community, there's a higher need in that space ... We have no crisis accommodation. We have next to no respite facilities, no transitional housing facilities. ... in looking at other regions such as South West and metro in terms of support services, there's just nothing here for people. The same goes for Aboriginal and Torres Strait Islander people. There is such a shortage of support services here, which makes it really hard. There's nowhere to turn for support.<sup>90</sup>

#### Disabled workers

4.91 Disabled workers are a cohort of workers particularly vulnerable to low pay and insecure work.

<sup>&</sup>lt;sup>88</sup> Ms Lisa Thorpe, Bubup Wilam Aboriginal Child and Family Centre, *Committee Hansard*, 8 December 2022, p. 8.

<sup>&</sup>lt;sup>89</sup> Ms Fiona Hunt, Director, Basic Rights Queensland, Committee Hansard, 31 October 2022, p. 19.

<sup>90</sup> Ms Bianca Blake, Board Member, Albany Community Foundation, *Committee Hansard*, 15 November 2022, p. 19.

- 4.92 The committee heard that 53 per cent of working-age disabled people are engaged in the workforce, compared with 84 per cent of people without disability. 91 Working-age disabled people are twice as likely to be unemployed as those who are not disabled, and are more likely to have difficulty finding work and to be unemployed for longer. 92
- 4.93 Around 20 000 disabled people are employed in Australian Disability Enterprises (ADEs), working at least eight hours per week. According to the Department of Social Services:

ADEs offer similar working conditions to other employers and an opportunity for people with disability to contribute and connect to their local community. ADEs provide a wide range of employment opportunities including packaging, assembly, production, recycling, screen-printing, plant nursery, garden maintenance and landscaping, cleaning services, laundry services and food services.<sup>93</sup>

4.94 However, concerns were raised to the committee regarding ADEs, with particular focus on the pay and working conditions provided by them. In this regard, Inclusion Australia told the committee that:

Australian Disability Enterprises, which are more accurately described as sheltered workshops, are disguised as a form of care provided to the families of people with high support needs, providing them with respite from their caring duties.<sup>94</sup>

- 4.95 In its submission to the inquiry, Inclusion Australia was adamant that 'ADEs should not be used as an alternative to appropriate care' and argued for the implementation and resourcing of a five-year transition plan away from ADEs to open employment, in conjunction with disabled people.<sup>95</sup>
- 4.96 The National Ethnic Disability Alliance (NEDA) submitting that people working in ADEs work all day to earn as little as \$2.30 or \$2.40 an hour.<sup>96</sup>
- 4.97 The Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability examined the ADEs as part of its inquiry and was also

<sup>95</sup> Antipoverty Centre, Submission 110, p. 5.

Mr Dwayne Cranfield, National Ethnic Disability Alliance, Committee Hansard, 16 September 2022, p. 45.

<sup>&</sup>lt;sup>91</sup> Australian Institute of Health and Welfare, *People with disability in Australia in* 2022, 2022, Canberra, pp. 312.

Western Australian Council of Social Services, Submission 46, Attachment 1, p. 65; Australian Institute of Health and Welfare, People with disability in Australia in 2022, 2022, Canberra, pp. 337 and 345.

<sup>&</sup>lt;sup>93</sup> Department of Social Services, *Disability and Carers*, <u>www.dss.gov.au/disability-and-carers-programs-services-for-people-with-disability/supported-employment</u> (accessed 15 February 2023).

<sup>94</sup> Antipoverty Centre, Submission 110, p. 5.

- informed that disabled people working in ADEs are paid as low as \$2.37 per hour.<sup>97</sup>
- 4.98 Mr Dwayne Cranfield, Chief Executive Officer of NEDA argued in favour of a phasing out of ADEs or a more appropriate form of employment for disabled people.<sup>98</sup>
- 4.99 NEDA and Inclusion Australia agreed that efforts should be directed to a co-designed, fully resourced transition plan to move workers in ADEs to open and self-employment.<sup>99</sup> Inclusion Australia further noted that:

The plan, co-designed with people with an intellectual disability and their families, will mean people with an intellectual disability can have more choices and options about the kinds of work they could do, with the right support. It should include services, specialist DES [disability employment services] providers, the NDIA [National Disability Insurance Scheme Agency] and the government.<sup>100</sup>

# Migrant and CALD carers

- 4.100 Hundreds of languages other than English are spoken in Australian homes, including dozens of First Nations languages.<sup>101</sup> Within these communities, there are many people from migrant and culturally and linguistically diverse backgrounds who combine work with informal care.<sup>102</sup>
- 4.101 This section outlines the unique challenges that migrant and CALD people face in combining their work and care responsibilities. These challenges exert

<sup>&</sup>lt;sup>97</sup> Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability, 'People with disability paid as low as \$2.37 per hour in Australian Disability Enterprises', *Media Release*, 11 April 2022, <a href="disability-royalcommission.gov.au/news-and-media/media-releases/people-disability-paid-low-237-hour-australian-disability-enterprises">disability-paid-low-237-hour-australian-disability-enterprises</a> (accessed 15 February 2023).

<sup>98</sup> Mr Dwayne Cranfield, National Ethnic Disability Alliance, Committee Hansard, 16 September 2022, p. 45.

<sup>&</sup>lt;sup>99</sup> National Ethnic Disability Alliance, *Media Release*, 13 April 2022, <u>www.neda.org.au/neda-voices-support-inclusion-aus-ade-comments</u> (accessed 15 February 2023).

<sup>&</sup>lt;sup>100</sup> Inclusion Australia, Equal Pay, Equal Respect: time to end discriminatory wages for people with an intellectual disability, 10 April 2022, <a href="www.inclusionaustralia.org.au/equal-pay-equal-respect-time-to-end-discriminatory-wages-for-people-with-an-intellectual-disability/">www.inclusionaustralia.org.au/equal-pay-equal-respect-time-to-end-discriminatory-wages-for-people-with-an-intellectual-disability/</a> (accessed 15 February 2023).

Australian Bureau of Statistics, Census: Cultural diversity: data summary, 2021, Table 5, 28 June 2022, www.abs.gov.au/statistics/people/people-and-communities/cultural-diversity-census/2021 (accessed 3 January 2022).

Note, in this section the term CALD is used to collectively refer to people who were born overseas, who have parents who were born overseas—particularly in non-English speaking countries—or people who primarily speak a language other than-English at home.

- substantial costs on carers over their lives and compound the inequalities associated with providing informal care.<sup>103</sup>
- 4.102 Evidence to the inquiry highlighted the specific challenges that migrant and CALD carers face in balancing work and care, including:
  - structural employment barriers that prevent access to quality jobs;
  - limited access to family and childcare supports;
  - experiences of exploitation in the workplace; and the
  - conditions in frontline jobs in Australia's care economy.
- 4.103 The committee heard that Australia's migration settings contribute to these challenges by exacerbating the vulnerability of migrants during employment and by making it harder for them to give and receive care.<sup>105</sup>
- 4.104 The Victorian Council of Social Services (VCOSS) also pointed to the intersectionality of issues facing CALD people. VCOSS suggested that women from CALD backgrounds, for example, have low rates of reporting or identification as carers, and therefore are underrepresented in carer support services. In addition, the 'systemic barriers, racism and attitudinal barriers made it difficult for CALD families' to access ECEC, and migrant, refugee and multicultural women have experienced disproportionate social and economic impacts from the pandemic. 106

# Structural barriers to employment

4.105 Migrant and CALD carers who work, or seek work, face significant structural barriers to their employment. Migrants often struggle to gain recognition of their skills and qualifications in Australia, particularly if they were gained in primarily non-English speaking countries.<sup>107</sup> Speaking English as a second language (ESL) can also be a significant barrier to employment.<sup>108</sup>

<sup>&</sup>lt;sup>103</sup> See: Senate Select Committee on Work and Care, *Interim Report*, October 2022, pp. 5–7 and 13–25.

<sup>&</sup>lt;sup>104</sup> The inadequacy of wages in the care economy was considered in further detail in the committee's *Interim Report*, and is discussed elsewhere in this report. See, Senate Select Committee on Work and Care, *Interim Report*, October 2022, pp. 37–40.

See, for example, Dr Matt Withers, Member, Work + Family Policy Roundtable, Committee Hansard, 7 October 2022, p. 6.

<sup>&</sup>lt;sup>106</sup> Victorian Council of Social Service, *Submission 91*, p. 10.

See, for example: Mr Pacifique Gakindi, Founding Member and Chief Executive Officer, People Power Services Ltd, Committee Hansard, 31 October 2022, p. 35.

<sup>&</sup>lt;sup>108</sup> See, for example: Ms Rachel Siewert, Deputy Chief Executive Officer, Western Australian Council of Social Service, *Committee Hansard*, 14 November 2022, p. 6; Mrs Amanda Baxter, Inclusion Professional, Wanslea Ltd, *Committee Hansard*, 15 November 2022, p. 11.

#### 4.106 As Mr Twomey summarised in evidence:

We've got quite a lot of skilled migrants and humanitarian migrants who simply can't get recognition of their skills and qualifications. There's also a group there who have a whole pile of skills and qualifications, but the barrier is more around language. That doesn't directly affect their ability to do it, but, if we put the effort into providing some kind of training and support there around taking down language barriers, they could contribute a lot more. 109

- 4.107 Australian Bureau of Statistics' data shows that recent migrants who experienced difficulties finding their first local job indicated that this was most often due to: a lack of local work experience or references; a lack of local contacts or networks; and/or language barries. This is despite 69 per cent of migrants holding non-school qualifications prior to arriving in Australia. 111
- 4.108 The committee received evidence of other employment barriers including migrant workers, particularly women, struggling to access training and childcare, or not having a driver's license needed for certain entry-level opportunities.<sup>112</sup>
- 4.109 Witnesses told the committee that the structural barriers to employment faced by migrants leads to their disproportionately employment in insecure work that is low-paid, and for which they are often overqualified.<sup>113</sup>
- 4.110 The committee further heard that disabled people from CALD backgrounds 'face considerable barriers not experienced by others in the community'. Mr Dwayne Cranfield of NEDA told the committee that these barriers include 'reduced opportunities and lower participation in the labour force' a 'one-year waiting period for carers allowance' and 'limited flexibility in working arrangements'. They also face delays in being granted family member carer visas, which would allow for 'culturally appropriate care at home'. 114

<sup>109</sup> Mr Chris Twomey, Western Australian Council of Social Service, *Committee Hansard*, 14 November 2022, p. 6.

<sup>112</sup> See, for example: Ms Rachel Siewert, Committee Hansard, 14 November 2022, p. 6; Mrs Caroline Thompson, Executive Director, Community Skills Western Australia, Committee Hansard, 14 November 2022, p. 60.

<sup>113</sup> See, for example: South-East Monash Legal Service, *Submission 81*, p. 3; Dr Matt Withers, Work + Family Policy Roundtable, *Committee Hansard*, 7 October 2022, p. 6.

<sup>114</sup> Mr Dwayne Cranfield, Chief Executive Officer, National Ethnic Disability Alliance, *Committee Hansard*, 16 September 2022, p. 44.

Australian Bureau of Statistics, Characteristics of recent migrants, 12 June 2020, www.abs.gov.au/statistics/people/people-and-communities/characteristics-recent-migrants/nov-2019 (accessed 3 January 2023).

<sup>&</sup>lt;sup>111</sup> Australian Bureau of Statistics, Characteristics of recent migrants, 12 June 2020.

4.111 Structural barriers to employment have led to an underutilisation of migrants' skills and qualifications in the Australian labour market. Research from the Bankwest Curtin Economics Centre shows that around 35 per cent of migrants from non-English speaking backgrounds work in jobs for which they are overeducated. Better matching migrants' qualifications with their jobs has been estimated to have an economic benefit of several billion dollars per year. It has been suggested that enabling the contribution of migrants should be a priority of the migration system, particularly as Australia faces declining productivity growth and international competition for migrant labour.

# Access to care supports

4.112 Compared to their locally-born counterparts, migrant and CALD carers have limited access to formal and informal work and care supports. Migrants have significantly less access to family support when providing care, particularly for children. Migrants also face additional challenges in accessing professional support to manage poor conduct and practices in the workplace. 119

#### Family support

4.113 Migrants experience 'significant obstacles to family reunification' that reduce their ability to provide and receive care. <sup>120</sup> For example, Mr Cranfield of NEDA called for the simplification of the carer visa process, and a reduction of the associated waiting periods. Mr Cranfield said that the current system was:

 $\dots$  complex and requires the person with a disability to go above and beyond to prove that they are out of options. This reduces their choice and control to be cared for at home if they want to be.<sup>121</sup>

4.114 Dr Matt Withers, Member of the Work + Family Policy Roundtable (Roundtable), highlighted the Pacific Australia Labour Mobility (PALM)<sup>122</sup>

Bankwest Curtin Economics Centre, Bridging the gap: Population, skills and labour market adjustment in WA, September 2022, p. 62, <u>bcec.edu.au/publications/bridging-the-gap-population-skills-and-labour-market-adjustment-in-wa/</u> (accessed 8 February 2023).

<sup>&</sup>lt;sup>116</sup> Bankwest Curtin Economics Centre, *Bridging the gap: Population, skills and labour market adjustment in WA*, September 2022, p. 49.

<sup>&</sup>lt;sup>117</sup> See, Department of Home Affairs, *A migration system for Australia's future: Discussion paper*, November 2022, pp. 2–5, <u>www.homeaffairs.gov.au/reports-and-pubs/files/reviews-and-inquiries/discussion paper.pdf</u> (accessed 8 February 2023).

<sup>&</sup>lt;sup>118</sup> Dr Matt Withers, Work + Family Policy Roundtable, Committee Hansard, 7 October 2022, p. 6.

<sup>&</sup>lt;sup>119</sup> Ms Eloise Dalton, Solicitor, Basic Rights Queensland, Committee Hansard, 31 October 2022, p. 31.

<sup>&</sup>lt;sup>120</sup> Dr Matt Withers, Work + Family Policy Roundtable, Committee Hansard, 7 October 2022, p. 6.

<sup>&</sup>lt;sup>121</sup> Mr Dwayne Cranfield, National Ethnic Disability Alliance, Committee Hansard, 16 September 2022, p. 44.

The PALM scheme allows eligible businesses to hire workers from certain pacific island states and Timor Leste to work in 'seasonal jobs for up to 9 months or for longer-term roles for between one

- scheme as a leading example of the adverse social impacts experienced by migrants due to family separation. 123
- 4.115 The PALM scheme does not currently provide for migrant participants to be accompanied by family members in Australia. 124 Dr Withers summarised the research findings on the impacts of family separation on migrant families:

Interviews with migrant workers and their families revealed that participation within the PALM scheme disrupted the care practices and personal relationships that had hitherto sustained their everyday lives. Parental bonds were frayed by the limitations of distance communication; important forms of unpaid household and community labour were displaced; and spousal relationships frequently broke down amid prolonged separation ... [PALM scheme] stakeholders conveyed significant and widespread concern about the frequency of extramarital affairs and the welfare of children separated from one or both parents. Children were reported to experience harms ranging from dropping out of school through to instances of sexual abuse and abandonment. Consistent with the international literature on transnational family separation, it was clear that these outcomes were not gender neutral. Whether working in Australia or caring in their home countries, women and girls were observed to be more disadvantaged by the reconfigurations of transnational family life. 125

- 4.116 Dr Withers went on to explain that Australia's migration scheme policy settings mean 'workers have no pathway to permanent residency, are unable to change jobs and cannot be accompanied by family members'. These policies are inconsistent with those in Europe and North America and more closely resemble policies in countries where migrant 'exploitation is rife'. 126
- 4.117 At the time of writing, the Australian Government had recently committed to allow PALM scheme workers 'on long-term placements of between one and four years to bring their families to Australia, with the agreement of their employer sponsor'. 127 A statement from the Department of Foreign Affairs and Trade, cited

and 4 years in unskilled, low-skilled and semi-skilled positions.' See, Australian Government, *Pacific Australia Labour Mobility (PALM) scheme*, <a href="www.palmscheme.gov.au/">www.palmscheme.gov.au/</a> (accessed 9 January 2023).

<sup>&</sup>lt;sup>123</sup> Dr Matt Withers, Work + Family Policy Roundtable, Committee Hansard, 7 October 2022, p. 6.

<sup>&</sup>lt;sup>124</sup> Dr Matt Withers, Work + Family Policy Roundtable, Committee Hansard, 7 October 2022, p. 6.

<sup>&</sup>lt;sup>125</sup> Dr Matt Withers, Work + Family Policy Roundtable, Committee Hansard, 7 October 2022, p. 6.

<sup>&</sup>lt;sup>126</sup> Dr Matt Withers, Work + Family Policy Roundtable, Committee Hansard, 7 October 2022, p. 6.

<sup>&</sup>lt;sup>127</sup> Australian Government, Family accompaniment—information for workers, v2, 22 December 2022, p. 2, www.palmscheme.gov.au/sites/default/files/2022-12/Family accompaniment frequently asked questions - 221222.pdf (accessed 8 February 2023).

- in media reporting, said that family accompaniment was 'expected to commence with up to 200 families of PALM scheme workers in 2023–24'. 128
- 4.118 On 13 February 2023, the Australian Government also announced amendments to the Temporary Protection Visa (TPV) and Safe Haven Enterprise Visa (SHEV) schemes, to provide pathways to permanent residency.
- 4.119 In announcing the changes, the Minister for Immigration, Citizenship and Multicultural Affairs, the Hon Andrew Giles MP, observed that 'TPV and SHEV holders work, pay taxes, start businesses, employ Australians and build lives' in Australian communities, and often in rural and regional areas. The Australian Government has allocated \$9.4 million over two years, for visa application assistance through specialist legal service providers.<sup>129</sup>
- 4.120 The amendments to the PALM scheme allowing family accompaniment, along with these positive changes to TPV and SHEV visas will ensure that migrants and people of CALD background can be supported by loved ones, and no longer have the uncertainty of temporary visas hanging over their heads. Permanent residency will allow people to engage in paid employment more fulsomely, and to access more care options, with positive impacts on combining their work and informal care responsibilities.

#### Childcare

- 4.121 Evidence to the inquiry emphasised that, compared to other Australians, migrant families have less access to crucial supports when caring for children. Associate Professor Myra Hamilton from the Roundtable, for example, told the committee that migrant families 'have limited access to grandparent childcare because the grandparents live abroad.' At the same time, migrant families are 'among those most poorly serviced by the formal ECEC system'. 131
- 4.122 The committee heard that, due to the limited accessibility of ECEC services, Australian grandparents are providing increased amounts of unpaid care for

<sup>128</sup> Bec Whetham, 'PALM workers set to be joined by families in 2023–24 as government commits to visa scheme', ABC News, 10 January 2023, <a href="https://www.abc.net.au/news/2023-01-10/pacific-worker-families-family-accompaniment-visa-palm-scheme/101829572">www.abc.net.au/news/2023-01-10/pacific-worker-families-family-accompaniment-visa-palm-scheme/101829572</a> (accessed 8 February 2023).

The Hon Andrew Giles MP, Minister for Immigration, Citizenship and Multicultural Affairs, and The Hon Clare O'Neil MP, Minister for Home Affairs and Cyber Security, 'Delivering a permanent pathway for Temporary Protection Visa holders', Media Release, 13 February 2023, <a href="minister.homeaffairs.gov.au/AndrewGiles/Pages/permanent-pathway-for-tpv-holders.aspx">minister.homeaffairs.gov.au/AndrewGiles/Pages/permanent-pathway-for-tpv-holders.aspx</a> (accessed 14 February 2023).

<sup>&</sup>lt;sup>130</sup> Associate Professor Myra Hamilton, Member, Work + Family Policy Roundtable, *Committee Hansard*, 7 October 2021, p. 9.

<sup>&</sup>lt;sup>131</sup> Associate Professor Myra Hamilton, Work + Family Policy Roundtable, *Committee Hansard*, 7 October 2021, p. 9.

their grandchildren to enable their adult children to work.<sup>132</sup> However, for migrant families to access grandparent care in Australia they must overcome costly and lengthy visa processes. As Associate Professor Hamilton's evidence outlined, migrant families are:

... forced to rely on parent visas—one of which has a 30-year-plus waiting period, and the other of which is over \$50,000 per parent—or recurring short-term visitor visas, which don't create the continuity of care required for parents to find ongoing, secure, paid work. The recent introduction of the long-stay parent visa was meant to counter this somewhat, but it remains expensive—it's \$5,000 to \$10,000 per parent—and it creates the conditions of that highly intensive childcare by grandparents that comes with negative impacts that I discussed above. The grandparents on the visa have no access to health and social rights, no access to work rights and no pathways to permanency. The visa comes to an abrupt end after five or 10 years, depending on what you apply for, and then the parents must return to their country of origin. 133

4.123 To address the limitations that migrants experience in accessing childcare, witnesses supported increasing the availability of ECEC. The Equality Rights Alliance, for example, told the committee that the increased availability of childcare would make it 'easier' for people from migrant refugee backgrounds who have 'difficulty balancing a number of additional demands such as language learning.' 134

# Workplace exploitation

- 4.124 Despite being 'entitled to the same workplace rights and protections as Australian citizens', <sup>135</sup> migrant workers remain 'one of the most vulnerable cohorts for workplace exploitation'. <sup>136</sup> This exploitation comes in many forms, such as: wage underpayment, or 'cash-back' arrangements; unfair dismissal; and threats to have a person's visa cancelled. <sup>137</sup>
- 4.125 In evidence, organisations representing workers' rights provided several concerning examples of migrant exploitation. These examples highlighted the importance of migrant workers' access to appropriate supports. However, for

<sup>132</sup> See, Associate Professor Myra Hamilton, Work + Family Policy Roundtable, *Committee Hansard*, 21 September 2021, p. 46.

<sup>&</sup>lt;sup>133</sup> Associate Professor Myra Hamilton, Work + Family Policy Roundtable, *Committee Hansard*, 7 October 2021, p. 9.

Ms Helen Dalley-Fisher, Convenor, Equality Rights Alliance, Committee Hansard, 14 November 2022, p. 44.

Department of Employment and Workplace Relations, *Migrant Workers Taskforce*, 31 August 2022, <a href="https://www.dewr.gov.au/migrant-workers-taskforce">www.dewr.gov.au/migrant-workers-taskforce</a> (accessed 4 January 2023).

<sup>&</sup>lt;sup>136</sup> Fair Work Ombudsman and Registered Organisations Commission Entity, *Annual Report* 2021–22, September 2022, p. 24.

<sup>&</sup>lt;sup>137</sup> Australian Government, Report of the Migrant Workers' Taskforce, March 2019, pp. 33–34.

- similar reasons that migrants' experience employment vulnerability, so too do they have difficulty accessing support.
- 4.126 Basic Rights Queensland, a state-wide community legal centre, told the committee that around one in six of its clients are migrants or from migrant backgrounds and typically receive legal support services for workplace sexual harassment cases, gender protection matters and unfair dismissals.<sup>138</sup>
- 4.127 The Working Women's Centre SA (WWCSA) described the experience of a qualified and experience migrant worker it had assisted with a job that involved wage underpayment, sexual harassment, unfair dismissal, workplace bullying and which resulted in a workers compensation claim. WWCSA noted that the migrant worker was initially 'very reluctant' to pursue her claim due to fears associated with her visa status and application for permanent residency. 140

# Conditions in frontline jobs in the care sector

- 4.128 The committee received compelling evidence on the overrepresentation of migrant workers in low-paid jobs in the care sector, for which they are often overqualified. Australia's migration settings, and gendered norms about what constitutes skill, directly contribute to this problem.
- 4.129 Professor Sara Charlesworth, Convenor of the Roundtable, explained that migrants often work in the care sector as locally born workers seek 'better paying' and 'more secure work' elsewhere. It was also put to the committee that the care economy is 'racialised', as migrant women from non-English speaking backgrounds do a higher proportion of the 'nursing assistance, disability care and support work'—'because it is the only job they can get.'
- 4.130 Professor Charlesworth told the committee that gendered norms about 'what constitutes skill' can result in the 'profound undervaluation of care work'. As a result, temporary migrants end up in 'low skilled' long-term care work. 143

<sup>&</sup>lt;sup>138</sup> See, Ms Fiona Hunt, Director, Basic Rights Queensland and Ms Eloise Dalton, Solicitor, Basic Rights Queensland, *Committee Hansard*, 31 October 2022, p. 21.

<sup>&</sup>lt;sup>139</sup> Caitlin Feehan, Lawyer, The Working Women's Centre SA, *Committee Hansard*, 6 December 2022, pp. 28–29.

<sup>&</sup>lt;sup>140</sup> Caitlin Feehan, The Working Women's Centre SA, Committee Hansard, 6 December 2022, p. 29.

Professor Sara Charlesworth, Work + Family Policy Roundtable, answer to questions on notice, 20 September 2022, [p. 3] (received 25 September 2022).

<sup>&</sup>lt;sup>142</sup> Ms Lux Bernadette Myles, Director, Soroptimist International South East Asia Pacific, *Committee Hansard*, 31 October 2022, p. 15.

Professor Sara Charlesworth, Work + Family Policy Roundtable, answer to questions on notice, 20 September 2022, [p. 3] (received 25 September 2022).

4.131 Mr Cranfield suggested that all care staff should be trained in cultural competency and safety, as well as 'anti-discrimination, anti-racism and trauma informed service delivery'.<sup>144</sup>

<sup>&</sup>lt;sup>144</sup> Mr Dwayne Cranfield, National Ethnic Disability Alliance, *Committee Hansard*, 16 September 2022, p. 44.

# Chapter 5

# The undervaluation and conditions of paid and unpaid care and their consequences

- 5.1 Most Australians will have the experience of combining their job with using paid care—whether childcare, aged care or disability care services. The committee's *Interim Report* focused particularly on the early childhood education and care (ECEC) system and how its operation affects workers who rely on it, and how it shapes—and limits—participation in paid work.
- 5.2 The *Interim Report* showed that there are long-term national and personal economic and wellbeing impacts for people combining work and care, particularly women. The report showed that workplace shortages, job insecurity, feminised work, inflexible working conditions, low paid jobs and shallow classification structures impair 'the ability of working carers to balance their various responsibilities'.<sup>1</sup>
- 5.3 Further evidence received since the *Interim Report* was tabled reinforces that evidence, showing how low pay and job insecurity are major problems and have contributed to a model of care provision which has resulted in high-cost services and service 'deserts'. Moreover, in general ECEC services do not cater for those parents who work outside normal business hours, including those undertaking shift work. Alongside childcare, this chapter especially considers the impact of unpaid care on disabled people and older Australians.

# The value and conditions of paid care

- 5.4 In its *Interim Report*, the committee discussed the interaction of paid and unpaid care, with particular reference to ECEC.<sup>2</sup> This section expands on that discussion by examining pay and conditions across the paid care sector, including in aged and disability care, and with regard to insecure work and rostering practices.
- 5.5 It is also important to acknowledge, as did many submissions to this inquiry, that wages and conditions in the care sector are inextricably linked to the overarching funding infrastructure, which is complex and inadequate.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, Chapter 2 and p. 16 <a href="https://www.aph.gov.au/Parliamentary\_Business/Committees/Senate/Work and Care/workandcare/Interim Report">www.aph.gov.au/Parliamentary\_Business/Committees/Senate/Work and Care/workandcare/Interim Report</a> (accessed 8 February 2023).

<sup>&</sup>lt;sup>2</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, pp. 33–36.

See, for example: Centre for Future Work at the Australia Institute, *Submission 72*; Ms Erin Keogh, Assistant Director, Australian Council of Trade Unions, *Committee Hansard*, 31 October 2022, p. 65; Mrs Jennifer Park, Co-Chief Executive Officer, Uniting Western Australia (WA), *Committee Hansard*, 14 November 2022, p. 28.

5.6 Similarly, the options and conditions for women in paid employment can be limited as a direct result of their informal caring roles. The point was made by the Centre for Future Work at the Australia Institute that 'one of the main reasons women with caring responsibilities are located in casual work is because they are worker-carers'. The Centre noted the issues with institutional supports for carers:

The contribution of their unpaid care work to our society and economy are barely recognised in institutional supports. When carers enter the labour market they are further disadvantaged because of their unpaid care work, as they obtain casual and other insecure work with no access to leave that could support them manage work and care.<sup>4</sup>

# Intersection of formal and informal care

5.7 Both paid and unpaid care form part of the broader care economy, as Ms Luz Myles from Soroptimist International explained:

When we talk about the care economy, we're talking about care work done at home, which is invisible and unpaid, and we're also talking about work done outside the home, which is done by people who are in care work and are care professionals—disability care, childcare and all the other contexts of that occupation.<sup>5</sup>

- 5.8 To properly understand the interaction of work and care in Australia, it is necessary to consider both sides of the care economy, including the experiences of those employed within the formal care sector.
- 5.9 It was suggested to the committee that a significant proportion of informal carers are also employed in the formal care sector. That is, they both provide informal unpaid care to their families as well as work in paid care jobs. According to the National Foundation for Australian Women, 'formal employment in the care sector is often designed so that it is one of a limited number of options available to those with informal caring responsibilities'. Work in the paid care sector also provides an opportunity for carers to be paid for the skills they have developed through unpaid care work.
- 5.10 Pay and conditions in the care sector are also of relevance to the large number of working carers whose informal care work is undertaken in collaboration with

Ms Luz Myles, Director, Soroptimist International South-East Asia Pacific, *Committee Hansard*, 31 October 2022, p. 14.

<sup>&</sup>lt;sup>4</sup> Centre for Future Work at the Australia Institute, *Submission* 72, p. 9.

<sup>6</sup> National Foundation for Australian Women, Submission 4, p. 2.

Mr Tim Hicks, General Manager, Policy and Advocacy, Aged and Community Care Providers Association, *Committee Hansard*, 16 September 2022, p. 31; Mr Michael Stanley, Senior Manager, Community Engagement, Partnership and Business Development, Carers Victoria, *Committee Hansard*, 20 September 2022, p. 32; Mr Hugh Reilly, Executive General Manager, atWork Australia, *Committee Hansard*, 14 November 2022, p. 46.

- one or more paid care workers. Often, it is the quality and availability of paid care that dictates when, where and how much working carers can work in their paid roles.<sup>8</sup> For these carers, the challenges of combining work and care are directly related to the availability of staffing in the formal care sector.
- 5.11 In addition, pay and conditions within the formal sector are reflective of the structure of the care system as a whole. Any effort to consider the adequacy of care wages should recognise the structure of the care economy to ensure that people delivering care are properly remunerated for their work. The Antipoverty Centre summarised this issue and said:

To ensure people who receive care are treated with dignity, those who provide that care must also be given the resources and support to themselves to live a dignified life.<sup>9</sup>

# Understanding value in the care sector

- 5.12 As observed by the Edith Cowan University Centre for Wellbeing + Work, care workers are 'paid less for their time relative to those in other sectors, [while] at the same time they end up generating more value for the community'. <sup>10</sup> In this sense, the care sector is illustrative of a flawed understanding of value in the Australian labour market.
- 5.13 Professor Alan Duncan of the Bankwest Curtin Economics Centre argued that traditional productivity measures do not adequately capture the full range of benefits derived from the care sector. 11 Ms Shelby Schofield, Chief Economist at the Office for Women, agreed that traditional economic frameworks struggle to properly account for the value of formal care work. 12
- 5.14 It was put to the committee that the perceived value of care work is further undercut by a widespread expectation that this type of work is—or should be—done for altruistic and non-financial reasons.<sup>13</sup>

See: Work + Family Policy Roundtable, Submission 22, p. 8; Ms Fiona Hunt, Basic Rights Queensland, Committee Hansard, 31 October 2022, p. 19; Mr David Militz, Chief Executive Officer Carers South Australia (SA), Committee Hansard, 6 December 2022, p. 11; Abbey Kendall, Director and Principal Solicitor, The Working Women's Centre SA, Committee Hansard, 6 December 2022, p. 33.

<sup>&</sup>lt;sup>9</sup> Antipoverty Centre, Submission 110, p. 5.

<sup>&</sup>lt;sup>10</sup> Edith Cowan University Centre for Wellbeing + Work, Submission 123, p. 1.

Professor Alan Duncan, Director, Bankwest Curtin Economics Centre, Curtin University, Committee Hansard, 14 November 2022, p. 18

Ms Shelby Schofield, Chief Economist and Acting Assistant Secretary, Women's Economic Policy Branch, Office for Women, Department of the Prime Minister and Cabinet, Committee Hansard, 8 December 2022, p. 58.

<sup>&</sup>lt;sup>13</sup> Mr Robbi Williams, Chief Executive Officer, JFA Purple Orange, *Committee Hansard*, 6 December 2022, p. 23.

# Equity and value in the care sector

- 5.15 A central theme of this inquiry, discussed in detail in Chapter 2, has been the feminised nature of unpaid care work. This gender disparity extends to the paid care workforce, of whom an estimated 80 per cent are women.<sup>14</sup>
- 5.16 As evidence to this inquiry has repeatedly shown, feminised work is widely undervalued. Paid labour in the care sector is no exception.<sup>15</sup> In fact, low remuneration in the formal care sector can be seen as an extension of the undervaluation of women's unpaid care work, as Ms Schofield explained:

Because women provide and have always provided unpaid, free care work in the home and in the community, that sets an expectation in society that that work is not worth being paid for.<sup>16</sup>

- 5.17 Wage disparity and underpayment within feminised sectors, such as in childcare, aged and disability care, also serve to widen the gender pay gap, as the financial consequences are predominantly borne by women.
- 5.18 The extent of the disparity in the care sector means any improvement to wages and conditions is likely to have an important effect in improving gender equality in the workforce as a whole. The Australian Council of Social Service put it to the committee that '[s]trengthening the care economy will also improve the gender pay and work gap that plagues Australia's labour market workforce generally'.<sup>17</sup>
- 5.19 As well as being overwhelmingly female, the formal disability and aged care sectors are disproportionately comprised of migrant and culturally and linguistically diverse workers. Research suggests that within the care sector, migrant workers have 'poorer quality' jobs than their non-migrant colleagues.<sup>18</sup> The committee was told that:

<sup>15</sup> See, for example: Social Policy Research Centre, *Submission 19*, p. 5.

<sup>&</sup>lt;sup>14</sup> Chief Executive Women, Submission 44, p. 3.

Ms Schofield, Department of the Prime Minister and Cabinet, Committee Hansard, 8 December 2022, p. 57.

<sup>&</sup>lt;sup>17</sup> Australian Council of Social Service, *Submission* 107, p. 4.

See: Professor Sara Charlesworth, Work + Family Policy Roundtable, answer to questions on notice,
 20 September 2022 (received 25 September 2022).

You can actually look at the hierarchy and see that migrant women, women from a non-English speaking background or Indigenous women do the nursing assistance, disability care and support work. It's because that's the only job they can get.<sup>19</sup>

5.20 Some suggestions were put forward for engaging disabled people in care roles. For example, the chief executive officer of social enterprise JFA Purple Orange noted that a program to employ disabled people in the aged care sector would provide social and financial inclusion for workers, while simultaneously addressing a labour shortage in care provision and freeing up informal carers to pursue their own paid work.<sup>20</sup>

# Wages and conditions in formal care sectors

- 5.21 In its *Interim Report*, the committee highlighted the inadequacy of wages in the care sector.<sup>21</sup> Since then, the committee has heard overwhelming agreement that wages in the care sector are too low and must be increased.<sup>22</sup>
- 5.22 As has been noted throughout this inquiry, there are several factors that contribute to low wages in the care sector, including the feminised nature of the work, the inadequacy of overall funding, and the complex funding environment. In addition, evidence to this committee shows that the lack of flexibility from employers and the entitlements in the National Employment Standards (NES) means many workers with informal care responsibilities cannot engage with paid care work in a way that best supports their circumstances.
- 5.23 Low wages must also be understood in the context of the undervaluation of care work, as canvassed extensively by this inquiry. This undervaluation has flow-on consequences for remuneration in the sector. Both Professor Duncan and Mr Chris Twomey pointed to ECEC as a clear example of the type of work that would attract far higher remuneration if wages reflected the full range of

<sup>19</sup> Ms Luz Myles, Soroptimist International South East Asia Pacific, Committee Hansard, 31 October 2022, p. 14.

<sup>&</sup>lt;sup>20</sup> Mr Robbi Williams, JFA Purple Orange, Committee Hansard, 6 December 2022, p. 21.

<sup>&</sup>lt;sup>21</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, pp. 37–40.

See, for example: Ms Luz Myles, Soroptimist International South East Asia Pacific, Committee Hansard, 31 October 2022, p. 14; Ms Fiona Hunt, Basic Rights Queensland, Committee Hansard, 31 October 2022, p. 19; Ms Jennifer Marsh, Chief Executive Officer and Managing Director, Gladstone Community Linking Agency, Committee Hansard, 31 October 2022, p. 37; Mr Chris Twomey, Leader, Policy and Research, Western Australian Council of Social Service, Committee Hansard, 14 November 2022, p. 2; Professor Alan Duncan, Director, Bankwest Curtin Economics Centre, Curtin University, Committee Hansard, 14 November 2022, p. 18.

benefits created by the work.<sup>23</sup> This structural inequality must be addressed in the view of many witnesses.

#### Award structures

- 5.24 There are several awards relevant to the care sector. The Social, Community, Home Care and Disability Services Industry (SCHADS) Award 2010 covers employers and employees in the following sectors:
  - Crisis assistance and supported housing
  - Social and community services (such as social, welfare and youth work)
  - Home care
  - Family day care.
- 5.25 Other relevant awards include the *Aged Care Award* 2010, the *Health Professionals* and Support Services Award 2010 and the Nurses Award 2010.<sup>24</sup> ECEC workers may also be covered under one of a variety of awards including the *Children's Services* Award 2010, Educational Services (Schools) General Staff Award 2020, Higher Education General Staff Award 2020, Local Government Industry Award 2020, as well as the SCHADS Award.
- 5.26 Evidence to the committee suggested that the structures across these awards for the care sector are rudimentary and compressed, with arbitrary distinctions between roles and sometimes as little as a few cents separating junior and senior positions.<sup>25</sup> Classification structures are shallow and do not appropriately distinguish, or reward varying skills, qualifications or experience and the definitions are often imprecise. The operation and application of awards is often unclear, with Professor Charlesworth saying:

You have possibly three levels, which you may or may not be paid at; the award is entirely opaque as to when you need to be paid at what level.26

5.27 By way of example, Ms Jennifer Marsh of the Gladstone Community Linking Agency outlined the operation and complexity of the SCHADS Award, and how the SCHADS Award can actively work to limit female participation in the workplace and to earn an adequate income:

> The direct support workforce is therefore, in many organisations, casualised. This casualised work in turn makes it difficult for the primary female workforce to gain financial sustainability and independence. It can

<sup>&</sup>lt;sup>23</sup> Mr Chris Twomey, Western Australian Council of Social Service, Committee Hansard, 14 November 2022, p. 1; Professor Alan Duncan, Bankwest Curtin Economics Centre, Curtin University, Committee Hansard, 14 November 2022, pp. 18–19.

<sup>&</sup>lt;sup>24</sup> Fair Work Ombudsman, Social, Community, Home Care and Disability Services Industry Award 2010, awardviewer.fwo.gov.au/award/show/MA000100#P133 9279 (accessed 5 February 2023).

<sup>&</sup>lt;sup>25</sup> Work + Family Policy Roundtable, *Submission* 22, p. 5.

<sup>&</sup>lt;sup>26</sup> Professor Sara Charlesworth, Work + Family Policy Roundtable, Committee Hansard, 20 September 2022, p. 54.

have a direct impact on borrowing capacity and is a barrier to home ownership, which may have lifelong impacts and reduce retirement earnings, leading to vulnerability and homelessness amongst that female workforce. Flexibility in work arrangements is required to enable the needs of employers, the workforce and customers to be met.<sup>27</sup>

- 5.28 Other structural issues were also raised with the committee, including that agreements do not have efficient and effective assurances of gender equity<sup>28</sup> and that they are not designed to facilitate career progression.<sup>29</sup>
- 5.29 The awards may also amplify existing flaws in the sector. For example, Ms Annie Butler from the Australian Nursing and Midwifery Federation (ANMF) pointed out that the definition of 'part-time' employment used in certain nursing awards enables employers to offer low-hours contracts that do not reflect the actual hours worked.<sup>30</sup> Many such workers then find themselves working additional hours without penalties or predictability and control, and are unable to secure, for example, a mortgage.
- 5.30 A similar point was made by Ms Louise de Plater of the Health Services Union, who said that care awards were different to those in male-dominated sectors, such as manufacturing and road transport, where part-time working days and times are determined at the commencement of employment; any time worked outside of this agreement attracts overtime rates. However, Ms de Plater observed that this wasn't the case in the caring sector:

... that's not the case in the awards that cover aged care. In road transport and manufacturing, there's a real disincentive for employers to offer low hour contracts because, if they have to flex that worker up and offer additional hours, they have to pay a penalty—pay them at the overtime rate. The lack of that requirement in the aged-care award just means there's no disincentive. Why would an employer bother offering more hours if there's no disincentive there for them to simply offer a low-hour contract and then just offer employees more hours week to week? They just pay ordinary hour rates. There's no disincentive there for them to do that.

And, to some extent, it suits them to keep the workforce underemployed and insecure, because—and I'm not saying this of all providers—if you've got that sort of desperation, that hunger, in the employees to always be

<sup>29</sup> See, for example, Ms Erin Keogh, Australian Council of Trade Unions, *Committee Hansard*, 31 October 2022, p. 62.

<sup>&</sup>lt;sup>27</sup> Ms Jennifer Marsh, Gladstone Community Linking Agency, *Committee Hansard*, 31 October 2022, pp. 37–38.

<sup>&</sup>lt;sup>28</sup> Work + Care Family Policy Roundtable, *Submission 22*, p. 12.

<sup>&</sup>lt;sup>30</sup> Ms Annie Butler, Federal Secretary, Australian Nursing and Midwifery Federation, *Committee Hansard*, 6 December 2022, p. 49.

seeking out more work, you're less likely to get employees seeking flexible work arrangements or even using leave.<sup>31</sup>

5.31 Ms de Plater told the committee that award reform is 'really the only avenue' to ensure that care workers' time and skills are properly valued.<sup>32</sup>

# Skills and classifications

5.32 Witnesses drew the committee's attention to a widespread but inaccurate perception that care work is unskilled. Professor Charlesworth observed that the distinction between 'skilled' or 'unskilled' care labour is based on technical statistical categories rather than a robust qualitative assessment of the work. Professor Ian Hickie AM reiterated that care roles are 'not unskilled roles. They're actually skilled roles and skilled workforces.' But Professor Hickie explained that proper institutional support was not in place to foster and promote these skills:

Employers are not required to provide the education and training or the predictability that results in a more sustained workforce that's also building its skill level over time, particularly in a lot of the areas where we need more skilled workers: childcare, health care, aged care ...<sup>33</sup>

5.33 The committee also heard that some job classifications often focus narrowly on the performance of certain tasks to the exclusion of the complex other skills required. Ms Marsh summed up the range of other skills involved in performing care support work:

... the workforce needs to be skilled enough to identify a change in a person's condition, provide the immediate first response support to an emergency or medical event, respond to challenging behaviours, utilise skills to limit challenging behaviours, use support plans to de-escalate situations, and ensure quality documentation is prepared for customer records for handover, for order and review purposes.<sup>34</sup>

5.34 Classification structures are a further example of the difficulty of valuing care work. As Professor Duncan explained it is difficult to link remuneration directly to outputs, if the full benefits of those outputs are not understood or recognised.<sup>35</sup>

Ms Jennifer Marsh, Gladstone Community Linking Agency, Committee Hansard, 31 October 2022, p. 38.

Ms Louise de Plater, National Industrial Officer, Health Services Union, *Committee Hansard*, 20 September 2022, p. 29.

<sup>32</sup> Ms Louise de Plater, Health Services Union, Committee Hansard, 20 September 2022, p. 30.

<sup>&</sup>lt;sup>33</sup> Professor Ian Hickie AM, Private capacity, Committee Hansard, 31 October 2022, p. 71.

Professor Alan Duncan, Bankwest Curtin Economics Centre, Curtin University, Committee Hansard, 14 November 2022, p. 19.

# Fair Work Commission findings

5.35 There have been some recent, positive developments for wages in the care sector. The Fair Work Commission (FWC), in its recent decision in relation to the wages for aged care workers in various sectors, remarked on the gendered nature of care and the impact of this on women in engaging with the workforce:

Gender-based undervaluation of work in Australia arises from social norms and cultural assumptions that impact the assessment of work value. These assumptions are impacted by women's role as parents and carers and undertaking the majority of primary unpaid caring responsibilities. The disproportionate engagement by women in unpaid labour contributes to the invisibility and the under recognition of skills described as creative, nurturing, facilitating or caring skills in paid labour.<sup>36</sup>

- 5.36 The FWC found that for direct care workers (such as registered and enrolled nurses), the 'evidence establishes that the existing minimum rates do not properly compensate employees for the value of the work performed'. However, the FWC was of the view that the evidence for 'support and administrative employees' was not as 'clear or compelling'. Because of this, the FWC decided to support an interim 15 per cent increase in wages for direct care workers only.<sup>37</sup>
- 5.37 Changes in the objects of the *Fair Work Act* 2009 (Fair Work Act), resulting from the passage of the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022 in December 2022, are designed to promote job security and gender equity, and to ensure that these objects are taken into account when performing functions or exercising powers under the Act.<sup>38</sup> The legislation has improved Australia's workplace relations system more generally, with provisions promoting equal remuneration, providing additional protections against sexual harassment and discrimination, prohibiting the extended use of fixed term contracts, and expanding the circumstances under which employees can access flexible work arrangements and resolve any disputes.<sup>39</sup>

<sup>36</sup> Fair Work Commission, *Summary of Decision: Aged Care Work Value Case (AM2020/99, AM2021/63 and AM2021/65,* 4 November 2022, para. 23, p. 5, <a href="https://www.fwc.gov.au/documents/sites/work-value-aged-care/decisions-statements/2022fwcfb200-summary.pdf">www.fwc.gov.au/documents/sites/work-value-aged-care/decisions-statements/2022fwcfb200-summary.pdf</a> (accessed 8 February 2023).

Parliament of the Commonwealth of Australia, Fair Work legislation amendment (Secure Jobs, Better Pay) Bill 2022: revised explanatory memorandum, 2022, p. vii, parlinfo.aph.gov.au/parlInfo/download/legislation/ems/r6941 ems 465eaf38-214a-4ca7-8bca-40e697e10cad/upload\_pdf/Revised%20EM\_22120.pdf;fileType=application%2Fpdf#search=%22legislation/ems/r6941 ems 465eaf38-214a-4ca7-8bca-40e697e10cad%22 (accessed 13 February 2023).

Jaan Murphy, Scanlon Williams and Elliott King, Parliamentary Library, Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022, Bills Digest, No. 34 2022–23, 7 November 2022, <a href="https://www.aph.gov.au/Parliamentary\_Business/Bills\_Legislation/bd/bd2223a/23bd034">www.aph.gov.au/Parliamentary\_Business/Bills\_Legislation/bd/bd2223a/23bd034</a> (accessed 13 February 2023); Parliament of the Commonwealth of Australia, Fair Work legislation amendment (Secure Jobs, Better Pay) Bill 2022: revised explanatory memorandum, 2022, pp. vi–ix.

Fair Work Commission, Summary of Decision: Aged Care Work Value Case (AM2020/99, AM2021/63 and AM2021/65, paragraph. 23, pp. 8–9.

5.38 In particular, the Fair Work Act is now expected to promote equal remuneration by requiring the FWC to evaluate work value 'free of assumptions based on gender, and include consideration of whether there has been historical gender-based undervaluation of the work under consideration' and without the need for evidence of a 'male comparator'. The establishment of a Pay Equity Expert Panel and a Care and Community Sector Expert Panel within the FWC to determine equal remuneration cases and certain award cases are also expected to encourage gender pay equity, particularly in the care sector.<sup>40</sup>

# Pay for all hours worked

- 5.39 Low remuneration across the aged and disability care sectors is compounded by the fact that many care workers are not paid for time spent travelling, on call, completing administrative tasks or undertaking training. For example, a study cited by the Social Policy Research Centre found that approximately 15 per cent of the total hours worked by community sector workers were unpaid.<sup>41</sup>
- 5.40 Unpaid travel time is especially noteworthy given how many workers are required to arrange their own transport to and from individual homes and residences. The Assistant National Secretary of the Australian Services Union told the committee that some care workers are 'out of the house for 12 or 14 hours but maybe there are only six hours of paid work in there'.<sup>42</sup> Professor Charlesworth remarked that '[i]t's hard to think of any other occupation in which travel is an integral part of the job where this is not on paid time'.<sup>43</sup>
- 5.41 Casual and on-demand workers may also be required to be on call, unpaid, for extended periods of time. The committee heard that securing 10 to 15 hours of paid care work may require being available and on call for up to 24 hours.<sup>44</sup>

<sup>40</sup> Parliament of the Commonwealth of Australia, Fair Work legislation amendment (Secure Jobs, Better Pay) Bill 2022: revised explanatory memorandum, 2022, p. vii.

<sup>&</sup>lt;sup>41</sup> Social Policy Research Centre, *Submission 19*, p. 5. The submission cites research conducted in 2018 by Cortis and Blaxand.

<sup>&</sup>lt;sup>42</sup> Ms Emeline Gaske, Assistant National Secretary, Australian Services Union, *Committee Hansard*, 20 September 2022, page 12.

<sup>&</sup>lt;sup>43</sup> Professor Sara Charlesworth, Work + Family Policy Roundtable, *Committee Hansard*, 20 September 2022, p. 55.

<sup>&</sup>lt;sup>44</sup> Professor Sara Charlesworth, Work + Family Policy Roundtable, *Committee Hansard*, 20 September 2022, p 54.

### **Conditions**

### Use of gig platforms

- 5.42 The committee heard that the use of on-demand gig platforms is especially prevalent and increasing in the care sector.<sup>45</sup> While gig platforms can provide more flexibility and give care recipients more autonomy to select their carers, this may come at a potential cost to workers.
- 5.43 Gig platforms generally require workers to engage as self-employed independent contractors, meaning they have no leave entitlements and are responsible for paying their own taxation and superannuation.<sup>46</sup> Some care sector platforms also charge registration and usage fees.<sup>47</sup>
- 5.44 The committee was told that care work obtained via gig platforms leaves workers without the usual workplace protections, such as those that might apply in the case of unfair dismissal or workplace injury.<sup>48</sup> It also eroded the predictability, certainty and security of working hours and incomes.
- 5.45 In addition, the algorithms used to sort and display content on gig platforms can amplify existing bias and discrimination. Associate Professor Angela Knox, Professor Philip Bohle, Professor Chris Warhurst and Dr Sally Wright told the committee that care platforms can encourage clients to select care workers on the basis of unrelated and potentially discriminatory factors such as their personal interests or their cultural and religious background.<sup>49</sup>
- 5.46 Mr Robbi Williams, Chief Executive Officer with JFA Purple Orange pointed to how the gig economy interacts with the provision of services under the National Disability Insurance Scheme (NDIS):

I think that the best part about the gig economy, in the NDIS, is that it potentially provides the opportunity for better matching between a particular worker who's got a particular set of interests and whatnot and someone who they can then be matched with. The downside of it ... is that you can get ripped off.<sup>50</sup>

5.47 This needs to be weighed against the cost to workers. For example, Abbey Kendall, Director of the Working Women's Centre South Australia (SA)

<sup>&</sup>lt;sup>45</sup> Associate Professor Angela Knox, Professor Philip Bohle, Professor Chris Warhurst and Dr Sally Wright, *Submission 35*, p. 3; National Foundation for Australian Women, *Submission 4*, p. 25; Centre for Future Work at the Australia Institute, *Submission 72*, p. 5.

<sup>&</sup>lt;sup>46</sup> Associate Professor Knox, Professor Bohle, Professor Warhurst and Dr Wright, Submission 35, p. 2.

Associate Professor Knox, Professor Bohle, Professor Warhurst and Dr Wright, Submission 35, pp. 6–
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<sup>&</sup>lt;sup>48</sup> Associate Professor Knox, Professor Bohle, Professor Warhurst and Dr Wright, Submission 35, p. 2.

<sup>&</sup>lt;sup>49</sup> Associate Professor Knox, Professor Bohle, Professor Warhurst and Dr Wright, *Submission 35*, p. 6.

<sup>&</sup>lt;sup>50</sup> Mr Robbi Williams, JFA Purple Orange, *Committee Hansard*, 6 December 2022, p. 26.

stated that the gig economy has 'some of the most exploitative workplace conditions' in the country, based on experience at the Working Women's Centre in SA.<sup>51</sup>

### Rostering

- 5.48 The committee heard that workers in the care sector are particularly susceptible to unfair rostering practices, especially those who do not have secure jobs.<sup>52</sup>
- 5.49 According to Associate Professor Natasha Cortis and Dr Megan Blaxland of the Social Policy Research Centre, a survey of 2341 disability support workers conducted just prior to the pandemic showed that '45% of disability support workers said their shifts change unexpectedly, and 29% said they were often called in to work at inconvenient times'.<sup>53</sup> This undermines predictability in terms of pay and working time. In addition, it should be noted that on average these disability support workers contributed 2.6 hours of unpaid work per week, most commonly to complete documentation and to communicate with supervisors.
- 5.50 Witnesses suggested that care workers are routinely 'bullied' to take on additional hours to meet service gaps.<sup>54</sup> Mr Kevin Crank, an Industrial Officer with the Queensland Nurses and Midwives' Union argued that for workers in the care sector, this is the most disadvantageous aspect of rostering: 'a right for them to request roster flexibility isn't going to help them a whole lot, because actually what they need is stronger rights to say no'.<sup>55</sup>
- 5.51 Professor Charlesworth concurred, noting that many care workers are simply not given the option to decline shifts, even at very short notice:

<sup>51</sup> Abbey Kendall, Working Women's Centre South Australia (SA), *Committee Hansard*, 6 December 2022, p. 30.

<sup>&</sup>lt;sup>52</sup> Ms Wendy Phillips, ASU Member, Australian Services Union, *Committee Hansard*, 20 September 2022, p. 14.

Associate Professor Natasha Cortis and Dr Megan Blaxland, Social Policy Research Centre, University of NSW, Submission 19, p. 6.

Mrs Deborah Bailey, Chief Executive Officer, Momentum Mental Health, Committee Hansard, 31 October 2022, p. 53.

Mr Kevin Crank, Industrial Officer, Queensland Nurses and Midwives' Union, Committee Hansard, 31 October 2022, p. 44.

I've sat beside rostering clerks. When somebody calls in sick, they see that so-and-so is green [available], and they say, 'Right, Mary, you're on. It's six o'clock in the morning and you've got to be at Mrs Kerfoops's at seven.' No choice. She's simply got to go.<sup>56</sup>

5.52 This makes combining work with care of others at home—or having a predictability to life beyond work—very difficult. Ms Marsh explained the nexus between rostering flexibility and the needs of people receiving the care:

Both the NDIS and aged-care funding models have consumer choice and control at the centre of the model of care, in response to reforms over recent years. Due to the changing nature, needs and requests of NDIS participants and aged-care recipients, rosters change at extremely short notice. The employment instrument does not meet the needs for this required flexibility and negatively impacts the ability to meet continuity of care obligations for our customers.<sup>57</sup>

5.53 Unpredictable rostering also has flow-on effects on unpaid carers trying to arrange their own schedules of care and work.<sup>58</sup>

#### A sector in crisis

5.54 It was made clear during the inquiry that low pay and poor conditions are key factors in the 'serious workforce sustainability problems' in the care sector.<sup>59</sup> The Australian Council of Trade Unions (ACTU) summarised the situation:

One in three disability workers currently wants to leave their job, three in four ECEC educators plan to leave in the next three years, and over 60,000 aged-care workers leave every single year. The consequences of understaffing in the care sector have a snowball effect of building the inequity for already-disadvantaged communities: the women who work in these sectors, the women who rely on these sectors, and the clients of these sectors.<sup>60</sup>

5.55 While this chapter has necessarily focused on paid care work and carers, the impact on care recipients of these conditions cannot be overlooked. High turnover inevitably results in poor quality and a lack of continuity of care.<sup>61</sup> This affects the lives of those receiving care.

60 Ms Erin Keogh, Australian Council of Trade Unions, Committee Hansard, 31 October 2022, p. 59.

<sup>&</sup>lt;sup>56</sup> Professor Sara Charlesworth, Work + Family Policy Roundtable, *Committee Hansard*, 20 September 2022, pp. 54–55.

Ms Jennifer Marsh, Gladstone Community Linking Agency, Committee Hansard, 31 October 2022, p. 37.

Name withheld, *Submission 112*, p. 4; Mr David Militz, Carers SA, *Committee Hansard*, 6 December 2022, p. 16.

<sup>&</sup>lt;sup>59</sup> Work + Family Policy Roundtable, *Submission* 22, p. 28.

<sup>&</sup>lt;sup>61</sup> Mr Chris Twomey, Western Australian Council of Social Service, *Committee Hansard*, 14 November 2022, p. 1.

5.56 Chief Executive Women summarised well some of the steps that governments could take to ensure a viable, well-remunerated and supported care workforce into the future:

Both State and Commonwealth governments can play an important role in ensuring decent wages and secure employment for the care workforce, including teachers and nurses. These industries require strong professional pipelines, where young workers are excited to build their career. Investment in the care sector will help address the persistent gender pay gap and workforce participation gap in Australia for a diversity of women, noting significant numbers of migrant and refugee women work in these sectors. Investment in the care sectors will create jobs, boost the economy and ultimately lead to resilient sectors better equipped to meet the demand and respond in times of crisis.<sup>62</sup>

### The value of informal care

- 5.57 Excluding parental care, the number of unpaid carers engaged in the care of an older person or disabled person in Australia is significant. In 2018, 2.65 million—or one in nine—Australians provided ongoing assistance to someone with disability or an older person.<sup>63</sup>
- 5.58 Primary carers of disabled people or the aged are most often partners (37 per cent) or parents (27 per cent) of the people they care for. They spend on average of less than 20 hours per week (44 per cent) or 40 hours or more per week as primary carer (33 per cent). One-third of them spend between 10 and 24 years as a primary carer.<sup>64</sup>
- 5.59 The contribution of unpaid carers to our society and economy is considerable, with estimates suggesting that informal or unpaid carers provided approximately 2.2 billion hours of care to disabled people and older people in 2020.65 In terms of their contribution to the economy, estimates suggest that to replace the care provided by these particular carers, the Australian Government would have to spend approximately \$77.9 billion per year.66
- 5.60 There remains, however, a lack of data and qualitative research on informal caregiving arrangements in Australia, including the patterns and types of care

<sup>63</sup> Australian Bureau of Statistics, *Disability, Ageing and Carers, Australia: Summary of Findings,* 2018, www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/latest-release#carers (accessed 25 January 2023).

<sup>&</sup>lt;sup>62</sup> Chief Executive Women, Submission 44, p. 3.

<sup>&</sup>lt;sup>64</sup> Australian Bureau of Statistics, *Disability, Ageing and Carers, Australia: Summary of Findings*, 2018; Australian Bureau of Statistics, 44300DO030\_2018 Disability, Ageing and Carers, Australia: Summary of Findings: Table 36.1, 2018, <a href="www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/latest-release#data-downloads">www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/latest-release#data-downloads</a> (accessed 25 January 2023).

National Disability Services, Submission 26, p. 2.

<sup>&</sup>lt;sup>66</sup> Carers NSW, Submission 27, p. 2.

provided and the availability of formal supports for carers and how they impact the ability of carers to participate in the workforce.<sup>67</sup> This is especially the case in relation to those who care for the aged or those with disability.

5.61 The Centre for Disability and Research Policy noted in this regard that:

... longitudinal research that is needed to critically examine the ways in which people who provide care to people with disability modify their work arrangements over time to reflect the changing needs of the person(s) that they support.<sup>68</sup>

5.62 In its *Interim Report*, the committee raised concerns regarding the availability of relevant data with its first recommendation directed at addressing this gap.

## Economic impacts of informal care

- 5.63 Despite the important contribution that unpaid carers make to our society, they face significant socio-economic challenges throughout their lives and at retirement. The committee was told that in 2018, 60 per cent of carers relied on a government pension or allowance for their personal income.<sup>69</sup>
- 5.64 Evidence to the committee illustrated that in many instances, informal carers must forgo opportunities to engage in the paid labour force to provide care for a relative with disability or elderly family member. While this care may be provided by a person out of love, it comes at a significant, long-term cost to them. In this regard, Dr Dinesh Palipana described to the committee her mother's contribution to her own care:

... my mother was forced to give up her career in the local government. For many years, she cared for me without working until I became a doctor. Today, she supports other people with disability. However, my mother has no economic incentive for her ongoing contribution to my care. Rather, she does it out of love. I can comfortably say that this is the case with many informal caregivers from who we as a nation benefit from ... Because of my mother's efforts, I am now able to do other things like to work as a doctor, to hopefully make a contribution to our people and economy.<sup>70</sup>

5.65 Carers New South Wales (NSW) told the committee that unpaid carers face significant barriers to entering and remaining in the workplace, particularly given limited employment initiatives. The demands of caring responsibilities coupled with workplace inflexibility 'commonly lead to reductions in work hours or leaving the workforce entirely, resulting in gaps in employment and

<sup>&</sup>lt;sup>67</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, pp. xviii and 104–105; MS Australia, *Submission 6*, pp. 4–5, and 14; National Disability Services, *Submission 26*, p. 7; Social Policy Research Centre, *Submission 19*, Attachment 1, p. 22.

<sup>&</sup>lt;sup>68</sup> Centre for Disability and Research Policy, Submission 7, p. 3.

<sup>&</sup>lt;sup>69</sup> Ms Alison Brook, Chief Executive Officer, Carers Australia, Committee Hansard, 16 September 2022, p. 35.

<sup>&</sup>lt;sup>70</sup> Dr Dinesh Palipana, *Submission 45*, p. 2.

subsequent lapsing of skills and qualifications'.<sup>71</sup> It also clearly reduces labour supply.

5.66 The Carer Wellbeing Survey revealed that the longer a person is an unpaid carer, the less likely it is that they will participate in the paid workforce. The lack of carer-friendly work policies and practices in many workplaces is reflected in the decline in the number of carers over time, as Ms Alison Brook of Carers Australia explained:

Forty-seven per cent of those who had been a carer for five years or more were employed, compared with 61 per cent of those who had been a carer for less than a year. When asked if their employer was understanding of their carer obligations, 17 per cent reported that they were not very understanding and 41 per cent reported that they were somewhat understanding, which, as you can see, leaves a gap.<sup>72</sup>

- 5.67 Because of the difficulties involved in combining work and care responsibilities, many carers of those with disability or the aged are forced to reduce their working hours significantly or quit work altogether. In fact, a 2020 national survey of carers revealed that 44 per cent of respondents had to quit paid work and of them, 35 per cent took early retirement.<sup>73</sup>
- 5.68 The experience of working carers and the lack of support available to them was expressed by the NSW Nurses and Midwives' Association as follows:

Sadly many of us are left disillusioned about the support available, no respite, no financial support and no emotional support, giving up all social activities, leaving us absolutely exhausted and for many of us forgoing the ability to earn a wage or resuming our place in our previous work force and continuing to contribute to our superannuation.<sup>74</sup>

5.69 The committee was also informed that 37.4 per cent of carers are disabled and many of them face significant challenges when seeking and in securing paid employment. Once in the workforce, however, disabled carers may face additional challenges in accessing support.<sup>75</sup> Where such support is not provided and workplace adjustments are not made, many such employees have no alternative but to resign, move to casual employment or redeploy into positions that don't fully utilise their professional skills.<sup>76</sup>

Carers 11311, 500 mission 27, p. 2

<sup>&</sup>lt;sup>71</sup> Carers NSW, Submission 27, p. 2.

Ms Alison Brook, Carers Australia, Committee Hansard, 16 September 2022, p. 35.

<sup>&</sup>lt;sup>73</sup> Ms Alison Brook, Carers Australia, *Committee Hansard*, 16 September 2022, p. 36.

<sup>&</sup>lt;sup>74</sup> New South Wales (NSW) Nurses and Midwives' Association, Submission 47, p. 7.

<sup>&</sup>lt;sup>75</sup> Carers NSW, Submission 27, p. 11; JFA Purple Orange, Submission 62, [p.4]; Ms El Gibbs, Submission 111, p. 4.

<sup>&</sup>lt;sup>76</sup> Australian Nursing and Midwifery Federation Victorian Branch, *Submission 1*, p. 6; Inclusion Australia, *Submission 104*, p. 4.

5.70 As Carers Australia and others noted, the economic costs of having to reduce hours or not work at all to meet caring obligations, has significant long-term consequences on the financial security, health and wellbeing of unpaid carers. Yet, this doesn't have to be the case. As discussed throughout this report, alternative workplace arrangements—including improved access to paid leave, flexible workplace arrangements including staggered hours and days off work, job share and working from home arrangements—could be provided to enable working carers to remain in paid employment. 78

Carer wellbeing and the impact of providing informal care for the aged and disabled persons

- 5.71 Alongside the economic impacts of providing informal aged and disability care, are the individual and adverse health and mental wellbeing impacts on the individuals of providing that care—especially in the long-term.
- 5.72 For example, the degree of conflict between work and family-life faced by informal carers was raised by the Australian Federation of Disability Organisations (AFDO), which pointed to research suggesting that:

... informal carers experience conflict between work and family, particularly for those carers who worked more hours; spillover between roles, where emotions and behaviours expressed in one role carry over to the other role; and negative effects upon health and wellbeing including physical and mental health issues, lower self esteem, and reduced life satisfaction.<sup>79</sup>

5.73 The point was also made that the higher the number of risk factors experienced by a carer, the greater the impacts on the health and wellbeing of the carer:

The inference that can be taken is that the more risk factors a person with caring responsibilities is exposed to – whether through work and/or dealing with support systems – the greater the impact on the person's health and wellbeing and the likelihood that they will not be able to sustain work participation in addition to caring duties.<sup>80</sup>

5.74 While valuing their work and caring roles, a number of working carers revealed to the committee the impact that combining the two has on their own personal wellbeing:

Work definitely adds to my wellbeing—I enjoy it, and the staff provide socialisation. I have a supportive manager. I go at a defined time, and I am home at a defined time ... I think that individual situations depend very much on the attitude of the employer. I consider that I am in a very fortunate

<sup>&</sup>lt;sup>77</sup> Ms Alison Brook, Carers Australia, *Committee Hansard*, 16 September 2022, p. 36; Australian Nursing and Midwifery Federation, *Submission 84*, [p. 17].

<sup>&</sup>lt;sup>78</sup> Ms Alison Brook, Carers Australia, *Committee Hansard*, 16 September 2022, p. 36; Carers NSW, *Submission* 27, p.2.

<sup>&</sup>lt;sup>79</sup> Australian Federation of Disability Organisations, *Submission* 90, [p. 10].

<sup>80</sup> Comcare, Submission 108, p. 5.

arrangement. I well recognise that the amount of caregiving depends on the condition of the person being cared for, and I feel that a carer supporting a profoundly disabled person needs more support than is currently available.81

The biggest impact has been very little or no time to myself, including social interaction with work colleagues, time for medical or dental appointments for myself, other outside interests or activities, etc. This has affected my wellbeing emotionally, physically, and mentally, particularly when the paid work was not very engaging. It has also impacted my daughter at times when she is getting an exhausted carer with little capacity to think or problem solve creatively, or at all.82

5.75 Other submitters also highlighted the personal and emotional costs of caring. Ms Alison Brook of Carers Australia explained:

> If you replace the cost of providing this care across the country, by all these people who are unpaid, who do it out of a sense of love—but there are such other costs to them: the emotional cost, the drudgery, the thanklessness, the embarrassment, whether you're the carer or the person receiving the care. It's hard to maintain that purity of good spiritedness in the everyday drudgery of providing the care—and doing it from a position of poor mental health yourself, social isolation, financial disadvantage. We're really asking a lot. I think that removing some barriers to employment and having a nuanced discussion about what that could look like is an important conversation to have right now.83

- 5.76 AFDO also highlighted the adverse flow on effects for employers who manage those combining work and care responsibilities. AFDO advised that 'caring responsibilities were linked to reduced focus and commitment to work, higher levels of absenteeism and presenteeism, and engaging in time theft'.84
- The ANMF highlighted the findings of the Royal Commission into Aged Care which 'reported that many informal carers experience adverse health, wellbeing and financial outcomes and struggle to balance the need to care for the elderly with their work and other personal commitments due to a lack of formal supports'.85
- The point was made throughout the inquiry, that in addition to better formal care services, improved income support and more flexible workplaces, carers also need mental health programs 'to address the economic challenges and

<sup>81</sup> MS Australia, Submission 6, pp. 19–20.

<sup>&</sup>lt;sup>82</sup> Australian Federation of Disability Organisations, Submission 90, [p. 11].

<sup>83</sup> Ms Alison Brook, Carers Australia, Committee Hansard, 16 September 2022, p. 39.

<sup>&</sup>lt;sup>84</sup> Australian Federation of Disability Organisations, Submission 90, [p. 10].

<sup>85</sup> Australian Nursing and Midwifery Federation, Submission 84, [p. 17].

abuse experienced by care givers more broadly so as to be inclusive of those who are caring for more than one person or for persons in complex situations'.<sup>86</sup>

# Recognising and supporting unpaid carers

- 5.79 Over the course of the inquiry the committee heard that despite an overreliance on informal care in our society 'without adequate complementary formal care arrangements', the support available to informal carers is inadequate.<sup>87</sup>
- 5.80 The committee's *Interim Report* outlined a range of income support payments which may be available to carers of older Australians and disabled people. 88 The *Interim Report* also considered the adequacy of these income supports, noting that on occasion accessing these supports force carers to 'work on top of highly intensive caring roles and often puts them under immeasurable financial strain', 89 and that some of these systems can be 'prohibitive to workforce participation for carers'. 90
- 5.81 The committee received evidence that income payments for carers of disabled people and older people are:<sup>91</sup>
  - insufficient to meet living and care costs;
  - inaccessible to some carers due to eligibility requirements, particularly regarding:
    - carers looking after someone with 'episodic or fluctuating conditions, and psychological and cognitive conditions'; 92
    - low-income thresholds and time limitations on hours of work, study or volunteering per week;<sup>93</sup> and
    - inconsistent definitions of carers, affecting how and when carers can obtain support, including financial support;<sup>94</sup>

<sup>&</sup>lt;sup>86</sup> Centre for Disability and Research Policy, Submission 7, p. 6.

<sup>&</sup>lt;sup>87</sup> Australian Nursing and Midwifery Federation, Submission 84, [p. 17].

Income support payments are discussed more fulsomely later in this report. See also: Senate Select Committee on Work and Care, *Interim Report*, October 2022, pp. 52–63.

<sup>89</sup> Carers NSW, Submission 27, p. 17.

<sup>90</sup> Senate Select Committee on Work and Care, Interim Report, October 2022, pp. 63-70.

<sup>91</sup> A number of these issues are discussed in detail throughout this report.

<sup>92</sup> Carers NSW, Submission 27, p. 17.

<sup>93</sup> Productivity Commission, Submission 2, p. 9.

<sup>94</sup> MS Australia, Submission 6 p. 4.

- difficult to access due to associated mutual obligations which adversely affect carer's ability to provide support to others;<sup>95</sup> and
- difficult to access due to carers' 'admin load' and 'bureaucratic obstacles'.
- 5.82 Additionally, the committee was told that:
  - ... carers are more likely to be from marginalised populations, and the burden of caring further compounds their marginalisation by reducing employment opportunities and confining them to a position of lower economic status.<sup>97</sup>
- 5.83 The Centre for Disability Research and Policy suggested that carers of disabled people were missing out on funded support from the NDIS, with dramatic impacts on carers and the people they support.<sup>98</sup>
- 5.84 Even for those who have access to an NDIS care package, the challenges are considerable, with one mother of a disabled child advising that the time she spent obtaining health and care services, making claims and answering questions 'was greater than the time spent receiving care'. She observed that navigating the systems is 'harder than navigating the disability of my child'.<sup>99</sup>
- 5.85 In recognition of the complexity of the carer support system, the Australian Government is developing a Carer Inclusive Workplace Framework and a new National Carer Strategy. 100 For this purpose, it has committed more than \$770 million to 2023–24 to support informal carers through the Carer Gateway, designed to connect carers with a nationwide network of service providers. Despite a national advertising campaign to explain the Carer Gateway, the committee was told that since 2020, only four per cent of carers have registered through the gateway with local service providers. 101
- 5.86 Notwithstanding the slow take-up of the Carer Gateway, the holistic approach to information and services was supported by submitters to the inquiry. The point was made by numerous submitters that improved investment in care

<sup>&</sup>lt;sup>95</sup> Carers NSW, Submission 27, p. 17; Shop, Distributive and Allied Employees' Association, Submission 37, pp. 3 and 37; Carers Tasmania, Submission 85, p. 20; Dementia Australia, Submission 52, pp. 11, 17; Victorian Council of Social Service, Submission 91, p. 6.

<sup>96</sup> Dementia Australia, Submission 52, p. 11.

<sup>&</sup>lt;sup>97</sup> Australian Federation of Disability Organisations, Submission 90, [p. 8].

<sup>98</sup> Centre for Disability and Research Policy, Submission 7, pp. 2–3.

<sup>&</sup>lt;sup>99</sup> Children and Young People with Disability Australia, Submission 75, pp. 12; 28 and 31.

<sup>&</sup>lt;sup>100</sup> Department of Social Services and Services Australia, Submission 119, pp. 14–15.

<sup>&</sup>lt;sup>101</sup> Department of Social Services and Services Australia, *Submission 119*, p. 12.

supports (including support packages) and improved performance by service providers will require 'a coordinated, whole of government approach'.  $^{102}$ 

<sup>102</sup> Carers Tasmania, *Submission 85*, p. 11, Centre for Disability and Research Policy, *Submission 7*, pp. 2–3; Australian Nursing and Midwifery Federation, *Submission 84*, [p. 23].

### Access to respite or substitute care

- 5.87 The committee heard that the introduction of the Carers Gateway had brought attention to respite care from the perspective of carers and their needs. While this shift in focus was appreciated, many witnesses explained that respite care remained complicated and difficult to access.
- 5.88 Associate Professor Myra Hamilton argued that the shift towards a model of consumer-directed care through the NDIS, and home-care packages with a focus on the older person or disabled person, mean that carers' needs for respite care have been sidelined. 103 She continued:

I think a big part of the problem as well is that in our shift towards a model of consumer directed care through the NDIS and the home-care packages, the focus is very heavily on the older person or the person with the disability and so the carer's needs are lost in those systems ... Carers also used to access respite through state based ageing, disability and care programs. But with the introduction of the NDIS, the state based funding went into the NDIS and those carer programs were lost ... All of a sudden, respite that met the needs of the carer was lost.<sup>104</sup>

- 5.89 For those who managed to access the Carers Gateway, Professor Marian Baird AO explained that the services were focused on facilitating short breaks for carers, to focus on their health and wellbeing. The Professor made the point that it was not designed to provide the time that carers needed to participate in paid work.<sup>105</sup>
- 5.90 Drawing from her own experience, Professor Baird explained the complexities involved in trying to secure respite care including lack of respite care beds or a respite bed being conditional on the person being moved into the facility permanently. She also noted that the work involved in admitting a person for a period of respite for the administrators of an aged-care facility was very demanding. Professor Baird continued:

This try-before-you-buy approach prevents us from making use of the respite services. It's also contradictory that the government wants older Australians to age at home but cannot provide any access to respite unless they move permanently into an aged-care facility. This really contradicts the policy. 106

<sup>&</sup>lt;sup>103</sup> Associate Professor Myra Hamilton, Women, Work and Policy Research Group, University of Sydney Business School, *Committee Hansard*, 21 September 2022, p. 47.

<sup>&</sup>lt;sup>104</sup> Associate Professor Myra Hamilton, University of Sydney Business School, *Committee Hansard*, 21 September 2022, p. 47.

<sup>&</sup>lt;sup>105</sup> Professor Marian Baird AO, Women, Work and Policy Research Group, University of Sydney Business School, *Committee Hansard*, 21 September 2022, p. 42.

Professor Marian Baird AO, University of Sydney Business School, Committee Hansard, 21 September 2022, p. 42.

5.91 Similarly, National Seniors Australia argued that respite care, with both short- and long-term notice, is inadequate, while other submitters argued in favour of more respite hours per year. 107 The committee heard from carers that:

Most help to me would be being able to access respite care and support. I work near full time hours as the sole income earner, I study full-time, have kids and I'm a full-time carer for my husband. I am running on empty. 108

- 5.92 Witnesses also spoke of difficulties for carers accessing day programs and respite care during the COVID-19 lockdowns in particular, impacting carers' employment, health and wellbeing, as well as significantly affecting those they care for.<sup>109</sup>
- 5.93 Several other witnesses drew the committee's attention to the lack of quality, subsidised respite services for carers of disabled people or older people. A Carers NSW survey of carers revealed that 44 per cent of respondents caring for someone in aged care and 30 per cent of respondents caring for someone with disability agreed that respite services enabled them to stay in or return to work. 110 Reflecting on these findings, Carers NSW noted that:

... adequate, appropriate and accessible care service systems are essential in sustaining the balance of work and care for a majority of carers. Therefore, governments must ensure that these systems are adequately resourced and effectively implemented at the level and intensity needed.<sup>111</sup>

5.94 Acknowledging these challenges, the ANMF emphasised the significant benefits of access to quality respite care:

Respite care enhances the sustainability of informal care arrangements. Carers gain the opportunity to manage their own wellbeing engage in workforce participation, whilst care recipients are given greater opportunities for rehabilitation, reablement or medication review under the supervision of skilled health professionals.<sup>112</sup>

5.95 Dr Catherine Thomson, from the University of NSW's Social Policy Research Centre, argued in favour of adequate replacement care as an option which has the potential to enable carers with support needs to participate in paid

National Seniors Australia, Submission 11, Attachment 1, p. 38; Carers Tasmania, Submission 85, p. 21.
See also Antipoverty Centre, Submission 110, p. 12; Dr Dinesh Palipana, Submission 45, p. 4; Dementia Australia, Submission 52, p. 10; Carers NSW, Submission 27, p. 16.

<sup>&</sup>lt;sup>108</sup> Australian Nursing and Midwifery Federation, Submission 84, p. 18.

<sup>&</sup>lt;sup>109</sup> Dementia Australia, *Submission 52*, p. 13; see also Retail and Fast Food Workers Union, *Submission 68*, pp. 3–4.

<sup>&</sup>lt;sup>110</sup> Carers NSW, Submission 27, p. 16.

<sup>&</sup>lt;sup>111</sup> Carers NSW, Submission 27, p. 17.

Australian Nursing and Midwifery Federation, Submission 84, p. 18. See also: MS Australia, Submission 6, p. 11, Carers Australia, Submission 10, p. 1; Centre for Disability and Research Policy, Submission 7, p. 7.

- employment. She argued, however, that working carers also needed to access carer-friendly workplaces with appropriate policies and practices.<sup>113</sup>
- 5.96 The point was also made by Carers Australia that respite or placement care is not only limited or unavailable in some parts of the country, but that when it is available, it doesn't allow for flexibility to manage casual work or roster-based employment.<sup>114</sup>

# A way forward

- 5.97 Substantial evidence was received from submitters questioning the sustainability of the current aged and disability care sectors,<sup>115</sup> and calling for a broader review of funding models. Evidence to the committee also called for increases to the funding of supports to meet the true costs of service provision, and to address thin markets (including service availability and quality),<sup>116</sup> particularly in rural and regional areas.<sup>117</sup>
- 5.98 The ANMF was of the view that 'increased focus on informal care arrangements [was] a distraction from the important actions and improvements that are urgently necessary to address the systemic issues with Australia's aged care sector', including addressing funding and investment.<sup>118</sup>
- 5.99 The ACTU asserted that care in Australia is underfunded, comprising 16.7 percent of gross domestic product (GDP) compared with 20 per cent for other developed nations, with aged care alone underfunded by around \$10 billion per year. <sup>119</sup> The Social Policy Research Centre argued that:
  - ... addressing chronic underfunding of Australia's social services industry will contribute to a positive cycle, both bolstering capacity in formal care systems and improving employees' resources to manage work and care. This will also help to reduce labour turnover and further strengthen the quality and sustainability of formal care systems.<sup>120</sup>

<sup>&</sup>lt;sup>113</sup> Dr Catherine Thomson, Research Fellow, Social Policy Research Centre, University of NSW, *Committee Hansard*, 21 September 2022, p. 43.

<sup>&</sup>lt;sup>114</sup> Ms Alison Brook, Carers Australia, Committee Hansard, 16 September 2022, p. 36.

<sup>&</sup>lt;sup>115</sup> See, for example: Brotherhood of St Laurence, *Submission 53*, p. 4; Australian Council of Trade Unions, *Submission 83*, p. 11; Associate Professor Natasha Cortis and Dr Megan Blaxland, University of NSW, *Submission 19*, p. 6; Work + Family Policy Roundtable, *Submission 22*, pp. 7–8.

<sup>&</sup>lt;sup>116</sup> Darwin Community Legal Service, Submission 76, Attachment 1, p. 10.

Australian Council of Social Services, Submission 107, pp. 4–5; Australian Services Union, Submission 23, [p. 6]; Victorian Council of Social Service, Submission 91, p. 15; National Disability Services, Submission 26, pp. 2–3; Australian Council of Trade Unions, Submission 83, p. 12.

<sup>&</sup>lt;sup>118</sup> Australian Nursing and Midwifery Federation, Submission 84, [pp. 8 and 19].

<sup>&</sup>lt;sup>119</sup> Australian Council of Trade Unions, *Submission 83*, p. 11.

<sup>&</sup>lt;sup>120</sup> Associate Professor Natasha Cortis and Dr Megan Blaxland, University of NSW, Submission 19, p. 6.

- 5.100 The committee heard that while current policies favour markets and private provision of care and produce inequitable outcomes,<sup>121</sup> which are worse in rural and regional areas,<sup>122</sup> the Australian Government could play a significant role in addressing some of these weaknesses, through greater public provision, which would reduce pressures on carers, especially where health care and social assistance have been privatised.
- 5.101 The Australian Services Union supported an end to the uncertainty of short-term funding (by introducing minimum six-year contracts), a price floor on all contracts to cover SCHADS award conditions, and equal pay rates for work performed, as well as requirements for employers to ensure fair and secure employment, account for annual Fair Work Commission wage increases, and the payment of the superannuation guarantee and award amendments.<sup>123</sup>

### Profit versus not-for-profit service providers

- 5.102 Several submitters called for an end to the funding of for-profit providers in the sector.<sup>124</sup> Dr Yvette Maker commented that devolution of care and support services has shifted responsibility for service provision, as well as risk, 'away from the state and onto individuals and families in relation to financial security, care and support and familial welfare', <sup>125</sup> with providers using 'public funding to buy property and grow their businesses'. <sup>126</sup>
- 5.103 The Work + Family Policy Roundtable highlighted the challenges for not-for-profits competing against for-profit providers, with flow on effects for workers and care recipients, as well as the providers themselves.<sup>127</sup>
- 5.104 Submitters warned that 'human service quality and sustainability has been undermined by service marketisation and individualised funding models ... [and] the end result however, for service users and their loved ones, is lower

Work + Family Policy Roundtable, *Submission 22*, p. 7; Australian Services Union, *Submission 23*, [p. 7].

Work + Family Policy Roundtable, Submission 22, p. 7.

<sup>&</sup>lt;sup>123</sup> Australian Services Union, *Submission 23*, [pp. 6–7]. See also: Australian Council of Social Services, *Submission 107*, pp. 4–5.

<sup>&</sup>lt;sup>124</sup> See, for example: Australian Services Union, *Submission* 23, [pp. 6–7]; Work + Family Policy Roundtable, *Submission* 22, Attachment 1, p. 4.

<sup>&</sup>lt;sup>125</sup> Dr Yvette Maker, Submission 54, p. 1.

<sup>&</sup>lt;sup>126</sup> The Centre for Future Work at the Australia Institute, *Submission 72*, p. 4; Australian Council of Trade Unions, *Submission 83*, p. 10.

<sup>&</sup>lt;sup>127</sup> Work + Family Policy Roundtable, *Submission* 22, p. 7.

- quality and less reliable services'. 128 People have been commodified while 'filling shareholders' pockets'. 129
- 5.105 As suggested by the Western Australian Council of Social Service, for-profit providers cherry-pick the most profitable clients, leaving less productive or more costly clients to be serviced by not-for-profit providers. As well as creating service quality problems, this makes not-for-profit providers 'more marginal when it comes to their sustainability' and has led to the creation of service 'deserts'.<sup>130</sup>
- 5.106 Ms Phillips told the committee about her personal experience of moving from being employed by a government care provider to a private provider, saying:
  - ... quite a few of us went across to the private provider. We experienced a drop of between 25 and 35 per cent in pay by going to that private provider for doing exactly the same work with exactly the same clients—from one day at council to the next day with a private provider. There was no paid travel time between clients. There was a drop in mileage allowance to cover the cost of petrol for the cars that we had to provide. There was no personal protective equipment provided, no training, no support and no supervision. All of those things are key to providing a good quality service.
  - ... They were a 'for profit' model. They were just interested in how many clients they could get onto the books.<sup>131</sup>
- 5.107 Ms Phillips called for more stable funding models, leading to a more stable sector, which is critical to providing quality care. The Centre for Future Work at the Australia Institute, likewise, was clear about areas that it believes need to change to address issues in the care sector:

Mandating minimum staff time, and increasing transparency and accountability for public funding in aged care, are positive changes currently being implemented by the Federal Government. However, bigger reforms are required, including rebuilding public care systems and workforces in some areas. Ensuring that funding for individual consumer-led care services is used to employ workers in decent jobs is a priority.<sup>133</sup>

Western Australian Council of Social Service, Submission 46, p. 21. See also: Centre for Disability and Research Policy, Submission 7, p. 2; The Centre for Future Work at the Australia Institute, Submission 72, p. 5; Australian Services Union, Submission 23, [p. 6]; Associate Professor Knox, Professor Bohle, Professor Warhurst, Dr Wright, Submission 35, p. 2.

<sup>&</sup>lt;sup>129</sup> Antipoverty Centre, *Submission 110*, pp. 7–9; Mrs Clare Gibellini, Vice President, People with Disability Australia, *Committee Hansard*, 21 September 2022, p. 31.

<sup>&</sup>lt;sup>130</sup> Ms Rachel Siewert, Deputy Chief Executive Officer and Mr Chris Twomey, Leader, Policy and Research, Western Australian Council of Social Service, *Committee Hansard*, 14 November 2022, p. 2.

<sup>&</sup>lt;sup>131</sup> Ms Wendy Phillips, Australian Services Union, Committee Hansard, 20 September 2022, p. 9.

<sup>&</sup>lt;sup>132</sup> Ms Wendy Phillips, Australian Services Union, Committee Hansard, 20 September 2022, p. 15.

<sup>&</sup>lt;sup>133</sup> The Centre for Future Work at the Australia Institute, *Submission* 72, p. 6.

- 5.108 Raising concerns about the impact that profit motives of for-profit providers have on care outcomes, Dr Peter Davidson of the Australian Council of Social Service called for a more fundamental structural change which 'requires preferring community-based and not-for-profit providers over commercial for-profit providers'. 134
- 5.109 Finally, as Professor Charlesworth pointed out, because for-profit providers largely operate on government funding, 'the government really has a responsibility to make sure that these funds are spent properly'.<sup>135</sup>

Dr Peter Davidson, Principal Adviser, Australian Council of Social Service, Committee Hansard,
 September 2022, p. 3.

<sup>&</sup>lt;sup>135</sup> Professor Sara Charlesworth, Work + Family Policy Roundtable, *Committee Hansard*, 20 September 2022, p. 56.

# Chapter 6

# Working time: predictable, secure, adequate, flexible, care-friendly

- 6.1 The question of working time—its security, predictability, length, flexibility, intensity and fit with care—emerged as amongst the most pressing and most frequently mentioned matters before the committee.
- 6.2 This chapter considers these issues, beginning with the priority issue of roster justice and the need for predicable, secure working hours—and thus pay.
- 6.3 It became evident to the committee that conditions for many Australian workers could be improved. Workers lack knowledge of what hours and pay they have tomorrow or next week. This affects their pay and conditions and, more than almost every other aspect of the work and care 'system', constrains and diminishes the ability of workers to combine work and care.
- 6.4 The breadth and impact of this issue was a surprise to the committee and it demands a response. The committee welcomes the Australian Government's action in amending the *Fair Work Act* 2009 (Fair Work Act) through the *Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act* 2022 to improve the right of Australian workers in relation to flexibility. Specifically, the two National Employment Standards (NES) entitlements without enforcement, the right to request flexibility and the right to request an extension of unpaid parental leave, now join all other NES standards in having some capacity for enforcement.
- 6.5 These are welcome actions as recommended in the committee's *Interim Report*. We recommend further actions given the importance of employee-access to flexibility at work and the benefits it brings to employees and to enlarge labour supply.
- 6.6 This chapter considers the critical issues of hours of work through six dimensions:
  - (a) roster predictability and justice;
  - (b) long working hours and their impact on the gendering of unpaid care and paid work;
  - (c) the right to disconnect;
  - (d) job security;
  - (e) flexibility; and
  - (f) a shorter working week.
- 6.7 It is clear to the committee that Australia has taken a unique road to date in relation to the reconciliation of work and care. The greater entry of women—who make up the majority of carers—has been accommodated especially

- through the growth of part-time work. Unfortunately, the growth in part-time work (now including gig, 'self-employment', labour hire and a range of employment forms), which ironically especially proliferate in the care sector, has occurred on degraded terms in many places.
- 6.8 Many part-time jobs are casual, insecure, without predicable hours, days and rosters, and lack key conditions (like paid leave). Many of these attributes are especially important to workers with care responsibilities but it is in their jobs that they are too often lacking.
- 6.9 Evidence received in relation to these matters, leads the committee to make detailed recommendations on these issues, given their widespread existence and importance.
- 6.10 The extent of part-time work and its conditions in many workplaces make Australia something of an outlier in international comparison in terms of workcare adaptation and arrangements.
- 6.11 Australia might arguably be seen as having been an international leader in terms of the adaption and articulation of decent work standards at the turn of the 19<sup>th</sup> Century. With its adoption of a minimum, liveable wage, working hours that were shortened as productivity rose and its benefits were shared. It cannot be seen now, however, as an international leader in terms of work care regimes, requiring a great deal of adaption by carers and parents with jobs and their disproportionate concentration in part-time work with loss of job security, leave, careers paths, and decent pay.
- 6.12 While Australians might be said to have a right—indeed, an obligation—to work, they lack a right to work *and care*, and lack a work-care system that genuinely and practically supports their work and their households.
- 6.13 The consequences of this were made especially clear by evidence from many witnesses. The research undertaken by Professor Lyndall Strazdins, for example, revealed the ways in which higher paid and sometimes higher status jobs require longer hours of work, making them more accessible to men than women, thereby given women's higher care loads. This only reinforces gender inequality in the workplace, lower pay and wellbeing levels for women, and a reduced ability for men to take up caring roles in their families.<sup>1</sup>

# Rostering predictability and justice

6.14 As discussed in the committee's *Interim Report*, the lack of 'roster justice'— meaning the use of unpredictable, short hours rosters—has real and adverse consequences for working carers, especially if their engagement with paid employment is already tenuous.

<sup>&</sup>lt;sup>1</sup> Professor Lyndall Strazdins, Private capacity, Committee Hansard, 8 December 2022, pp. 34–36.

- 6.15 For working carers employed on a casual, on-demand or shift basis, rostering practices present a related but separate challenge when considering flexibility and insecure work. Aside from the need to secure sufficient paid work hours, working carers require a consistent and predictable employment schedule, and genuine consultation on when and how they work, along with the ability to turn down extra hours without negative consequences (such as loss of future hours or shifts).
- 6.16 In some instances, the insecurity of a job can be obscured by a seemingly more stable arrangement. Evidence to this inquiry was particularly critical of the use of part-time contracts with artificially low hours that do not reflect the true number of hours worked.<sup>2</sup> As Ms Erin Keogh of the Australian Council of Trade Unions (ACTU) explained:

In part-time work, for example, you will find arrangements where a person has a minimum hours guarantee, but it's incredibly low—let's say, four hours a week—and that provides a large amount of space for the employer to add additional hours, as suits the employer, without having to pay a casualised loading to that employee.<sup>3</sup>

6.17 Mr Gerard Dwyer from the Shop, Distributive and Allied Employees' Association acknowledged that the practice of minimum hours contracts caused the association the most concern, saying:

I get hired on six, seven or eight hours and then I'm in a bidding war for the rest of the week. I've got to show my flexibility to get those extra hours. It becomes a war zone as opposed to what it should be, and that is stable, predictable rosters that work for the individual and the business to provide the service. That is a problem where, at store level, we seem to have too many situations where you get the bare minimum and then it's *Hunger Games* for the rest.<sup>4</sup>

6.18 Some evidence presented to the committee suggested that rostering could be used positively to enhance workers' ability to manage work and care—for example, working a split shift either side of a care responsibility.<sup>5</sup> In addition, some sectors may be more responsive than others. Mrs Claire Bailey of the Aged

<sup>3</sup> Ms Erin Keogh, Assistant Director, Australian Council of Trade Unions, *Committee Hansard*, 31 October 2022, p. 62.

<sup>4</sup> Mr Gerard Dwyer, National Secretary and Treasurer, Shop, Distributive and Allied Employees' Association, *Committee Hansard*, 20 September 2022, p. 23.

See, for example: Mr Gerard Dwyer, National Secretary and Treasurer, Shop, Distributive and Allied Employees' Association, *Committee Hansard*, 20 September 2022, p. 23; Ms Louise de Plater, National Industrial Officer, Health Services Union, *Committee Hansard*, 20 September 2022, p. 27; Mr Kevin Crank, Industrial Officer, Queensland Nurses and Midwives' Union, *Committee Hansard*, 31 October 2022, p. 44; Ms Annie Butler, Federal Secretary, Australian Nursing and Midwifery Federation, *Committee Hansard*, 6 December 2022, pp. 48–49.

Abbey Kendall, Director and Principal Solicitor, The Working Women's Centre South Australia (SA), *Committee Hansard*, 6 December 2022, p. 28.

- and Community Care Providers Association, for example, reported that the aged care sector has a 'very strong driver of availability of rosters built around when the individuals can work and what they can offer the organisation'.<sup>6</sup>
- 6.19 A survey conducted by the Social Policy Research Centre (SPRC) showed that rostering has the largest positive benefits where employers recognise and respond to individual needs.<sup>7</sup>
- 6.20 Conversely, the SPRC noted rosters can be set with minimal input from workers, who may have little or no contact with the person responsible for determining when and for how long they will work.<sup>8</sup> In some cases, rostering is fully automated; the SPRC said that users found these systems difficult to navigate and suggested they provided poor notification of updates and changes.<sup>9</sup>
- 6.21 How much—or rather, how little—notice is given of changes is a particular concern for working carers. For example, Abbey Kendall from the Working Women's Centre South Australia (SA) gave the example of a worker who was told in the evening that her regular 8.00 am shift had been moved to 6.00 am, at a different location, effective from the very next day.<sup>10</sup>
- 6.22 At the other end of the spectrum, representatives from the Queensland Nurses and Midwives' Union observed that unnecessarily fixed rostering may preclude the ability of working carers to adjust their schedules in response to changing care responsibilities.<sup>11</sup> The Working Women's Centre SA was also of the view that needless inflexibility in part-time, casual and shift work replicates the downside of traditionally secure work in what should be a more flexible type of employment.<sup>12</sup>
- 6.23 Besides the direct impact on workers' schedules, rostering practices can entrench the existing power imbalance between employee and employer. Ms Kendall observed that employees reliant on rostered work may find it difficult to raise disputes or access their existing workplace entitlements,

<sup>&</sup>lt;sup>6</sup> Mrs Claire Bailey, Manager, Employment Relations, Aged and Community Care Providers Association, *Committee Hansard*, 16 September 2022, p. 31.

<sup>&</sup>lt;sup>7</sup> Social Policy Research Centre, *Submission 19*, Attachment 1, p. 69.

<sup>8</sup> Social Policy Research Centre, Submission 19, Attachment 1, p. 60.

<sup>&</sup>lt;sup>9</sup> Social Policy Research Centre, Submission 19, Attachment 1, p. 63

<sup>&</sup>lt;sup>10</sup> Abbey Kendall, The Working Women's Centre SA, Committee Hansard, 6 December 2022, pp. 28–29.

<sup>&</sup>lt;sup>11</sup> Ms Elizabeth Mohle, Secretary, Queensland Nurses and Midwives' Union, *Committee Hansard*, 31 October 2022, p. 41.

<sup>&</sup>lt;sup>12</sup> Ms Diana McMurtry, Lived Experience Carer, Carers Australia, *Committee Hansard*, 16 September 2022, p. 41.

- notably where the allocation or distribution of work relies on a 'friendly relationship' with their employer.<sup>13</sup>
- 6.24 It was further suggested to the committee that workers who require additional flexibility to provide care may be viewed as less reliable than other workers, and consequently offered fewer hours or less desirable shifts. <sup>14</sup> Some evidence put to the committee indicated that in some circumstances, informal carers may be subject to deliberately 'punitive rostering'. <sup>15</sup>

### Rostering at major retailers

- 6.25 Rostering practices were the subject of extensive discussion at public hearings attended by major Australian retailers including Woolworths, Aldi, Bunnings and McDonalds. Retailers spoke of their commitment to developing rosters that were responsive to the needs of their staff, and provided some evidence of this to the committee.
- 6.26 For example, while availability and other requirements are generally managed through centralised and automated systems, the committee heard that rosters in some companies are not finalised without the oversight and input of local managers.<sup>16</sup>
- 6.27 Retailers also advised that they provide rosters with more notice than is required under enterprise bargaining agreements.<sup>17</sup> However, the committee was told that processes to change or vary rosters are informal and often entirely verbal, with few standard procedures and limited record-keeping.<sup>18</sup> Most

<sup>&</sup>lt;sup>13</sup> Abbey Kendall, The Working Women's Centre SA, Committee Hansard, 6 December 2022, pp. 28-29.

See Mr Hugh Reilly, Executive Manager, atWork Australia, Committee Hansard, 14 November 2022, p. 47.

<sup>&</sup>lt;sup>15</sup> Abbey Kendall, The Working Women's Centre SA, Committee Hansard, 6 December 2022, p. 29.

See, for example: Mr Viktor Jakupec, Managing Director, Regency Park, Aldi Australia, Committee Hansard, 6 December 2022, p. 55; Mr Mark Van Den Bosch, General Manager, Process Transformation Supermarkets, Woolworths Group Committee Hansard, 20 December 2022, p. 22; Mr Cameron Newlands, Vice-President of Operations, McDonald's Australia, Committee Hansard, 20 December 2022, p. 4.

<sup>&</sup>lt;sup>17</sup> See, for example: Mr Viktor Jakupec, Aldi Australia, *Committee Hansard*, 6 December 2022, pp. 62-65 and 69; Mr Justin Young, Head of Employment Relations and Insights, Bunnings Group Ltd, *Committee Hansard*, 8 December 2022, pp. 46–47.

See, for example: Mr Viktor Jakupec, Aldi Australia, Committee Hansard, 6 December 2022, p. 66; Mr Damien Zahra, Chief People Officer, Bunnings Group Ltd, Committee Hansard, 8 December 2022, pp. 42–43.

- retailers were unable to provide basic data in relation to rostering and flexibility.<sup>19</sup>
- 6.28 The committee has elsewhere outlined extensive evidence of the disruptive impact of a lack of 'roster justice', particularly variable hours and unexpected schedule changes. The committee's *Interim Report* called for improved rostering rights for employees, including predictable, fixed-shift scheduling—especially for working carers—and for a requirement for employers to engage genuinely with employees about roster change proposals. Evidence received by the committee since its *Interim Report* has reinforced this call.
- 6.29 The committee was told of the impact of poor rostering practices including a lack of control over when people work.<sup>20</sup> Witnesses described the creation of 'awkward work environments' and disputes with employers,<sup>21</sup> resulting from poor rostering practice.
- 6.30 Ms Biddlestone from the Shop, Distributive and Allied Employees' Association told the committee about the experiences of one of its members:
  - I made sure my hours would fit with my family by being completely transparent and up-front about my needs. It was perfect up until recent new management. I'm constantly having to dispute my roster, and my hours are getting cut because they can no longer work with my schedule. I feel like a burden, and I come home stressed out and exhausted.<sup>22</sup>
- 6.31 Furthermore, the power imbalance between workers and employers in terms of rosters, coupled with the lack of protections for workers to reject roster changes, <sup>23</sup> puts 'incredible stress' on workers and their families, in some cases leaving no option for women but to leave work because they are unable to balance work with caring obligations. <sup>24</sup>
- 6.32 In describing the impact of poor rostering practices on working carers, the Working Women's Centre SA told the committee about the experiences of 'Julie':

See, for example: Mr Viktor Jakupec, Aldi Australia, Committee Hansard, 6 December 2022, pp. 62 and 64–66; Mr Damien Zahra, Bunnings Group Ltd, Committee Hansard, 8 December 2022, p. 42; Mr Cameron Newlands, McDonald's Australia Committee Hansard, 20 December 2022, p. 5.

<sup>&</sup>lt;sup>20</sup> Mr Matthew Wells, Regional Mental Health Manager, WA Country Health Service Great Southern, *Committee Hansard*, 15 November 2022, p. 44.

<sup>&</sup>lt;sup>21</sup> Abbey Kendall, The Working Women's Centre SA, Committee Hansard, 6 December 2022, p. 28.

<sup>&</sup>lt;sup>22</sup> Ms Katie Biddlestone, National Women's Officer, Shop, Distributive and Allied Employees' Association, *Committee Hansard*, 20 September 2022, p. 21.

<sup>&</sup>lt;sup>23</sup> Ms Katie Biddlestone, Shop, Distributive and Allied Employees' Association, *Committee Hansard*, 20 September 2022, p. 23.

Abbey Kendall, The Working Women's Centre SA, Committee Hansard, 6 December 2022, p. 33; Dr Elspeth McInnes, Adviser, National Council of Single Mothers and their Children, Committee Hansard, 6 December 2022, p. 46; Ms Annie Butler, Australian Nursing and Midwifery Federation, Committee Hansard, 6 December 2022, pp. 48 and 50.

Julie is a casual cleaner, who has been working for her employer for two years. She is a single mother who lives alone with her two-year-old daughter ... Julie receives an out-of-the-blue phone call where her employer advises that they have decided to roster her to another site, commencing at 6 am the following day ... After her first shift at the new site, Julie telephoned her employer to let them know about her care responsibilities and the difficulties with the childcare opening times. The employer, despite employing hundreds of cleaners over a number of sites with hundreds of different types of shifts, told Julie that they could not accommodate her request and gave no reason for the sudden change in roster.<sup>25</sup>

6.33 The Centre advised the committee that recent changes to the Fair Work Act will assist workers to dispute their rosters. However, it called for additional reform, including an obligation on employers to provide roster changes within regulated periods of notice and to deliver training focused on proactively implementing flexible working arrangements.<sup>26</sup>

# Long working hours

- 6.34 The impact of working long hours on workplace health and wellbeing has been well documented in Australia and internationally. The impact of long working hours on the mental and physical health of the individual as well as associated health costs to the economy are known. According to the World Health Organisation, working 55 or more hours a week raises the risk of stroke by 35 per cent and ischemic heart disease by 17 per cent, when compared to working shorter hours.<sup>27</sup>
- 6.35 Work is good for our mental health but only up to a point, with evidence to the committee suggesting that this point is a limit of 39 hours a week.<sup>28</sup> However, the work-hour-mental health threshold varies for women and men, given the additional care and domestic responsibilities undertaken by women. Research indicates therefore, that a healthy work limit of 34 hours a week is optimal for women, when informal care and domestic responsibilities are considered.<sup>29</sup> Professor Strazdins explained:

There is a large gender difference in the point at which work hours harm health: for women the tipping point is 34 hours per week, but on average men could work up to 47 hours a week before they showed detriment to their mental health. The reason an Australian man can on average work

<sup>&</sup>lt;sup>25</sup> Abbey Kendall, The Working Women's Centre SA, Committee Hansard, 6 December 2022, pp. 28–29.

<sup>&</sup>lt;sup>26</sup> Abbey Kendall, The Working Women's Centre SA, Committee Hansard, 6 December 2022, p. 29.

World Health Organization and International Labour Organization, Long working hours increasing deaths from heart disease and stroke, *Joint news release*, 17 May 2021, <a href="https://www.who.int/news/item/17-05-2021-long-working-hours-increasing-deaths-from-heart-disease-and-stroke-who-ilo">www.who.int/news/item/17-05-2021-long-working-hours-increasing-deaths-from-heart-disease-and-stroke-who-ilo</a> (accessed 18 January 2023).

<sup>&</sup>lt;sup>28</sup> Professor Lyndall Strazdins, Submission 122, p. 5.

<sup>&</sup>lt;sup>29</sup> Professor Lyndall Strazdins, Submission 122, p. 5.

13 hours longer each week than a woman before he starts to experience harms to his mental health, is because relatively little of his time is devoted to unpaid care.<sup>30</sup>

- 6.36 The committee heard that 40 per cent of the Australian labour market 'routinely' works more than 38 hours, with around one fifth working more than 50 hours—most of them men.<sup>31</sup>
- 6.37 Professor Strazdins noted that if workers are incentivised to work longer hours and promotions are based on a capacity to work those hours, rather than merit, a system is created which disadvantages women.<sup>32</sup>
- 6.38 As well as addressing the structural issues which incentivise longer hours, it was suggested to the committee that better regulation of the NES with regard to the maximum weekly hours of work, could help to address the balance of work and care.<sup>33</sup>
- 6.39 Professor Strazdins noted that in countries with better regulations around maximum working weeks, fewer women work in part-time jobs and fewer men are in long-hour jobs. She explained that in countries where there was closer regulation of long-hour jobs, it is far more common for couples to work hours approximate to each other. She concluded that the divergence happens in countries with very weak upper limits. In relation to Australia, where the maximum weekly national standard for hours of work is 38 hours per week, Professor Strazdins concluded that:

What we have is a limit but what we don't have, it appears, is any routine respect of that particular limit in the Australian labour market.<sup>34</sup>

# The right to disconnect

6.40 In its *Interim Report*, the committee described what it termed 'availability creep', a trend where employees are increasingly expected to engage with and complete work outside of work hours.<sup>35</sup>

<sup>&</sup>lt;sup>30</sup> Professor Lyndall Strazdins, Submission 122, p. 5.

<sup>&</sup>lt;sup>31</sup> Professor Lyndall Strazdins, Committee Hansard, 8 December 2022, p. 35.

<sup>&</sup>lt;sup>32</sup> Professor Lyndall Strazdins, Committee Hansard, 8 December 2022, p. 35.

Professor Lyndall Strazdins, *Committee Hansard*, 8 December 2022, pp. 35 and 37–39. See also: Ms Shelby Schofield, Chief Economist and Acting Assistant Secretary, Women's Economic Policy Branch, Office for Women, Department of the Prime Minister and Cabinet, *Committee Hansard*, 8 December 2022, p. 55; Professor Andrew Scott, *Committee Hansard*, 8 December 2022, p. 69.

<sup>&</sup>lt;sup>34</sup> Professor Lyndall Strazdins, Committee Hansard, 8 December 2022, p. 35.

<sup>35</sup> Senate Select Committee on Work and Care, Interim Report, October 2022, p. 108, www.aph.gov.au/Parliamentary Business/Committees/Senate/Work and Care/workandcare/Interim Report (accessed 20 February 2023).

- 6.41 In some cases, such a trend is associated with long hours of work which the previous section has discussed, outlining the costs of long hours to work-life balance, health, wellbeing and productivity.
- 6.42 Professor Sara Charlesworth from the Work + Family Policy Roundtable told the committee that for some workers, availability creep was a direct consequence of job insecurity and rostering practices, whereby workers are expected to remain on call and available for extended periods of time in order to secure sufficient paid work.<sup>36</sup>
- 6.43 For many other workers, availability creep has been caused by changes in technology that make it possible for them to undertake work tasks outside of the workplace, at any time. As the committee noted in its *Interim Report*, this has been further exacerbated by the pandemic.<sup>37</sup> This again blurs the line between flexibility and unreasonable expectations between employers and employees.
- 6.44 Availability creep has negative consequences for the productivity and wellbeing of all workers, but it is especially burdensome for working carers who already juggle competing demands on their time. Being expected to work outside core or rostered hours interrupts their availability to provide informal care and reduces their already limited opportunities to participate in other activities such as study, leisure or rest.
- 6.45 As continuous connection to the workplace becomes more normalised, those who are unwilling or unable to engage, including because they balance work with unpaid care, will find themselves at an increasing disadvantage.
- 6.46 As the committee highlighted in its *Interim Report*, a formal right to disconnect from work already exists in various parts of Australia and the world.<sup>38</sup> Evidence to this inquiry was broadly supportive of the development of something similar in Australia, whether in the form of an enforceable legal entitlement or by some other mechanism.<sup>39</sup>
- 6.47 Ms Helen Dalley-Fisher from the Equality Rights Alliance suggested that there may well be a need to regulate the right to disconnect, but submitted that as the scope of the problem is not yet sufficiently known, further data is needed to understand the problem before determining what a solution might look like.<sup>40</sup>

<sup>&</sup>lt;sup>36</sup> Professor Sara Charlesworth, Co-convenor, Work + Family Policy Roundtable, *Committee Hansard*, 20 September 2022, p 54.

<sup>&</sup>lt;sup>37</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, p. 108.

<sup>38</sup> Senate Select Committee on Work and Care, Interim Report, October 2022, pp. 90–91.

<sup>&</sup>lt;sup>39</sup> See, for example: Australian Nursing and Midwifery Federation Victorian Branch, *Submission 1*, p. 4; Ms Helen Dalley-Fisher, Convenor, Equality Rights Alliance, *Committee Hansard*, 14 November 2022, p. 40.

<sup>&</sup>lt;sup>40</sup> Ms Helen Dally-Fisher, Equality Rights Alliance, *Committee Hansard*, 14 November 2022, pp. 40–41.

- 6.48 Professor Strazdins also spoke of the importance of normalising the right to disconnect as a way of recognising that 'people do have a life and we want them to have a life'. She noted that this would require changes in the expectations of employers as well as significant workplace cultural change.<sup>41</sup>
- 6.49 In Belgium, prior to the introduction of a November 2022 labour law providing for a four-day working week for private sector workers, a survey of employees revealed that the ability to disconnect from work was seen as the biggest expected benefit. Respondents indicated that they expected the greatest benefits of a four-day week to include the ability to relax at home (43 per cent), to obtain a better work-life balance (40.8 per cent) as well as to give more space for personal relationships.<sup>42</sup>
- 6.50 Some witnesses expressed reservations about the right to disconnect, noting, for example, that its operation would likely be dependent on the ability of individual employees to negotiate and enforce disconnection from their employer, and that some workers may welcome additional connection if it facilitates additional flexibility.<sup>43</sup>

## Right to disconnect in aged and disability care

- 6.51 The right to disconnect from work is especially important for those in the care sector who are already expected to engage with employers with short or no notice, and perform additional unpaid labour outside of work hours.
- 6.52 Professor Ian Hickie AM also noted the unique circumstances of those providing formal care, as the intimate nature of care work further complicates the ability of workers to disconnect. For example, workers in educational roles are frequently expected to perform unpaid emotional and pastoral care.<sup>44</sup> Many workers develop close relationships with individual clients and their families, which may lead to an inadvertent expectation that workers will continue to volunteer their time outside of paid shifts.<sup>45</sup>
- 6.53 The right to disconnect links to the issue of unpaid working time and the question of wage theft. The effect of changing technologies, the 'untethering' of work from a workplace for many, the drift to long hours of work, the creation

Maithe Chini, '40% of Flemish employees want four-day working week', *The Brussels Times*, 31 October 2022, <a href="www.brusselstimes.com/314979/nearly-40-of-flemish-employees-want-four-day-working-week">working-week</a> (accessed 17 January 2023).

<sup>&</sup>lt;sup>41</sup> Professor Lyndall Strazdins, Committee Hansard, 8 December 2022, p. 38.

<sup>&</sup>lt;sup>43</sup> See, for example: Soroptimist International, *Submission 120*, p. 8; Dr Donnell Davis, Director and Programme Convenor, and Ms Luz Myles, Director, Soroptimist International South East Asia Pacific, *Committee Hansard*, 31 October 2022, p. 16.

<sup>&</sup>lt;sup>44</sup> Professor Ian Hickie AM, Private capacity, Committee Hansard, 31 October 2022, p. 73.

<sup>&</sup>lt;sup>45</sup> See: Ms Selena Maddeford, Policy and Research Leader, JFA Purple Orange, *Committee Hansard*, 6 December 2022, p. 26. In this case the witness was emphasising the need to resist the expectation.

of new norms of 'care-unfriendly' connectivity, expectations and the legacy of new post-pandemic work-from-home habits, make workers' capacities to disconnect from work and its technologies of increasing importance.

# Job security

- 6.54 The evidence to this inquiry suggests that job insecurity for working carers creates significant challenges to combining work and care.
- 6.55 Insecure work is work that 'provides workers with little social and economic security, and little control over their work'. 46 Some types of work, such as casual, seasonal and fixed-term employment, are more likely to be insecure. However, any type of work may be insecure if does not provide the worker a reasonable level of certainty over basic employment parameters such as when, how much and how often they will work.
- 6.56 Ms Louise de Plater from the Health Services Union elaborated the circumstances of many of its workers:

For our members, in particular, industrial arrangements in a relevant award covering the caring sectors mean there's a prevalence of low-hour or zero-hour part-time contracts, effectively allowing employers to treat workers like casuals. Our members lack job security and certainty of hours and complain that these arrangements play havoc with their lives, from balancing the family budget to juggling hours of care, and force many of them to work multiple jobs just to get enough hours to get by.<sup>47</sup>

- 6.57 It was suggested that employers may deliberately utilise insecure arrangements to minimise their legal and financial obligations to workers. For example, companies may require workers who would otherwise be employees to engage as independent contractors or offer permanent part-time employment on a nominally 'casual' basis.<sup>48</sup>
- 6.58 In some instances, the insecurity of a job can be obscured by a seemingly more stable arrangement. Evidence to his inquiry was particularly critical of the use of part-time contracts with artificially low hours that do not reflect the true

Shop, Distributive and Allied Employees' Association, Submission 37, p. 10; Professor Emeritus David Peetz, Submission 65, p. 2; South-East Monash Legal Service, Submission 81, pp. 7–8; Abbey Kendall, The Working Women's Centre SA, Committee Hansard, 6 December 2022, p. 30.

<sup>&</sup>lt;sup>46</sup> Australian Council of Trade Unions, *Independent Inquiry into Insecure Work in Australia, Lives on Hold:*Unlocking the potential of Australia's workforce, 2012, p. 1,
www.actu.org.au/media/349417/lives on hold.pdf (accessed 19 January 2023). This definition was also used by the Senate Select Committee on Job Security: Senate Select Committee on Job Security,
The job insecurity report, February 2022, p. 1, www.aph.gov.au/Parliamentary Business/Committees/Senate/Job Security/JobSecurity/Fourth Interim Report (accessed 19 January 2023).

<sup>&</sup>lt;sup>47</sup> Ms Louise de Plater, Health Services Union, Committee Hansard, 20 September 2022, p. 27.

number of hours worked.<sup>49</sup> As Ms Erin Keogh of the Australian Council of Trade Unions (ACTU) explained, low minimum hours contracts can be significantly boosted by employers without the requirement for casual loading.<sup>50</sup>

# *Interaction with workplace flexibility*

- 6.59 Workplace flexibility and job security are closely related. It was put to the committee that for many working carers, the two are mutually reinforcing: a lack of flexibility drives them into insecure forms of work, while job insecurity limits their ability to access flexible arrangements.<sup>51</sup>
- 6.60 This correlation means genuine workplace flexibility—the ability to adjust when, where and how work is performed through arrangements such as modified hours, working from home, or job sharing—often results in insecure work. Additionally, there were suggestions that some employers misuse the term 'flexible' to describe insecure, unpredictable and ad hoc employment arrangements that provide them with financial and logistical advantages of little benefit to employees.<sup>52</sup>
- 6.61 However, flexible work need not be insecure. During this inquiry, the committee heard directly from large and small employers about the ways in which they offer flexibility alongside secure, ongoing work.
- 6.62 The committee heard that Aldi, for example, does not utilise casual labour—all workers are offered ongoing, part-time employment with minimum guaranteed hours. 53 Hours can, however, be flexed upwards without any penalty payable.
- 6.63 The Workplace Gender Equality Agency (WGEA) also drew the committee's attention to the achievements of 'leading practice organisations' in the private sector, who seek a citation as an 'Employer of Choice for Gender Equality'. WGEA explained that to earn this citation, employers had to have:
  - ... a formal policy and strategy supporting those with family or caring responsibilities which covers return to work from parental leave; parents at all stages of children's lives; employees with eldercare responsibilities; and employees with caring responsibilities for people with disability. In addition, the citation requires organisations to have **no eligibility** period for

<sup>&</sup>lt;sup>49</sup> See, for example: Mr Gerard Dwyer, Shop, Distributive and Allied Employees' Association, Committee Hansard, 20 September 2022, p. 23; Ms Louise de Plater, Health Services Union, Committee Hansard, 20 September 2022, p. 27; Mr Kevin Crank, Queensland Nurses and Midwives' Union, Committee Hansard, 31 October 2022, p. 44; Ms Annie Butler, Australian Nursing and Midwifery Federation, Committee Hansard, 6 December 2022, pp. 48–49.

<sup>&</sup>lt;sup>50</sup> Ms Erin Keogh, Australian Council of Trade Unions, Committee Hansard, 31 October 2022, p. 62.

<sup>&</sup>lt;sup>51</sup> Global Institute for Women's Leadership, *Submission 50*, p. 5; Ms Erin Keogh, Australian Council of Trade Unions, *Committee Hansard*, 31 October 2022, p. 60.

<sup>&</sup>lt;sup>52</sup> Professor Ian Hickie AM, Committee Hansard, 31 October 2022, p. 68.

<sup>&</sup>lt;sup>53</sup> Mr Viktor Jakupec, Aldi Australia, *Committee Hansard*, 6 December 2022, p. 55.

access to employer-funded parental leave. It also expects organisations to actively encourage men to take parental leave and, if applicable, set targets for men's engagement in flexible working arrangements.

Leading practice organisations in the private sector aim to address barriers to carers' engagement in the workforce through robust flexible work arrangements and policies, carers leave, parental leave and childcare supports. In addition, leading practice organisations encourage women and men to utilise flexible work arrangements and parental leave and have moved toward gender neutral language in policies and strategies. When workplaces support both women and men in their roles as workers and carers, they disrupt gender norms and assumptions about the division of work and care.<sup>54</sup>

6.64 The distinction between flexibility and security must be front of mind when assessing the impact of insecure work. The negative consequences outlined below arise not because certain types of work are more flexible, but because they are less secure.

# Carers are more likely to be in insecure work

- 6.65 As noted above, it is often a lack of workplace flexibility that drives working carers into insecure work. Carers NSW made the point that '[m]any carers are engaged in casual or contract employment as this is the only way that they can access adequate flexibility to balance work with their caring role'.<sup>55</sup>
- 6.66 For some working careers, insecurity begets more insecurity: the insufficiency and uncertainty of their primary work forces carers to seek out second and third jobs, which are also overwhelmingly insecure.<sup>56</sup> Professor Alison Preston confirmed it is largely demand-side factors—that is, the hours and conditions offered by employers—that drive an increase in multiple job holding.<sup>57</sup>
- 6.67 Professor Preston told the committee that once carers have moved into less secure work, even temporarily, it can prove difficult for them to return to secure, ongoing work, saying:<sup>58</sup>

Fast forward now 30 years and this huge change we've have in women's education and women's participation in employment, women's patterns of employment over their life course hasn't changed very much at all. So women continue to basically drop down to part-time employment when they are in their 30s, and that really doesn't recover. The fact that there's not

Emeritus Professor David Peetz, Submission 65; Ms Louise de Plater, Health Services Union, Committee Hansard, 20 September 2022, p. 27; Mr Kevin Crank, Queensland Nurses and Midwives' Union, Committee Hansard, 31 October 2022, p. 48.

<sup>58</sup> Professor Alison Preston, Private capacity, Committee Hansard, 14 November 2022, p. 38.

<sup>&</sup>lt;sup>54</sup> Workplace Gender Equality Agency, Submission 17, pp. 11–12. Emphasis in original.

<sup>&</sup>lt;sup>55</sup> Carers NSW, Submission 27, p. 13.

<sup>&</sup>lt;sup>57</sup> Professor Alison Preston, *Submission 34*, p. 14.

much change in those curves for women over those 30 years I find quite remarkable.<sup>59</sup>

6.68 The committee heard that this creates a cycle where workers, and specifically women, become 'locked out' of secure employment from the moment they become carers.<sup>60</sup>

The negative consequences of insecure work

- 6.69 Workers in insecure work may have no guarantee of future employment or income, meaning they are unable to make medium- and long-term plans and have little control over their future. They struggle to borrow money and often lack access to paid leave, training, promotion and benefits available to more secure workers. Insecurity fundamentally shifts the power balance in favour of employers.
- 6.70 It was argued that those in insecure work have fewer rights and protections in areas such as taxation, superannuation, workers' compensation and workplace health and safety. Further, they may not even be aware that this is the case.<sup>61</sup>
- 6.71 The committee also heard that insecure work can impede the ability of workers to earn money and accrue wealth.<sup>62</sup> Ad hoc and short-term work tends to result in lower pay compared to secure employment, while variable work hours cause income fluctuations that workers 'cannot predict and financially cannot rely upon'.<sup>63</sup>
- 6.72 Further, workers in insecure employment are less likely to have access to paid leave, less likely to receive superannuation and many are not paid a casual loading to compensate for work that is genuinely irregular or intermittent.<sup>64</sup>
- 6.73 For example, Caitlin Feehan, a lawyer with the Working Women's Centre SA, told the committee that:

Insecure work is unreliable not only in terms of hours but also in terms of pay. This has serious consequences for workers, predominantly women, attempting to manage their care responsibilities. It serves to exacerbate

60 Ms Erin Keogh, Australian Council of Trade Unions, Committee Hansard, 31 October 2022, p. 62.

<sup>&</sup>lt;sup>59</sup> Professor Alison Preston, *Committee Hansard*, 14 November 2022, p. 30.

<sup>&</sup>lt;sup>61</sup> Associate Professor Knox, Professor Bohle, Professor Warhurst and Dr Wright, *Submission 35*, p. 2; Victorian Council of Social Service, *Submission 91*, p 18.

<sup>&</sup>lt;sup>62</sup> Mr Ross Womersley, Chief Executive Officer, South Australian Council of Social Services, *Committee Hansard*, 6 December 2022, p. 36.

<sup>63</sup> Ms Erin Keogh, Australian Council of Trade Unions, *Committee Hansard*, 31 October 2022, pp. 61-62; Caitlin Feehan, Working Women's Centre SA, *Committee Hansard*, 6 December 2022, p. 29.

<sup>64</sup> See, for example: National Foundation for Australian Women, Submission 4, p. 27; Global Institute for Women's Leadership, Submission 50, p. 5; Professor Emeritus David Peetz, Submission 65, p. 2; South-East Monash Legal Service, Submission 81, p. 5; Victorian Council of Social Service, Submission 91, p 18; Caitlin Feehan, Working Women's Centre SA, Committee Hansard, 6 December 2022, p. 29.

inequality for all of those already experiencing discrimination in the workforce. Our submission outlines that, in practice, only half or fewer of casual workers are actually paid their full casual loading, which reflects the lack of information among employers and the equal lack of enforcement of loading requirements among employers. 65

6.74 Over time, insecure work has detrimental effects on the physical health, mental wellbeing, relationships, and social inclusion of workers.66 For example, Professor Patrick McGorry AO identified insecure work as a substantial cause of worsening mental health among young Australians. 67

## Insecure work makes it harder to arrange and provide care

- 6.75 Eligibility to request flexible working arrangements under the Fair Work Act does not extend to independent contractors, short-term employees, or casual employees who cannot demonstrate ongoing work on a 'regular and systematic basis'.68 Carers in insecure work are excluded as a direct result of that insecurity.
- 6.76 The inability to plan ahead is especially problematic for working carers. Irregular work patterns make it difficult to arrange care, while a variable income makes it difficult to afford.<sup>69</sup> Carers Australia submitted that this was the case even when care requirements themselves are steady, and is magnified for workers whose caring responsibilities are intermittent, episodic or unexpected.<sup>70</sup>
- The committee heard that many workers—particularly those in insecure work in feminised industries—were significantly impacted in the initial stages of the pandemic. Ms Jennifer Wettinger from the Department of Employment and Workplace Relations advised that casual workers 'were disproportionately impacted by COVID. Noting that more than 50 per cent of casual employees are women, Ms Wettinger noted that there was a decline of almost 500 000 female workers during the first few months of the pandemic'.71

66 Senate Select Committee on Job Security, The job insecurity report, February 2022, p. 43; see also Professors Ian Hickie AM and Patrick McGorry AO, Mr Ross Womersley, the Victorian Council of Social Service, and the Centre for Future Work.

<sup>68</sup> Eligibility criteria are set out in subsection 65(2) of the Fair Work Act 2009. Short-term employees are unlikely to have completed 'at least 12 months continuous service', while independent contractors are not employees.

71 Ms Jennifer Wettinger, Assistant Secretary, Economics and International Labour Branch, Department of Employment and Workplace Relations, Committee Hansard, 16 September 2022, p. 13. See also: Ms Elizabeth Mohle, Queensland Nurses and Midwives' Union, Committee Hansard, 31

<sup>65</sup> Caitlin Feehan, Working Women's Centre SA, Committee Hansard, 6 December 2022, p. 29.

<sup>&</sup>lt;sup>67</sup> Professor Patrick McGorry AO, Committee Hansard, 31 October 2022, pp. 70 and 72.

See, for example: Shop, Distributive and Allied Employees' Association, Submission 37, p. 18; Ms Emeline Gaske, Assistant National Secretary, Australian Services Union, Committee Hansard, 20 September 2022, p. 14.

<sup>&</sup>lt;sup>70</sup> Carers Australia, *Submission* 10, p. 8.

- 6.78 Many of these workers were also impacted by staff shortages, double shifts, and low pay, in conjunction with bearing much of the unpaid care load at home. This experience left workers feeling burnt out, and for many, particularly in care industries, wanting to leave work.<sup>72</sup>
- 6.79 Professor Hickie noted that the pandemic resulted in a greater emphasis on 'informality and flexibility' in workplaces, with potential upsides for work and care. However, he also noted there are also potential difficulties relating to employer expectation and the possibility of increased unpredictability, and increased casualisation.<sup>73</sup>
- 6.80 As was also highlighted during pandemic lockdowns, workers without access to paid leave—predominantly casual workers—face an immediate financial penalty every time they forego income, in order to provide care. Again, this is exacerbated in unplanned and emergency situations where workers cannot or have no opportunity to make alternative arrangements.<sup>74</sup>
- 6.81 Ms Kendall posited that the ease and speed with which insecure employment can be reduced or ceased disempowers workers and means it can be used 'as a direct tool by employers to threaten workers', especially in response to requests for flexibility to undertake unpaid care.<sup>75</sup>
- 6.82 Ms Eloise Dalton of Basic Rights Queensland was supportive of flexibility being better provided for in legislation, as it would 'create a safety net' for those who 'fear speaking out or asking for flexibility'. Ms Dalton explained what might occur when an employee in insecure work asks for flexibility:

... we know that, too often, they just won't get any shifts for the next month if they speak up. ... For example, one worker asked her employer to leave

October 2022, pp. 42–43 and 46; Ms Helen Dalley-Fisher, Equality Rights Alliance, *Committee Hansard*, 14 November 2022, p. 39.

See, for example: Ms Elizabeth Mohle, Queensland Nurses and Midwives' Union, Committee Hansard, 31 October 2022, pp. 42–43 and 46; Ms Helen Dalley-Fisher, Equality Rights Alliance, Committee Hansard, 14 November 2022, p. 39; Ms Annie Butler, Australian Nursing and Midwifery Federation, Committee Hansard, 6 December 2022, p. 52; Mr Viktor Jakupec, Aldi Australia, Committee Hansard, 6 December 2022, p. 55; Ms Michele Arcaro, Assistant Secretary, Child Care Markets and Reform Branch, Early Childhood and Youth Group, Department of Education, Committee Hansard, 16 September 2022, pp. 12–13; Mr Gerard Dwyer, Shop, Distributive and Allied Employees' Association, Committee Hansard, 20 September 2022, p. 20.

<sup>&</sup>lt;sup>73</sup> Professor Ian Hickie AM, Committee Hansard, 31 October 2022, p. 67.

Leave entitlements for working carers are discussed elsewhere in this report; See: Carers NSW, Submission 27, p. 13; Victorian Council of Social Services, Submission 91, p. 18; Abbey Kendall, Working Women's Centre SA, Committee Hansard, 6 December 2022, p. 31; Mr Ross Womersley, South Australian Council of Social Services, Committee Hansard, 6 December 2022, p. 41; Mr Sam Allen, Albany Community Care Centre, Committee Hansard, 15 November 2022, p. 27.

<sup>&</sup>lt;sup>75</sup> Abbey Kendall, Working Women's Centre SA, Committee Hansard, 6 December 2022, p. 29.

early to collect her children, and they made comments along the lines of 'If you're not here, tomorrow don't expect a job'.<sup>76</sup>

# Flexibility

- 6.83 The varied benefits of carer-friendly workplaces include the ability to retain staff with skills and experience, higher returns on training investment, and improved productivity and performance.<sup>77</sup> Furthermore, international studies are increasingly demonstrating that employers who have policies in place to support carers experience 'improved service delivery, cost savings and increased productivity'.<sup>78</sup>
- 6.84 At the same time, flexible workplace arrangements, whereby workers have control over when and where they work are increasingly demanded by workers, especially younger generations of Australian workers.
- 6.85 However, an Australian Human Rights Commission study found that unless flexible workplace arrangements are established in a gender equitable way and made accessible to all employees, such policies can inadvertently reinforce gender gaps in the access, reward and accumulation of skills, opportunities and experience. It found that 27 per cent of fathers and partners reported experiencing discrimination for taking parental leave at their workplace. Ms Shelby Schofield from the Office for Women explained:

Men are much more likely to have their request for flexibility denied than women. Seventeen per cent of requests by men, compared to 9.8 per cent of requests by women, are denied. There is evidence that people who use flexible working arrangements are penalised and offered fewer opportunities for advancement, training or professional development.<sup>79</sup>

6.86 Evidence to the committee highlighted that while flexible working arrangements are critical to supporting carers in the workplace, they are not enough on their own to create carer-friendly workplaces. Professor Alan Duncan of the Bankwest Curtin Economics Centre explained research demonstrating that the key ingredients to achieving strong organisational outcomes and a positive working environment include flexibility alongside consistency, and accountability on its efficacy and outcomes through reporting to leadership.<sup>80</sup>

<sup>78</sup> Mental Health Carers Australia, *Submission* 109, p. 4.

<sup>&</sup>lt;sup>76</sup> Ms Eloise Dalton, Solicitor, Basic Rights Queensland, Committee Hansard, 31 October 2022, p. 20.

<sup>&</sup>lt;sup>77</sup> Mental Health Carers Australia, Submission 109, p. 4.

<sup>&</sup>lt;sup>79</sup> Ms Shelby Schofield, Office for Women, *Committee Hansard*, 8 December 2022, p. 53.

Professor Alan Duncan, Director, Bankwest Curtin Economics Centre, Curtin University, Committee Hansard, 14 November 2022, p. 22. See also: Parliamentary Library, Creating a Disability Responsive Workforce,
 Parliamentary Library Lectures [14 December 2022],

- The WGEA argued that organisational culture and manager discretion to approve flexible work are key drivers to the uptake of flexible working arrangements. Conversely, when not supported, these two dynamics can also serve as significant obstacles to maximising flexible working outcomes.81
- 6.88 The committee was informed that one of the primary determinants of whether flexible workplace policies—including reduced hours—are likely to be successfully utilised, is whether they are management-led. Evidence indicates that when management lead by example and apply the same flexible work standards themselves and make use of them, such initiatives are more likely to become both permanent policy and accepted workplace practice.
- As a case in point, evidence available to the committee indicated that when senior executives institute a four-day week in their workplace and work a fourday week themselves along with their employees, the initiative is more likely to become a workplace norm.82
- 6.90 It was highlighted to the committee in this regard that the Gender Equity Insights report of 2019 indicated that the number of women in part-time management roles in companies almost doubled when flexible work policies were normalised.83 This evidence is important given that women currently comprise just 19.4 per cent of chief executive officers and take up 32.5 per cent of key management positions in Australia.84
- Amendments to the Fair Work Act in late 2022 have been designed to promote flexible work arrangements, with expanded enforceable rights to request flexible working arrangements for parents and carers, new requirements for employers to try to reach agreement on flexible hours and new dispute resolution processes and penalties.85
- 6.92 Professor Strazdins highlighted that long-hour jobs are not sustainable for individuals, families, or employers and highlighted the need for more genuinely flexible workplace practices which reduce stress on workers. She argued that employers have a legal work, health and safety obligation to ensure that workers

www.aph.gov.au/About Parliament/Parliamentary departments/Parliamentary Library/pubs/Vis /Seminars and Lectures 2022-23/DisabilityResponsiveWorkforce (accessed 10 February 2023).

82 The

Four-Day Week, White Paper 2019, p. 11, static1.squarespace.com/static/ 60b956cbe7bf6f2efd86b04e/t/60c3d8519bc93c7da4823124/1623447637957/Four-Day%2BWeek% 2BWhite%2BPaper%2BFebruary%2B2019%2Bfinal.pdf (accessed 18 January 2023).

<sup>&</sup>lt;sup>81</sup> Workplace Gender Equality Agency, Submission 17, p. 10.

<sup>83</sup> Professor Alan Duncan, Director, Curtin University, Committee Hansard, 14 November 2022, p. 18.

<sup>84</sup> Ms Shelby Schofield, Office for Women, Committee Hansard, 8 December 2022, p. 53.

Jaan Murphy, Scanlon Williams and Elliott King, Fair Work Legislation (Secure Jobs, Better Pay) Bill 2022-23, www.aph.gov.au/Parliamentary Business/ 2022, Bills Digest, No. 34, Bills Legislation/bd/bd2223a/23bd034# Toc118721739 (accessed 14 February 2023).

are treated fairly in a way that works for employers and employees.<sup>86</sup> Dr Donnell Davis likewise spoke to the importance of workplace flexibility and duty of care of employers.<sup>87</sup>

## A shorter working week

- 6.93 Globally, many companies as well as governments have initiated a range of schemes to reduce the working week. According to the 4 Day Week Global, reducing the working week provides greater scope for workers to fulfil family responsibilities and personal administration outside of work, thereby reducing the scope for work-life conflict.
- 6.94 As noted in Chapter 2, a shorter working week may also significantly improve women's workforce participation. In this regard, Professor Strazdins indicated to the committee that countries with shorter full-time-hours as the norm tend to show greater gender equality in employment participation.<sup>88</sup>
- 6.95 A shorter working week offers the possibility that caring responsibilities can be shared more easily between working partners, thereby increasing employment opportunities for women and positively impacting their pay, work benefits, and pensions. Furthermore:

Moving towards a shorter working week as the 'norm' would help change attitudes about gender roles, promote more equal shares of paid and unpaid work, and help revalue jobs traditionally associated with women's work. It would provide men with more time outside paid employment to be active parents and carers; it would also change expectations as 'part-time' becomes the new 'full-time', enabling more women to take up secure and well-paid employment.<sup>89</sup>

#### **Iceland**

- 6.96 A shorter working week trial whereby workers moved from a 40–hour working week to 35 or 36 hours—without reduced pay—took place in Iceland at the Reykjavik City Council (from 2014 to 2019) and the national government (from 2017 to 2021).
- 6.97 The trial involved more than 2500 workers (or approximately one per cent of Iceland's working population) across 66 workplaces including preschools, offices, social service providers, and hospitals. By 2021, 85 per cent of Iceland's

<sup>&</sup>lt;sup>86</sup> Professor Lyndall Strazdins, Committee Hansard, 8 December 2022, p. 37.

<sup>&</sup>lt;sup>87</sup> Dr Donnell Davis, Soroptimist International South East Asia Pacific, *Committee Hansard*, 31 October 2022, p. 13; Soroptimist International South East Asia Pacific, *Submission* 120, [p. 8].

<sup>88</sup> Professor Lyndall Strazdins, Submission 122, p. 5.

<sup>89</sup> Aidan Harper and Alice Martin, 'Achieving a Shorter Working Week in the UK', New Economics Foundation, 2018, p. 4, <u>neweconomics.org/uploads/files/Working-week-briefing.pdf</u> (accessed 13 January 2023).

- working population was either working shorter hours for the same pay or had secured the right to do so.
- 6.98 Analysis of the Iceland trials revealed that workers experienced a significant increase in wellbeing and greater work-life balance, as well as a decline in perceived work-life conflict. At the same time, existing levels of service provision and productivity were at the very least maintained, and in some instances improved.<sup>90</sup>
- 6.99 Workers who participated in the original trial in Iceland recorded a range of benefits from working reduced hours in a week. Benefits included an increase in time and energy for family and activities including exercise and hobbies, which had a positive effect on work.
- 6.100 During the pilot, men in heterosexual partnerships were reported to have taken on greater domestic responsibilities, sharing out the division of labour more equitably.<sup>91</sup>
- 6.101 Studies of the pilot also revealed that workers experienced a change in workplace culture, including increased support from colleagues, greater encouragement and just management, as well as less confusion regarding roles in the workplace, greater independence, and more control over the pace of work.<sup>92</sup>

#### Belgium

6.102 In Belgium, public and private sector workers are entitled to a four-day working week under a regulation which came into effect on 21 November 2022. Under the arrangement, which will be in place for six months, workers have a choice between working 9.5 hours a day for four days or eight hours a day for five days, rather than being paid the same amount for fewer hours.<sup>93</sup>

<sup>91</sup> Association for Democracy and Sustainability and Autonomy, *Going Public: Iceland's journey to a shorter working week*, June 2021, p. 50.

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<sup>90</sup> Association for Democracy and Sustainability and Autonomy, Going Public: Iceland's journey to a shorter working week, June 2021, p. 50, <u>autonomy.work/wp-content/uploads/2021/06/ICELAND 4DW.pdf</u> (accessed 29 November 2022).

<sup>&</sup>lt;sup>92</sup> Association for Democracy and Sustainability and Autonomy, *Going Public: Iceland's journey to a shorter working week*, June 2021, pp. 40–41 and 48.

<sup>&</sup>lt;sup>93</sup> Luke Hurst, 'Workers in Belgium can now switch to a four-day week- but they won't be working fewer hours', *EuroNews*, 21 November 2022, <u>www.euronews.com/next/2022/11/21/workers-in-belgium-can-now-switch-to-a-four-day-week-but-they-wont-be-working-fewer-hours</u> (accessed 28 November 2022).

- 6.103 The Belgium four-day week initiative does not entail a reduction in working hours, therefore, but rather allows workers to adapt their working hours, with employees unable to perform overtime under the arrangement.<sup>94</sup>
- 6.104 A study conducted prior to the introduction of the regulation indicated that 37 per cent of full-time employees would be likely to work a four-day week while 24 per cent of part-time employers were considering the option of working full-time because of it. 95 Amongst part-time workers aged 45 years and below, this figure rose to 35 per cent.
- 6.105 The regulation was part of a reform package which included the right to disconnect. The legislation came into effect on 1 February 2022 to protect the country's 65 000 public-sector workers from exposure to being permanently on-call. From 1 January 2023, the measure was extended to apply to employers with 20 or more employees. The measure provides that employees have the right to remain disconnected when not at work without fear of reprisals.<sup>96</sup>

#### **United Kingdom**

- 6.106 In the United Kingdom (UK), 70 companies and over 3300 workers are taking part in a four-day week pilot run by 4 Day Week Global involving banks, marketing companies as well as companies involved in the hospitality and retail sectors. In terms of outcome, 86 per cent of employers stated that they were likely to continue with a four-day week once the trial comes to an end.<sup>97</sup>
- 6.107 One of the companies involved in the UK trial, Charity Bank, became the first bank in the UK to reduce its working week from 35 hours to 28 hours for the same pay and benefits, under the four-day week model. In a statement regarding the pilot, Charity Bank Chief Executive Officer, Ed Siegel highlighted the benefits of the initiative to workplace culture, cultural diversity and climate change:

By valuing productivity over time spent, we aim to bridge the gap often felt between full-time and part-time staff, removing any possible barriers to promotion and progression. We anticipate that the shorter working week will also help us attract a more diverse workforce and encourage people

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<sup>&</sup>lt;sup>94</sup> Loyens Loeff, Four day work week in Belgium, 8 November 2022, <a href="www.loyensloeff.com/insights/news-events/news/four-day-work-week-in-belgium/">www.loyensloeff.com/insights/news-events/news/four-day-work-week-in-belgium/</a> (accessed 13 January 2023).

Maithe Chini, '40% of Flemish employees want four-day working week', The Brussels Times, 31 October 2022.

Loyens Loeff, Labour Deal shapes right to disconnect for employees as of 1 January 2023, 27 October 2022, www.loyensloeff.com/insights/news--events/news/labour-deal-shapes-right-to-disconnect-for-employees/#:~:text=The%20Belgian%20government%20agreed% 20on,as%20of%201%20January%202023 (accessed 13 January 2023).

Ocharlotte Lockhart, 4 Day Week Global, 'UK 4 day week pilot beings with 70 companies and 3300 workers', Press Release, 7 June 2022, <a href="https://www.4dayweek.com/news-posts/uk-four-day-week-pilot-begins">www.4dayweek.com/news-posts/uk-four-day-week-pilot-begins</a> (accessed 13 January 2023).

who would previously have been unable to commit to the standard five-day working week to join us. As well as benefitting colleagues, the shorter work week will help us to reduce our carbon footprint through a reduction in the frequency of commuting and by eliminating unnecessary meetings and travel.<sup>98</sup>

6.108 Alongside the health and wellbeing benefits of a four-day week, UK thinktank, Autonomy argued that the policy could alleviate costs of living challenges. It estimated that a worker in the UK with a child under two years of age would save £1440 in childcare and £340 from communing on average across a year if they didn't have to travel into work one day a week.<sup>99</sup>

#### Other jurisdictions

- 6.109 Several other countries are trialling a four-day working week or reduced working hours, including Scotland where the government has committed funding for companies to trial a series of four-day working week pilots across the country in 2023.<sup>100</sup>
- 6.110 Trials in Spain of a four-day working week of 32 hours, as well as in New Zealand and the United States, have also taken place, conducted by a range of national and international companies.
- 6.111 In 2021, the Spanish Government committed 50 million euros to a three-year, four-day week trial. Approximately 200 companies involving up to 6000 employees were expected to participate in the initiative which reduced the working week to 32 hours, without a reduction in pay. Under the scheme, the government proposed to cover involved company costs by 100 per cent in the first year, 50 per cent in the second year and 33 per cent in the final year of the trial. <sup>101</sup>
- 6.112 In 2021, the Japanese Government promoted an optional four-day working week in its annual economic policy guidelines. Noting that nearly 29 per cent of Japan's population comprises persons 65 years or older, 4 Day Week Australia explained that part of the rationale on the part of the Japanese Government was that companies would be able to retain capable and experienced staff who

<sup>99</sup> Jasper Jolly, 'Four-day week could alleviate cost of living crisis, thinktank, claims', *The Guardian*, 19 September 2022, <a href="www.theguardian.com/business/2022/sep/19/four-day-week-could-alleviate-cost-of-living-crisis-thinktank-claims">www.theguardian.com/business/2022/sep/19/four-day-week-could-alleviate-cost-of-living-crisis-thinktank-claims</a> (accessed 16 January 2023).

<sup>&</sup>lt;sup>98</sup> Charity Bank, Charity Bank joins four-day work week pilot, *News*, <u>www.charitybank.org/news</u> /<u>charity-bank-joins-four-day-work-week-pilot</u> (accessed 11 January 2023).

J. Boys and M. Zemanik, Chartered Institute of Personnel and Development, *The four-day week: Scottish employer perspectives on moving to a shorter working week*, 2022, www.cipd.co.uk/knowledge/fundamentals/relations/flexible-working/four-day-week-scotland#:~:text=The%20Scottish%20Government%27s%202021%2D22,pilots%20across%20Scotland%20in%202023 (accessed 29 November 2022).

<sup>&</sup>lt;sup>101</sup> 4 Day Week, Spain, <u>4dayweek.io/country/spain</u> (accessed 16 January 2023).

- 'might otherwise have to leave if they are trying to raise a family or take care of elderly relatives'.<sup>102</sup>
- 6.113 Throughout 2022, a growing number of companies in Japan offered their workers a four-day week for a range of reasons, including the prospect of attracting more talent and preventing employees from leaving.<sup>103</sup>

## Four-day working week trial in Australia

- 6.114 4 Day Week Global is a movement founded in New Zealand in 2019 which utilises a 100–80–100 model, whereby employees receive 100 per cent pay, for 80 per cent of the time, in exchange for a commitment to deliver 100 per cent of output.<sup>104</sup>
- 6.115 In Australia, the first national trial of the four-day week is currently underway, involving 20 organisations across a range of industries in finance, fashion, healthcare, construction and retail sectors.<sup>105</sup>
- 6.116 One of the organisations participating in the trial which gave evidence to the committee was Momentum Mental Health. The Chief Executive Officer of Momentum Mental Health, Mrs Deborah Bailey, described the flexible working arrangements available to the 14 staff members at the community mental health service which include provision for:
  - working from home;
  - working school hours;
  - job sharing;
  - online work; and
  - a four-day week.<sup>106</sup>
- 6.117 Mrs Bailey indicated that 12 staff members at Momentum Mental Health have been working a four-day week as part of a six-month trial which began on 1 August 2022. Under the arrangement, once staff have completed their work, they are entitled to have a 'gift day' as a full day or two half days off work. In instances where deadlines must be met or key tasks completed, staff accept

Ayano Shimizu, 'Japanese firms turn to four-day week to improve work-life balance', *Japan Times*, 3 May 2022, <u>www.japantimes.co.jp/news/2022/05/03/business/four-day-working-week-japan/</u> (accessed 16 January 2023).

<sup>105</sup> Charlotte Lockhart, 4 Day Week Global, '20 companies to switch to a 4 day work week across Australia and New Zealand', *Media Release*, 24 May 2022, <a href="www.4dayweek.com/news-posts/20-companies-to-switch-to-a-four-day-work-week-across-australia-and-new-zealand">www.4dayweek.com/news-posts/20-companies-to-switch-to-a-four-day-work-week-across-australia-and-new-zealand</a> (accessed 29 November 2022).

<sup>&</sup>lt;sup>102</sup> 4 Day Week Australia, Submission 98, p. 8.

<sup>&</sup>lt;sup>104</sup> 4 Day Week Australia, Submission 98, p. 1.

<sup>&</sup>lt;sup>106</sup> Mrs Deborah Bailey, Chief Executive Officer, Momentum Mental Health, Committee Hansard, 31 October 2021, p. 53.

the need to work a fifth day. However, working on a gift day is the exception rather than the rule.<sup>107</sup>

#### The wide-ranging benefits of work time reduction policies

- 6.118 Some of the reported benefits of work time reduction policies, including a four-day week, include improved productivity, work-life balance, health and wellbeing, the normalisation of care as part of work, employer engagement and trust, as well as environmental and cost saving gains.
- 6.119 The Japanese division of Microsoft ran a month-long trial in August 2019 called the *Work-Life Choice Challenge Summer 2019*. This involved its entire 2300 person workforce having every Friday off without a deduction in pay. During the trial, productivity was reported to have grown by 40 per cent.<sup>108</sup>
- 6.120 Research results from 33 companies and 903 employees in the United States, Ireland and other countries which undertook the four-day week trial revealed significant health and wellbeing improvements over the course of the trial with a reported decline in stress, burnout, fatigue, and work-family conflict. The study revealed positive changes at the interface of work and family life, with improvements in the ability to combine paid work with care responsibilities and a reduction in both work-to-family as well as family-to-work conflict. 109
- 6.121 During the four-day week trial in Spain, absenteeism fell by 20 per cent in the first year—largely because workers didn't have to use company hours for personal administration. According to Software DELSOL, which participated in the trial, a commitment to the company and camaraderie improved with sales growing by 20 per cent during the trial period.<sup>110</sup>
- 6.122 A study by Henley Business School in the UK involving over 500 business leaders and 2000 employers engaged in a four-day week trial enjoyed a combined savings amounting to two per cent of total annual turnover or

<sup>108</sup> Kari Paul, 'Microsoft Japan tested a four-day work week and productivity jumped by 40%', *The Guardian*, 20 January 2022, <a href="www.theguardian.com/technology/2019/nov/04/microsoft-japan-four-day-work-week-productivity">www.theguardian.com/technology/2019/nov/04/microsoft-japan-four-day-work-week-productivity</a> (accessed 16 January 2023).

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<sup>&</sup>lt;sup>107</sup> Mrs Deborah Bailey, Momentum Mental Health, Committee Hansard, 31 October 2021, p. 56.

Juliet B Schor et al, *The Four Day Week: Assessing Global Trials of Reduced Work Time with No Reduced Work Time with No Reduced Work Time with No Reduction in Pay*, Four Day Wek Global Foundation, 2022, p. 26, <a href="mailto:squarespace.com/static/60b956cbe7bf6f2efd86b04e/t/6387be703530a824fc3adf58/1669840498">static1.squarespace.com/static/60b956cbe7bf6f2efd86b04e/t/6387be703530a824fc3adf58/1669840498</a>
<a href="mailto:squarespace.com/static/60b956cbe7bf6f2efd86b04e/t/6387be703530a824fc3adf58/1669840498">static/60b956cbe7bf6f2efd86b04e/t/6387be703530a824fc3adf58/1669840498</a>
<a href="mailto:squarespace.com/static/60b956cbe7b

Guillermo Vega, 'How two companies in Spain moved to a four day week without cutting salaries', El Pais, 20 January 2022, english.elpais.com/science-tech/2022-01-20/how-two-companies-in-spain-moved-to-a-four-day-week-without-cutting-salaries.html#:~:text=%E2%80%9 CAbsenteeism%20fell%2020%25%20the%20first,four%2Dday%20week%20was%20adopted (accessed 16 January 2023).

£92 billion a year.<sup>111</sup> By the end of 2021, that figure rose to £104 billion, representing 2.2 per cent of UK's turnover. Almost two-thirds (63 per cent) of employers indicated that the initiative had helped them to attract and retain talent.<sup>112</sup>

6.123 Of the 12 staff members at Momentum Mental Health, 50 per cent have used their gift day to care for others and organise medical and other appointments. While noting that productivity had not only been maintained but increased in some areas, Ms Bailey explained the effects on Momentum Mental Health as an organisation:

We are working with more clients; our client numbers are up by eight per cent, so our outputs are up. Client satisfaction has increased, the number of hours of service delivery that we are delivering in that space of time has increased and our external stakeholder engagement has dramatically increased as well.<sup>114</sup>

6.124 According to 4 Day Week Australia, a four-day working week has the potential to be a triple-dividend policy by simultaneously improving human, economic and ecological wellbeing. It argued:

Research shows that companies who operate under reduced-hour, productivity-focused working can not only maintain, or even improve output, but they also see benefits through lower turnover of staff and a higher quality applicant pool. While workers report significant improvements to their general health and happiness, as well as a better work/life balance. The four-day week can also be revolutionary in terms of addressing the climate crisis and realising gender equity.<sup>115</sup>

Normalising care as part of the working life and sharing the care responsibility 6.125 4 Day Week Australia sees the four-day working week as a structural solution to the challenges and inequalities of unpaid caring labour, largely undertaken by women. It argued that it achieves this by:

 supporting greater sharing of care across genders and families by providing more opportunities for employees to undertake care duties given their reduced working hours, which in turn may provide time and opportunity for primary carers to enter the workforce or have respite;

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<sup>&</sup>lt;sup>111</sup> Professor James Walker and Dr Rita Fontinha, Henley Business School, *Four Better or Four Worse? A White Paper from Henley Business School*, 2019, p. 4, <u>assets.henley.ac.uk/v3/fileUploads/Journalists-Regatta-2019-White-Paper-FINAL.pdf</u> (accessed 12 January 2023).

<sup>&</sup>lt;sup>112</sup> Professor James Walker and Dr Rita Fontinha, Henley Business School, *Four Better or Four Worse? A White Paper from Henley Business School*, 2019, p. 3.

<sup>&</sup>lt;sup>113</sup> Mrs Deborah Bailey, Momentum Mental Health, Committee Hansard, 31 October 2021, p. 56.

<sup>&</sup>lt;sup>114</sup> Mrs Deborah Bailey, Momentum Mental Health, Committee Hansard, 31 October 2021, p. 56.

<sup>&</sup>lt;sup>115</sup> 4 Day Week Australia, *Submission 98*, p. 1.

- making work more accessible to workers with caring responsibilities as jobs are more flexible and can fit around caring roles;<sup>116</sup> and
- shifting the expectations around work, thereby placing women on a more even footing with their male colleagues as they are not penalised by their caring responsibilities.<sup>117</sup>
- 6.126 Similarly, the Global Institute for Women's Leadership suggested that initiatives to condense the working week, including four-day weeks and nine-day fortnights, not only improve employee wellbeing and work-life balance, but can also 'support improved gender balance in paid and unpaid work'.<sup>118</sup>
- 6.127 The theory that underpins the reduced working week, based on studies on worker motivation and productivity, is that giving people more time to spend managing their personal responsibilities will energise them for their professional ones. <sup>119</sup> Flexibility in the workplace provided through a mutually beneficial agreement such as the four-day week, are argued to have a range of benefits including:
  - improved mental and physical wellbeing—including reduced psychological stress as people with flexible working arrangements have more energy, time and psychological investment for relationships;
  - increased productivity and greater trust between employers and employees as well as within teams which is reflected in greater engagement, performance, and improved retention; and
  - attracting and retaining a wider and more diverse range of talent. 120
- 6.128 Momentum Mental Health reported of the trial, which is subject to monitoring through approximately 20 productivity measures, that:
  - 94 per cent of staff were using their gift day every week;
  - sick leave had declined from 17 days in pre-trial July to five days in September;
  - available hours for work versus hours worked rose from 58 per cent of available hours in pre-trial July to 97 per cent in September;
  - 70 per cent of staff reported that they experienced regular eight hours of sleep compared to 56 per cent prior to the trial;

<sup>118</sup> Global Institute for Women's Leadership, Submission 50, p. 6.

<sup>119</sup> Professor James Walker and Dr Rita Fontinha, Henley Business School, *Four Better or Four Worse? A White Paper from Henley Business School*, 2019, p. 8.

<sup>116</sup> Computer Integrated Business (CIB) Group in Spain conducted a four-day week trial and found that the policy attracted a lot of new job applicants. Guillermo Vega, 'How two companies in Spain moved to a four day week without cutting salaries', El Pais, 20 January 2022.

<sup>&</sup>lt;sup>117</sup> 4 Day Week Australia, Submission 98, p. 8.

<sup>&</sup>lt;sup>120</sup> Professor James Walker and Dr Rita Fontinha, Henley Business School, *Four Better or Four Worse? A White Paper from Henley Business School*, 2019, pp. 8–9.

- happiness had increased and stress had declined; and
- staff felt rested and satisfaction amongst the team and clients was reported as exceptionally high.<sup>121</sup>
- 6.129 The Henley Business School study was also informed by 2019 research on attitudes to flexible work and revealed that the businesses involved in the trial identified a broad set of benefits derived from a four-day week including:
  - improved scope of businesses to attract and retain talent;
  - increased overall employee satisfaction;
  - lower employee sickness levels (and therefore absenteeism); and
  - increasing productivity with 64 per cent of employers reporting an increase in staff productivity as well as improvement in the quality of work being produced (63 per cent). 122
- 6.130 One of the first jurisdictions to trial a four-day working week was New Zealand, where Perpetual Guardian piloted the initiative in 2018 which continues to this day. More recently, Unilever Australia and New Zealand conducted a trial involving 80 employees from December 2020 to June 2022. Based on strong results against business targets including revenue growth, the company announced that it would continue the experiment in New Zealand, noting the additional benefits to the company and its staff including:
  - a 34 per cent decline in absenteeism;
  - a reduction in stress by 33 per cent;
  - 15 per cent rise in feelings of strength and vigour at work; and a
  - 67 per cent reduction in work-life conflict. 123

## Leveling the playing field?

- 6.131 As workers split their time more evenly between home and the workplace, reducing working hours may trigger a redistribution of unpaid care work between partners. To this end, a reduced working week may help to redistribute both paid and unpaid work between genders and assist to address these inequalities.
- 6.132 By changing the definition of 'full-time' work and encouraging a culture shift away from a focus on hours to that of productivity and work quality, the reduced hour model may lead to the removal of some of the barriers to women's professional advancement described in this report. It offers the prospect of

<sup>&</sup>lt;sup>121</sup> Mrs Deborah Bailey, Momentum Mental Health, Committee Hansard, 31 October 2021, pp. 56–57.

<sup>&</sup>lt;sup>122</sup> Professor James Walker and Dr Rita Fontinha, Henley Business School, *Four Better or Four Worse? A White Paper from Henley Business School*, 2019, pp. 6–9.

<sup>&</sup>lt;sup>123</sup> Unilever Australia and New Zealand, 'Unilever Australia & New Zealand expands four-day work week trial following encouraging results', *Press release*, 2 November 2022, unilever.com.au/news/press-releases/2022/unilever-australia-new-zealand-expands-fourday-work-week-trial-following-encouraging-results/ (accessed 2 November 2022).

- creating more opportunities for women to take on senior leadership positions and to attracting a more diverse pool of staff who may be more easily retained.
- 6.133 Autonomy made the point that a four-day week provides greater opportunity for working mothers and other working cares to have a part-time job that is better paid, 'because if your pro-rata salary is increased if you're doing a two-day week, that's equivalent to half a full-time equivalent'.<sup>124</sup>
- 6.134 The shorter working work may also provide additional benefits in this regard. As Perpetual Guardian's founder, Mr Andrew Barnes observed, when senior executives work a four-day week, 'one facet of the glass ceiling holding women back is removed'. 125

<sup>124</sup> Autonomy cited in Owen Hughes, 'Less is more. Why the four-day week is rocking the world of work', *Zdnet*, [2022], <u>zdnet.com/in-depth/home-and-office/less-is-more-why-the-four-day-week-rocking-the-world-of-work/</u> (accessed 19 January 2023).

<sup>125</sup> Cassie Werber, 'How to close the gap: The four-day work week is fantastic news for gender equality', Quartz, 8 November 2022, <u>qz.com/work/1530023/wellcome-trusts-four-day-week-is-great-for-gender-equality</u> (accessed 19 January 2023).

## Chapter 7

# Financial supports and leave entitlements for working carers

- 7.1 For Australia to improve its support of people balancing work and care, and to increase workforce participation for carers and especially women, it must reconsider its workplace relations system. With regard to workers providing informal care, this means examining the adequacy of leave entitlements (both paid and unpaid), and income support payments offered through the social security system over the course of people's lives. Linked to this is a need to consider whether the tax and transfer system and the superannuation guarantee are working as they should to support working carers.
- 7.2 This chapter outlines some of the leave entitlements available to working carers, and the financial supports which are currently in place that are aimed at encouraging greater workforce participation. It also looks at family tax benefits, activity tests for support payments and the impact on women's retirement of a lack of access to superannuation, alongside evidence received for reform in these areas.

## Access to leave for working carers

- 7.3 Chapter 5 of the committee's *Interim Report* detailed the national leave entitlement system, and the types of leave available to employees, including:
  - paid personal/carer's leave;
  - unpaid carer's leave;
  - family and domestic violence leave;
  - compassionate leave; and
  - paid parental leave.<sup>1</sup>

7.4 This section puts forward the evidence received about the adequacies of leave entitlements, with a focus on paid and unpaid carer's leave and on paid parental leave (PPL).

See Senate Select Committee on Work and Care, Interim Report, October 2022, Chapter 5, www.aph.gov.au/Parliamentary Business/Committees/Senate/Work and Care/workandcare/Interim Report (accessed 8 February 2023) which discusses workplace relations and the legal system, including leave provisions.

#### Paid parental leave

- 7.5 As laid out in the *Interim Report*, the *Paid Parental Leave Act* 2010 (PPL Act) provides financial support to eligible working parents of newborn or recently adopted children, via PPL.<sup>2</sup>
- 7.6 At present, PPL is paid to the child's primary carer for up to 18 weeks of pay (90 days), based on the rate of the national minimum wage. Working fathers and same-sex partners also able to access two weeks leave paid at the national minimum wage, if eligible (known as Dad and Partner Pay).<sup>3</sup>
- 7.7 The PPL Act is designed to complement the *Fair Work Act* 2009 (Fair Work Act), by providing up to 12 months of unpaid leave (or 24 months with the employer's agreement) for employees with a minimum of 12 months continuous service.
- 7.8 However, an employee is not entitled to parental leave under the National Employment Standards (NES) unless they have 12 months of continuous service or are a 'long term casual employee'.<sup>4</sup>

## Inadequacies with paid parental leave

- 7.9 The Parenthood observed that Australia's 'inadequate' PPL entitlements promotes and entrenches prevailing stereotypical gender roles—of the mother as the primary carer, and the father as the primary earner.<sup>5</sup>
- 7.10 Mr James Fleming, Executive Director of the Australian Institute of Employment Rights, called Australia's PPL 'inadequate', and argued that this, in combination with unaffordable childcare, made a significant contribution to gender inequality in Australia. Mr Fleming explained that this:
  - ... leads to reduced women's workforce participation. It hinders women's career progression, contributing to dominance of men in more senior roles and contributing to the gender pay gap. It reduces women's superannuation in retirement and it's also bad for men, who often miss out on crucial bonding and caring experiences with their children, and this hinders childhood development.<sup>6</sup>

<sup>5</sup> The Parenthood, *Submission 16*, p. 3.

<sup>6</sup> Mr James Fleming, Executive Director, Australian Institute of Employment Rights, *Committee Hansard*, 20 September 2022, p. 1.

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<sup>&</sup>lt;sup>2</sup> Paid Parental Leave Act 2010, s. 3A.

<sup>&</sup>lt;sup>3</sup> Paid Parental Leave Act 2010, s. 1A–1B. See Chapter 4 for further details.

<sup>&</sup>lt;sup>4</sup> Fair Work Act 2009, s. 70.

#### International comparisons

- 7.11 Evidence to the committee suggests that the current structure of PPL in Australia is not on par with comparable international jurisdictions, and does not support an equal distribution of household duties and caring responsibilities.<sup>7</sup>
- 7.12 The Parenthood submitted that among Organisation for Economic Co-operation and Development (OECD) nations, Australia has 'one of the least adequate statutory paid parental leave programs' with the OECD average more than 50 weeks of paid leave. Further, less than 50 per cent of the largest employers in Australia offer any paid parental leave, and Australian fathers taking 'less than 20 per cent of the paternity leave days as their global peers'. The Parenthood made that point that:

Caring patterns that are established in the first year of a child's life persist so the underutilisation of parental leave among fathers entrenches stereotypical gender roles. The gap between how mothers and fathers work, care and earn after a baby is more pronounced in Australia than in comparable nations.<sup>9</sup>

- 7.13 The committee's *Interim Report* noted that countries such as Finland, Germany, Norway and Iceland had more equitable and effective PPL schemes. Norway, for example, has 49 weeks of parental leave—15 weeks exclusively for the mother and another 15 exclusively for the father, with the remaining 16 weeks to be shared; the father-specific parental leave provision is non-transferable, and is lost if not used.<sup>10</sup>
- 7.14 Mr Fleming informed the committee of the more generous scheme in Sweden and Nordic countries. Mr Fleming said that in Sweden, a total of 480 days paid leave is provided, and its scheme has been shown to increase women's workforce participation and improve gender equality. Mr Fleming explained how the entitlement operated:

In Sweden, a total of 480 days paid leave is provided, to be shared by the parents, with a minimum of 90 days to be taken by each parent. The first 390 days are generally paid at 80 per cent of someone's income, up to a cap. This, and affordable childcare, are sufficient to ensure parents can return to work, with no gaps in income, whilst having a child—and every child has a right

The committee acknowledges that submissions were made to this inquiry prior to the government's announcement to increase PPL to 26 weeks. Notwithstanding this announcement, many submitters called for PPL to go beyond a 26-week period and the arguments submitted remain relevant to the committee's work.

<sup>8</sup> The Parenthood, *Submission 16*, p. 2.

<sup>&</sup>lt;sup>9</sup> The Parenthood, *Submission 16*, p. 2.

The Parenthood, Making Australia the best place in the world to be a parent, [no date], p. 18, d3n8a8pro7vhmx.cloudfront.net/theparenthood/pages/669/attachments/original/1613473151/Final Report - Making Australia The Best Place In The World To Be A Parent.pdf?1613473151 (accessed 23 January 2023).

to a childcare place. Parents have broad discretion to combine the leave with other paid leave or unpaid leave and spread it out evenly over many years. They also have broad discretion to return to work part time at pretty much any pace they like. One day per week and even half and quarter days are permitted.<sup>11</sup>

## Calls to increase paid parental leave

- 7.15 As part of the October 2022 Budget, the Australian Government announced an increase to the PPL scheme, to 26 weeks by 2026.
- 7.16 Services Australia explained that from 1 July 2023 (for children born or entering care on or after this date), the PPL available to primary carers and Dad and Partner Pay would be combined into a single 20-week (100 day) payment. From 1 July 2024, PPL will then increase by two weeks each year until 1 July 2026 when 26 weeks is achieved.<sup>12</sup>
- 7.17 In addition, the revised PPL scheme will include a 'use it or lose it' provision and will also allow for parents to take PPL at the same time. Services Australia explained that under the changes:

Parents can share their Parental Leave Pay with each other and they can even take days at the same time. This can be at the same time as paid leave, and between periods of paid work. This will give families more flexibility to manage their work and care arrangements.

Part of Parental Leave Pay will be reserved for each parent to use. Any unused portions of Parental Leave Pay days will be lost if not used before a child turns 2. This is to encourage both parents to access the payment. Single parents will be able to get the full amount of Parental Leave Pay. 13

- 7.18 Compelling evidence was put to the committee that, while the increase of PPL to 26 weeks was welcomed, further reform in this area was needed to help address the imbalance in caring roles between men and women, promote better engagement for women with paid employment, and to better support children in the earliest stages of life.
- 7.19 The Centre for Future Work at the Australia Institute, for example, endorsed the PPL scheme being longer in duration, providing a higher level of income replacement while including superannuation payments, and should be better integrated with the Early Childhood Education and Care (ECEC) system.

<sup>11</sup> Mr James Fleming, Australian Institute of Employment Rights, *Committee Hansard*, 20 September 2022, p. 1.

Services Australia, Budget October 2022-23: Boosting Parental Leave to Enhance Economic Security, Support and Flexibility for Australia's Families, 25 October 2022, www.servicesaustralia.gov.au/sites/default/files/2022-10/budget-2022-23-october-10.pdf (accessed 23 January 2023).

Services Australia, Parental Leave Pay: Changes if you get family payments, 22 December 2022, www.servicesaustralia.gov.au/changes-if-you-get-family-payments?context=22191 (accessed 23 January 2023).

Further, a redesigned PPL scheme should 'support greater sharing of parental care, including by encouraging fathers to take leave to care for their children'.<sup>14</sup>

- 7.20 The Parenthood noted the following benefits have been associated with longer periods of PPL, and with greater uptake of paternity leave:
  - long-term improved maternal health and improved parental relationships;
  - an increase in the proportion of household income earned by women;
  - a more equitable division of housework and enhanced gender equity in caring roles;
  - better outcomes for children through engaged fatherhood; and
  - enhanced workplace diversity, with research from Norway indicating that the take-up of parental leave influences gender equality in management roles.<sup>15</sup>
- 7.21 The Parenthood recognised that there were wide-ranging benefits of PPL:

The benefits of paid parental leave are wide-spanning – for children, parents, government and the economy. Parental leave has been identified as 'one of the few policy tools available to governments to directly influence behaviour among parents'. As this policy impacts the start of a child's life, and sets up a pattern for parental involvement, it is critical to get right. Parental leave policies also have the potential to enable families to thrive, and to support gender equality, including through the redistribution of unpaid care.<sup>16</sup>

- 7.22 The Parenthood called for an Australian PPL scheme of 52 weeks, equally shared between both parents, at full pay and attracting superannuation. It was argued that this would cost \$10.2 billion per annum by 2050, but would lead to a gross domestic product (GDP) increase of \$116 billion (2.9 per cent) by 2050 from 'higher female participation and productivity due to less time out of the labour market'.<sup>17</sup>
- 7.23 The committee recognises the considerable benefits of reform in relation to PPL which are shown overseas, where more men are taking up more leave and unpaid caring responsibilities in the home, and babies benefit from more time with parents in the early stages of their development.

## Paid and unpaid carer's leave

7.24 While canvassed in more detail in the *Interim Report*, it is worthwhile outlining the legislative framework for both paid and unpaid personal/carer's leave.

<sup>&</sup>lt;sup>14</sup> Centre for Future Work at the Australia Institute, *Submission 72*, p. 8.

<sup>&</sup>lt;sup>15</sup> The Parenthood, Making Australia the best place in the world to be a parent, [no date], p. 16.

<sup>&</sup>lt;sup>16</sup> The Parenthood, Making Australia the best place in the world to be a parent, [no date], p. 8.

<sup>&</sup>lt;sup>17</sup> The Parenthood, *Submission 16*, p. 2; The Parenthood, *Making Australia the best place in the world to be a parent*, [no date], p. 19.

#### Paid carer's leave

- 7.25 Employees are entitled to 10 days of paid personal/carer's leave (also known as sick leave, carer's leave, or personal leave) unless they are employed on a casual basis, and have been with an employer for less than 12 months <sup>18</sup> (that is, paid personal/carer's leave is unavailable to casuals and new employees). The entitlement to paid personal/carer's leave:
  - ... accrues progressively during a year of service (other than periods of employment as a casual employee of the employer) according to the employee's ordinary hours of work, and accumulates from year to year.<sup>19</sup>
- 7.26 An employee may take paid personal/carer's leave:
  - · when the employee is unfit for work due to personal illness or injury; or
  - to provide care or support to a member of the employee's immediate family or household who is affected by illness, injury or unexpected emergency.<sup>20</sup>
- 7.27 Importantly, the Fair Work Ombudsman (FWO) explains while an employee may take carer's leave to care for an immediate family or household member, this leave comes out of the employee's personal leave balance.<sup>21</sup>
- 7.28 For the purposes of accessing personal/carer's leave, a 'household member' is defined as any person who lives with the employee, while 'immediate family' is defined as a:
  - spouse or former spouse, or de facto partner or former de facto partner;
  - child;
  - parent;
  - grandparent;
  - grandchild;
  - sibling; or
  - child, parent, grandparent, grandchild or sibling of the employee's spouse or de facto partner (or former spouse or de facto partner).<sup>22</sup>

## Unpaid carer's leave

7.29 The Fair Work Act provides casual and permanent employees with two days of unpaid carer's leave, which can be accessed for each occasion when a member

<sup>&</sup>lt;sup>18</sup> Fair Work Act 2009, s. 96.

<sup>&</sup>lt;sup>19</sup> Fair Work Act 2009, ss. 96(2).

<sup>&</sup>lt;sup>20</sup> Fair Work Act 2009, ss. 12 and 97.

<sup>&</sup>lt;sup>21</sup> Fair Work Ombudsman, *Sick and carer's leave*, <u>www.fairwork.gov.au/leave/sick-and-carers-leave</u> (accessed 1 October 2022).

<sup>&</sup>lt;sup>22</sup> Fair Work Ombudsman, Sick and carer's leave.

- of the employee's immediate family or household requires care or support because of a personal illness or injury, or due to an unexpected emergency.<sup>23</sup>
- 7.30 Further, the Fair Work Act provides that an employee cannot take unpaid carer's leave during a particular period, if they could instead take paid personal/carer's leave; and, full-time and part-time employees can only access unpaid carer's leave they have don't have any paid sick or carer's leave remaining.<sup>24</sup>

#### Issues with the current leave system

- 7.31 As explained in the *Interim Report*, the evidence shows that Australia is behind comparable nations when it comes to leave entitlements, which is particularly detrimental to those balancing work and care responsibilities. There was also a gendered element to those taking carer's leave, as women are far more likely to be informal carers than men and more likely to be employed in jobs without paid leave.<sup>25</sup>
- 7.32 The committee, in its *Interim Report*, raised some initial concerns with the structure of the personal leave entitlement framework, based on the evidence it had received, including that:
  - the Fair Work Act does not provide paid carer's leave to casuals;
  - the leave entitlements are too narrow in scope, lack flexibility and provide insufficient time for leave;
  - the definition of 'carer' and its limited applicability to 'immediate family' and 'household members' only, which are narrowly defined; and
  - working carers are losing access to leave entitlements when taking personal leave to care for others, as personal and carer's leave is offered as a single entitlement.
- 7.33 Some of the evidence received on these issues is discussed below.

## Carer's leave for casual employees

- 7.34 Evidence presented to the committee spoke in favour of extending paid carer's leave to casual employees.
- 7.35 The Work + Family Policy Roundtable (Roundtable) pointed to research showing that the lack of paid carers leave for casuals results in around a quarter of employees not having access to 'paid leave when they provide care for, or experience critical illness or death of, family/household members'. As the Roundtable argued, 'paid leave policies that deliver job protection and time

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<sup>&</sup>lt;sup>23</sup> Fair Work Act 2009, s. 102.

<sup>&</sup>lt;sup>24</sup> Fair Work Ombudsman, *Unpaid carer's leave*, <u>www.fairwork.gov.au/leave/sick-and-carers-leave</u> (accessed 1 October 2022).

See Senate Select Committee on Work and Care, *Interim Report*, October 2022, paragraphs 5.30 to 5.34.

- away from work for those with care responsibilities are essential to building gender equality in the workplace and in the home', and it called for casuals to have access to paid personal and carer's leave.<sup>26</sup>
- 7.36 Abbey Kendall, Director of the Working Women's Centre South Australia (SA), made a compelling case in support of the extension of paid sick and annual leave to casual employees, and said that:

Where we are trying to create workplaces and workplace conditions that give workers more security and a reasonable expectation of the work that they're going to be doing over the next whatever period of time—the next year, the next two years, the next three years—as well as allowing people to be both workers and carers, as well as allowing people to have rest time and to move away from this idea that we're just all sort of reacting to the direction of these big corporations and robotic, transactional workplaces, I think it's really important that workers have the ability to access annual leave and sick leave.<sup>27</sup>

#### Accessing unpaid carer's leave

- 7.37 As highlighted by Carers New South Wales (NSW) and other stakeholders, there are currently no provisions in the NES for an employee to take extended unpaid leave for the purpose of caring responsibilities.<sup>28</sup>
- 7.38 There was varying support in evidence for the provision of extending unpaid leave entitlements to informal carers. Some witnesses, including the Australian Industry Group (Ai Group), were of the view that existing provisions under the Fair Work Act are sufficient, particularly when combined with other legislative protections. Ai Group noted that while the Royal Commission into Aged Care Quality and Safety (Aged Care Royal Commission) Report found that the Fair Work Act didn't specifically provide for an extended unpaid leave entitlement for the purpose of caring for a person who is elderly and frail, this should not be seen as the Fair Work Act being deficient.<sup>29</sup>
- 7.39 Ai Group warned that that extending leave provisions could 'create adverse consequences for the sustainability of the aged care workforce', perpetuate the

Work + Family Policy Roundtable, Work, Care & Family Policies: Election Benchmarks 2019, pp. 7–8, www.workandfamilypolicyroundtable.org/wp-content/uploads/2019/04/WorkCareFamily Policies 2019-online s.pdf (accessed 1 October 2022).

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<sup>&</sup>lt;sup>27</sup> Abbey Kendall, Director, Working Women's Centre South Australia (SA), *Committee Hansard*, 6 December 2022, p. 31.

Royal Commission into Aged Care Quality and Safety, Final Report Volume 3A, 1 March 2021, p. 210, agedcare.royalcommission.gov.au/sites/default/files/2021-03/final-report-volume-3a.pdf (accessed 1 October 2022).

<sup>&</sup>lt;sup>29</sup> Australian Industry Group (Ai Group), *Submission 41*, p. 4; Ai Group, *Submission 41*, Attachment 1, pp. 4–5.

- gender pay gap, and have negative impacts on employers.<sup>30</sup> Instead it advocated for greater education, and promotion of flexibility on the part of employers within the existing framework.<sup>31</sup>
- 7.40 Some witnesses raised concerns about the impact of unpaid carers leave on employers, in particular small businesses, as well as the impacts on employers paying superannuation on unpaid leave,<sup>32</sup> although some witnesses envisaged that the government would pay superannuation contributions on such leave.<sup>33</sup>
- 7.41 The Australian Services Union submitted evidence against providing extended unpaid leave entitlements to informal carers, arguing that increased reliance on informal care could undermine efforts to improve quality, professionalism, and sustainability in the aged care and disability sectors, as well as gender equity goals—while placing greater expectations on unpaid carers.<sup>34</sup>
- 7.42 This position was supported by other witnesses who argued that extended unpaid carers leave was problematic because of its continued reliance on informal care. These submitters argued in favour of fundamental changes to the paid care sectors.<sup>35</sup>
- 7.43 However, several other witnesses, including the Law Council of Australia and the Shop, Distributive and Allied Employees' Association (SDA),<sup>36</sup> considered existing provisions under Fair Work Act to be inadequate and that 'greater flexibility in work arrangements can have the potential to relieve some of the impacts that informal carers experience'.<sup>37</sup> Carers Australia also advocated for equitable access to unpaid carers leave, stating that it:

<sup>35</sup> Australian Nursing and Midwifery Federation, *Submission 84*, [pp. 8 and 19]; Mental Health Carers Australia, *Submission 109*, p. 8.

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<sup>&</sup>lt;sup>30</sup> Ai Group, *Submission 41*, p. 4. See also: Mrs Alexi Boyd, Chief Executive Officer, Council of Small Business Organisations Australia, *Committee Hansard*, 16 September 2022, p. 51.

<sup>&</sup>lt;sup>31</sup> Ai Group, *Submission 41*, Attachment 1, p. 11. See also Australian Chamber of Commerce and Industry, *Submission 99*, p. 1.

Ms Nicola Street, Director, Workplace Relations Policy, Diversity, Equity and Inclusion, Ai Group, Committee Hansard, 21 September 2022, p. 61; Mrs Sue Elderton, Director, Aged Care Policy, Carers Australia, Committee Hansard, 16 September 2022, p. 39; Mr Michael Brennan, Chair, Productivity Commission, Committee Hansard, 8 December 2022, p. 31.

<sup>&</sup>lt;sup>33</sup> Ms Melanie Fernandez, Director of Policy, Advocacy and Research, Chief Executive Women, *Committee Hansard*, 21 September 2022, p. 68.

<sup>&</sup>lt;sup>34</sup> Australian Services Union, *Submission* 23, [pp. 7–8].

Shop, Distributive and Allied Employees' Association, Submission 37, pp. 28–29; Law Council of Australia, Submission 24, p. 2. See also: Jobwatch, Submission 80, pp. 3–4; Australian Nursing and Midwifery Federation, Submission 84, p. 8; Working Women's Centre SA and Working Women Queensland, Submission 94, p. 3; Carers Tasmania, Submission 85, p. 13.

Law Council of Australia, *Submission 24*, p. 2. See also: Carers Tasmania, *Submission 85*, pp. 5 and 21; Shop, Distributive and Allied Employees' Association, *Submission 37*, p. 3.

- ... is strongly of the view that such leave needs to be made available to carers of all Australians, whether they're caring for someone under or over the age of 65. To confine it to carers of the aged would be inequitable and illogical and would unnecessarily and unhelpfully create two tiers of carers.<sup>38</sup>
- 7.44 The Law Council noted that there may be greater costs to employers for recruitment, training and output, but that it may result in a higher proportion of people participating and remaining in the labour market and 'may also improve productivity in some cases'.<sup>39</sup> It also submitted that 'any increase in informal, homebased care is also likely to take some pressure off the residential aged care system' with women likely to be the primary beneficiaries.<sup>40</sup>
- 7.45 Carers NSW also submitted that existing entitlements were 'limited in their uptake and effectiveness' and instead 'proposed a model of short, medium and long term leave' in their submission to the Productivity Commission inquiry.<sup>41</sup>
- 7.46 Lived Experience Australia and the SDA noted, however, that several unintended consequences could arise from informal carers accessing extended unpaid leave, including the prospect of increased isolation, loss of connection to social ties through work, loss of skills and difficulties adjusting once back in the workplace.<sup>42</sup>
- 7.47 As a way forward, the SDA suggested that a 'review of government payments that subsidise periods of unpaid care be conducted' to minimise the economic impact on carers and that extended unpaid carers leave could be considered active service.<sup>43</sup>
- 7.48 As detailed in the *Interim Report*, the Productivity Commission is examining the 'economic and social costs and benefits of providing an extended unpaid leave entitlement to informal carers of older Australians under the NES'. It is required to consider the application of paid leave or long-term unpaid carer's leave for other types of care, including caring for disabled people.<sup>44</sup> The Productivity Commission explained to the committee that:

Existing leave entitlements for carers are intended for brief periods of care to deal with an illness or unexpected event or emergency. The NES does not

<sup>41</sup> Carers New South Wales (NSW), Submission 27, p. 23.

Ms Alison Brook, Chief Executive Officer, Carers Australia, Committee Hansard, 16 September 2022, p. 35.

<sup>&</sup>lt;sup>39</sup> Law Council of Australia, *Submission* 24, pp. 3–4.

<sup>&</sup>lt;sup>40</sup> Law Council of Australia, Submission 24, p. 4.

<sup>&</sup>lt;sup>42</sup> Lived Experience Australia, *Submission 32*, p. 4; Shop, Distributive and Allied Employees' Association, *Submission 37*, p. 29.

<sup>&</sup>lt;sup>43</sup> Shop, Distributive and Allied Employees' Association, Submission 37, pp. 3 and 29.

<sup>&</sup>lt;sup>44</sup> Productivity Commission, *Terms of reference - Carer Leave*, <u>www.pc.gov.au/inquiries/current/ carer-leave/terms-of-reference</u> (accessed 27 January 2023).

preclude a business from offering carer leave over and above the minimum standards.

The Commission has been asked to evaluate the possible effects of inserting an entitlement to an extended period of leave to take care of an older person. The terms of reference also ask the Commission what other supports might help carers of older people and whether some of these supports might help other types of carers.<sup>45</sup>

7.49 The committee notes that the Productivity Commission is due to report on its findings in May 2023.<sup>46</sup>

## Definitions of 'carer' and accessing carer's leave

- 7.50 Subsequent to its *Interim Report*, the committee continued to receive evidence about the statutory definition of 'carer', and its limited scope under the Fair Work Act in relation to accessing personal and carer's leave. Under the current definition, access to this leave is applicable only in circumstances involving 'immediate family' or 'household members'.<sup>47</sup>
- 7.51 Carers in rural and remote regions, 'sandwich carers' with caring responsibilities for children and ageing parents, <sup>48</sup> as well as carers with diverse gender identities experience additional challenges in accessing formal care for their loved ones and care entitlements and support services for themselves. <sup>49</sup>
- 7.52 The SDA argued that the current definitions do not consider those who provide care to others in the community, such as extended family, friends or neighbours. It suggested that:

Access to carers leave should be extended to caring for anyone the worker provides care to, regardless of whether they form part of the persons household or immediate family. Families are not singularly defined. People may have different 'family' structures that don't fall into the traditional definition of immediate family and the provision of care to people they recognise as part of their family or community should also be supported.<sup>50</sup>

7.53 Mr Dwayne Cranfield, Chief Executive Officer of the National Ethnic Disability Alliance similarly offered support for broadening the definition of immediate family, or the family unit, for the purposes of carer leave. Mr Cranfield noted

<sup>46</sup> Australian Services Union, *Submission 23*, [pp. 7–8]; Productivity Commission, *Carer Leave - Public inquiry*, <u>www.pc.gov.au/inquiries/current/carer-leave#draft</u> (accessed 27 January 2023).

<sup>49</sup> MS Australia, *Submission 6* p. 17, Centre for Disability Research and Policy, *Submission 7*, p. 2; LGBTIQ Health Australia, *Submission 103*, [pp. 2–3].

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<sup>&</sup>lt;sup>45</sup> Productivity Commission, *Submission* 2, p. 9.

<sup>&</sup>lt;sup>47</sup> See, for example: Australian Nursing and Midwifery Federation Victorian Branch, *Submission 1*, p. 3; Working Women's Centre SA, Working Women Queensland and Northern Territory Working Women's Centre, *Submission 94*, p. 3.

<sup>&</sup>lt;sup>48</sup> Carers NSW, Submission 27, p. 10.

<sup>&</sup>lt;sup>50</sup> Shop, Distributive and Allied Employees' Association, Submission 37, p. 27.

this was 'especially crucial for culturally and linguistically diverse (CALD) communities who live in joint families and think of care responsibility as a family community issue', and argued for leave provisions to be available to those close to a family.<sup>51</sup>

7.54 Carers NSW also pointed to the inadequacy of the 'immediate family or household member' definition, saying it could 'create significant barriers to accessing these entitlements for a number of diverse cohorts'. Carers NSW noted that CALD carers often provide care to their extended family, and provided further examples:

> Aboriginal and Torres Strait Islander carers may be limited from accessing NES entitlements where kinship systems are not well understood or recognised by employers, such as in instances where care is being provided to a person considered immediate family through kinship systems, but not through a western cultural frame of reference.

> Lesbian, gay, bisexual, transgender, queer, intersect and other gender or sexuality diverse (LGBTQI+) carers may also have difficulty accessing these entitlements where same-sex relationships are not recognised or respected as spousal or de facto relationships due to stigma or discrimination. LGBTQI+ carers may also not have their families of choice recognised by employers.52

The issue was summarised by the Centre for Future Work, which explained that:

Leave provisions need to be shaped to support work and care for people with different care responsibilities across their working lives, and they should respond to the needs of diverse family and household situations and different cultural practices.<sup>53</sup>

#### Leave 'buckets'

- 7.56 Under the NES, paid personal and carer's leave is combined into a single entitlement. In other words, if an employee needs to care for others or care for themselves, this leave all comes from the one entitlement—there is no distinction between the types of care being needed or provided.
- 7.57 The committee began to explore this issue in its *Interim Report*. <sup>54</sup> The evidence of Carers Australia was noted in that report, showing that 14 OECD countries with similar economies, carer population profiles and similar incentives for carer's leave, did not combine sick leave and carer's leave into a single entitlement.55

<sup>51</sup> Mr Dwayne Cranfield, Chief Executive Officer, National Ethnic Disability Alliance, Committee Hansard, 16 September 2022, pp. 44–45.

<sup>&</sup>lt;sup>52</sup> Carers NSW, Submission 27, p. 10.

<sup>&</sup>lt;sup>53</sup> Centre for Future Work at the Australia Institute, *Submission* 72, pp. 7–8.

<sup>&</sup>lt;sup>54</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, Chapter 5.

<sup>&</sup>lt;sup>55</sup> Carers Australia, *Submission 10*, p. 13.

7.58 Carers NSW made the important point that combining paid sick and carer's leave could 'significantly disadvantage working carers who are living with disability or chronic illnesses themselves', especially when carers chose to prioritise the needs of the person they care for when accessing the personal and carer's leave entitlement. Carers NSW continued that this could, in some cases, 'result in deterioration of their condition that limits their ability to fulfil both their work and caring responsibilities'. In addition, Carers NSW submitted that:

While evidence shows that people living with disability are less likely to take sick leave than other people in the workforce, carers living with disability may have a greater need to access their paid sick and carer leave to manage their own health and wellbeing, especially to participate in health maintenance activities such as attending appointments, reducing their access to carer leave.<sup>56</sup>

### Income support payments

- 7.59 Government income supports become vital to financially supporting informal carers who cannot enter paid employment, or do not have an adequate access to the hours they may want to work.<sup>57</sup>
- 7.60 However, evidence to the committee argued that these payments, including the JobSeeker Payment and the Parenting Payment are inadequate and do not serve their purpose, and also have disproportionate impacts on women.
- 7.61 For example, Ms Rebecca Glenn, Founder and Chief Executive Officer of the Centre for Women's Economic Safety argued that there were 'punitive settings in our welfare system', including the cessation of the Parenting Payment.<sup>58</sup> Ms Glenn provided examples, including:
  - ... forcing single parents off the parenting payment single and onto JobSeeker when the youngest child turns eight, compulsory enrolment in ParentsNext and a system of child support that penalises women for not knowing their ex-partner's income and interacts with the family tax benefit in a complex and unhelpful way. What I ask you to also consider are the further complications for women experiencing economic abuse—an estimated 380,000 women in any given year.<sup>59</sup>
- 7.62 Ms Glenn continued that the inadequacies in support payments were having adverse impacts on women's health and wellbeing:

<sup>&</sup>lt;sup>56</sup> Carers NSW, Submission 27, p. 11.

<sup>&</sup>lt;sup>57</sup> The committee went into detail explaining the various income support payments, including the Parenting Payment, the Family Tax Benefit, JobSeeker, ParentsNext and the Child Care Subsidy, in Senate Select Committee on Work and Care, *Interim Report*, October 2022, Chapter 4.

Access to the Parenting Payment ceases when a carer's youngest child turns eight (for a single parent), or six (for a partnered carer).

Ms Rebecca Glenn, Founder and Chief Executive Officer, Centre for Women's Economic Safety, Committee Hansard, 31 October 2022, p. 25.

We know, from the moment the payment goes from being the parenting payment single down to JobSeeker and they lose a significant amount of income, the stress they report at that point in time and the sense of injustice that that work is not considered valuable anymore. Even when they want to work, they are not able to find work that's sufficiently flexible for their family's situation. So really the constraints are that women end up between a rock and a hard place and don't feel heard, understood or supported.<sup>60</sup>

7.63 Similarly, Ms Helen Dalley-Fisher with the Equality Rights Alliance said the organisation had 'very deep concerns' about the combined 'failure to raise the rate of JobSeeker and the continued failure to pay paid parental leave to people after their youngest child turns eight'. Ms Dalley-Fisher explained that these circumstances create a 'serious barrier' to:

... get women into a position where they can get their ducks in a line and get themselves into the workforce in a way that's actually sustainable in the long term. We do see lots of single parents who play the juggling game, so they lose the parenting payment. They are, from that point, forced into the workforce regardless of the needs of the children involved and find themselves in the sort of work which is a scramble just to keep going, rather than in the sort of work that might build slowly into a more productive career or a longer term workforce engagement. So we see people taking jobs where flexibility and the ability to care for children is valued over the potential for a career path, or even valued, in some cases, over the amount of wages involved.<sup>61</sup>

## *The rate of JobSeeker*

7.64 The Parliamentary Budget Office (PBO), in a 2020 analysis of JobSeeker, found that these and other changes to the eligibility criteria for a variety of support payments (such as the Disability Support Pension and parenting payments) have had the effect of:

... diverting some prospective or existing recipients onto JobSeeker, some of whom are likely to experience higher barriers to employment. This means that improvements in economic conditions may have less effect on the employment outcomes of these recipients.<sup>62</sup>

7.65 The PBO found a substantial change in the demographics of JobSeeker recipients over time. Between 2007 and 2019, an increasing number of older women were accessing JobSeeker, along with an increasing number of primary carers with

Ms Rebecca Glenn, Founder and Chief Executive Officer, Centre for Women's Economic Safety, *Committee Hansard*, 31 October 2022, p. 26.

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Ms Helen Dalley-Fisher, Convenor, Equality Rights Alliance, Committee Hansard, 14 November 2022, p. 42.

<sup>62</sup> Parliamentary Budget Office, Jobseeker Payment: Understanding economic and policy trends affecting Commonwealth expenditure; Report No. 03/2020, 2020, p. ii, <a href="www.aph.gov.au/About Parliament/Parliamentary Departments/Parliamentary Budget Office/Publications/Research reports/JobSeeker Payment">www.aph.gov.au/About Parliamentary Parliamentary Departments/Parliamentary Budget Office/Publications/Research reports/JobSeeker Payment</a> (accessed 3 February 2023).

- dependent children—with an increase in this group from seven to 27 per cent between these years.<sup>63</sup>
- 7.66 In support of the findings of the PBO, evidence to the committee noted that the demographics of those accessing JobSeeker are changing, and that the payment rate is not enough to keep people above the poverty line.
- 7.67 For example, the Roundtable suggested that JobSeeker was being accessed by women carers and was:
  - ... providing critical income support for women with care responsibilities with a growing proportion of recipients being sole parents and older women not yet eligible for the age pension or for disability pension and who may be doing informal care work.<sup>64</sup>
- 7.68 The Roundtable called for a permanent increase to JobSeeker and similar support payments, to ensure that they respect dignity and autonomy and provide adequate support.<sup>65</sup>
- 7.69 Other submitters also called for a permanent increase to JobSeeker, including the Salvation Army, which pointed to Australian Bureau of Statistics data showing sole parents were less likely to be employed than parents in couple families, and therefore, a 'higher proportion of sole parent families rely on social security payments'. The Salvation Army suggested that 'the scarcity of family-friendly employment and childcare mean that single parent families are forced to live on the much lower Jobseeker Payment through no fault of their own', an issue exacerbated by the fact that the single Parenting Payment ceases when a child turns eight.<sup>66</sup>
- 7.70 The Salvation Army called for an increase to JobSeeker of at least \$130 per fortnight, to 'allow people to live with dignity' and in recognition of the difficulty of finding family-friendly employment. An increase would also better support single parent families:

By supporting sole parents to meet their family's needs and break the cycle of poverty, we are providing the foundations the next generation of women need to thrive. This could include providing financial support to allow parents, especially single parents, to be at home with their children, or providing access to affordable childcare to allow them to take up paid work.<sup>67</sup>

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<sup>&</sup>lt;sup>63</sup> Parliamentary Budget Office, Jobseeker Payment: Understanding economic and policy trends affecting Commonwealth expenditure; Report No. 03/2020, 2020, p. 9.

<sup>&</sup>lt;sup>64</sup> Work + Family Policy Roundtable, *Submission* 22, p. 11.

<sup>65</sup> Work + Family Policy Roundtable, Work, Care & Family Policies: Election Benchmarks 2019, p. 2.

<sup>&</sup>lt;sup>66</sup> Salvation Army, Submission 38, p. 16.

<sup>&</sup>lt;sup>67</sup> Salvation Army, Submission 38, pp. 16–17.

7.71 Chief Executive Women suggested that JobSeeker be permanently increased, with rates that are consistent with indexation. Chief Executive Women argued that doing so would help support women into work, therefore improving their economic opportunities and economic equality across Australia.<sup>68</sup>

#### Activity tests for support payments

- 7.72 Access to several support Government payments is contingent on recipients meeting the requirements of various activity tests. Evidence to the committee suggested that these tests were producing adverse outcomes and working against informal carers seeking to start or increase their engagement with paid employment.
- 7.73 Anglicare Australia noted that social security payments like JobSeeker and the Parenting Payment, which reverts to JobSeeker once a recipient's youngest child turns eight, are set 'well below the poverty line', forcing many people with caring responsibilities into poverty. Anglicare voiced concerns that the activity tests are exacerbating inequalities for recipients:

They are subject to stringent activity tests and obligations that do not recognise the realities of their family circumstances. The employment programs that are meant to help them at best require them to engage in meaningless, busy work, and at worst actively cause harm.<sup>69</sup>

7.74 Associate Professor Elise Klein suggested there could be another way to approach income security payments. Associate Professor Klein noted the positive consequences during COVID-19 when welfare conditionality was suspended, and a \$550 Coronavirus supplement provided. Professor Klein pointed to her research showing that:

These temporary measures of 2020 provided a 'natural experiment' of a more generous and supportive welfare system as the government gave people often deemed as needing to be compelled into the labour market through welfare conditionality, adequate financial security and no welfare conditionalities. The study's findings suggest an alternative approach to welfare conditionality, and one where unpaid carers, largely women, were better able to thrive.<sup>70</sup>

7.75 Associate Professor Klein recommended the abolishment of 'all welfare conditionality programs, including mutual obligations and compulsory income management', and called for JobSeeker to be increased to an adequate amount—and at least to amount available at the time of the coronavirus supplement.<sup>71</sup>

<sup>&</sup>lt;sup>68</sup> Chief Executive Women, Submission 44, p. 3.

<sup>&</sup>lt;sup>69</sup> Anglicare Australia, Submission 51, p. 4.

<sup>&</sup>lt;sup>70</sup> Associate Professor Elise Klein, *Submission 48*, p. 1.

<sup>&</sup>lt;sup>71</sup> Associate Professor Elise Klein, *Submission 48*, p. 2.

7.76 Anglicare was of a similar view and made the compelling point that the increase of support payments at the height of the pandemic 'confirmed what many have always known—poverty is not inevitable'. Anglicare said that:

The simple act of providing a liveable income to so many people, including those who were out of work or employed casually, all but eradicated the problem of poverty in Australia.<sup>72</sup>

#### Childcare subsidy

- 7.77 The committee is pleased to see the increases to the Child Care Subsidy (CCS) rates, as well as the recent changes introduced by the Cheaper Child Care Bill which increase the base level of subsidised hours of childcare to 36 hours per fortnight for First Nations children, regardless of activity levels. This amendment reflects the position put forward by the committee in Recommendation 8 of its *Interim Report*.
- 7.78 Despite these positive developments, the committee continued to receive evidence about the negative impacts of the CCS activity test. Submitters and witnesses argued that the test had onerous compliance requirements and actively dissuaded carers from engaging with paid employment, particularly in disadvantaged families.
- 7.79 The Hon Jay Weatherill AO of Thrive by Five noted the seemingly contradictory purpose of activity tests, observing that they seem 'predicated on the basis that a family is not going to work unless it's provided with this incentive to actually engage in work through the potential withdrawal of the childcare benefit'. He continued that:

There seems to be this mindset that somebody shouldn't get a benefit from government unless they do something in return—it's like a quid pro quo type of thing—and that there's something illegitimate about a parent getting something. There's some really unusual public discourse around this ... Most of the drivers of taking up work are actually money. People actually need the money, and so they work where they possibly can. It also misunderstands the point that there is this public good. So I'd clear away all the boundary conditions, and then your compliance burden would disappear overnight. 73

7.80 Mr Weatherill summarised the issue with activity tests, by asking why:

Would we stop somebody from going to school because the parents weren't putting in sufficient effort to find a job?<sup>74</sup>

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<sup>&</sup>lt;sup>72</sup> Anglicare Australia, *Submission 51*, p. 6.

<sup>&</sup>lt;sup>73</sup> The Hon Jay Weatherill AO, Director, Thrive By Five, Mindaroo Foundation, *Committee Hansard*, 6 December 2022, p. 8.

<sup>&</sup>lt;sup>74</sup> The Hon Jay Weatherill AO, Mindaroo Foundation, Committee Hansard, 6 December 2022, p. 9.

7.81 G8 Education called for a change to all eligibility requirements around the CCS 'so that all parents are able to access subsidised hours, regardless of circumstances'.<sup>75</sup>

#### **Activity tests and First Nations communities**

7.82 The Secretariat of National Aboriginal and Islander Child Care (SNAICC) was of the view that removing, or at least making some changes to the activity test, could have some immediate, positive impacts for First Nations communities, particularly in terms of balancing care and work responsibilities. The Director of SNAICC, Mr John Burton, told the committee that:

We're certainly very pleased about the election commitment and the proposed legislative reforms that will aim to see the childcare subsidy increase to 90 per cent for families who are earning under \$80,000 per year. We are, though, concerned that that change will miss the potential impact for some of the most vulnerable families because of the application of the activity test. The minimum 24 hours of subsidised care per fortnight that the activity test allows for is really just not enough in terms of what children need for their healthy development and what parents need in order to seek work, develop skills and entre and progress in the workforce.<sup>76</sup>

- 7.83 The committee was told about a recent Impact Economics report which, it was argued, confirmed what stakeholders had been telling SNAICC since the activity test was introduced. The report found that:
  - as a result of the activity test, Aboriginal and Torres Strait Islanders are over five times more likely to be limited to the one day of subsidised care;
  - low income families earning between \$50 000–\$100 000 are more than six times more likely to be limited to the one day of subsidised care;
  - not only are children from families of lower socioeconomic backgrounds receiving less care, there are also a very high percentage who are receiving no care at all; and
  - many parents who don't meet the minimum threshold, chose not to engage with the system entirely.<sup>77</sup>
- 7.84 SNAICC noted that families had expressed concerns about reporting their 'childcare activity'—specifically, that if they were unable to record it accurately,

<sup>&</sup>lt;sup>75</sup> G8 Education, Submission 92, p. 2.

<sup>&</sup>lt;sup>76</sup> Mr John Burton, Director, Secretariat of National Aboriginal and Islander Child Care, *Committee Hansard*, 20 September 2022, p. 38.

Impact Economics and Policy, Child Care Subsidy Activity Test: Undermining Child Development and Parental Participation, August 2022, cited by Mr John Burton, Secretariat of National Aboriginal and Islander Child Care, Committee Hansard, 20 September 2022, p. 38.

it would lead to the accrual of debt. It was suggested that this is a further reason that First Nations families are disengaging with the formal childcare system.<sup>78</sup>

7.85 Mr Burton told the committee that First Nations communities immediately saw benefits with the cessation of activity tests at the height of the pandemic:

We saw very quickly that there was an increase in engagement of Aboriginal and Torres Strait Islander families in childcare once that barrier was out of the way. There is some data on that. There was a 12 per cent increase in the nine months to June 2021. We heard about that very quickly. It was a lot of the Aboriginal controlled organisations that are providing those early childhood services that took the initiative when that barrier was removed and were reaching out to families and getting them engaged in childcare, and we saw a lot of progress. We alerted the government of that progress very early on and have called consistently since that time for those gains to be capitalised on in terms of removing those barriers long term.<sup>79</sup>

## The tax and transfer system

- 7.86 The Family Tax Benefit (FTB) is a two-part fortnightly payment, aimed at assisting with child-raising costs, and based on adjusted taxable income. To be eligible, applicants must:
  - have a dependent child or full-time secondary student aged 16 to 19 years who does not get a pension, payment or benefit;
  - care for the child for at least 35 per cent of the time; and
  - meet an income test.80
- 7.87 FTB Part A is paid per child, depending on family circumstances, and FTB Part B is paid per family, depending on a variety of family circumstances (for example, it aims to assist single parents and some couple families with one main income). The FTB can be paid either fortnightly, or as a lump sum at the end of the financial year.<sup>81</sup>
- 7.88 For FTB Part A, the maximum rate may be available if the family's adjusted taxable income is below \$58 108. The rate reduces by 20 cents for each dollar of

Mr John Burton, Secretariat of National Aboriginal and Islander Child Care, Committee Hansard, 20 September 2022, p. 38.

Mr John Burton, Secretariat of National Aboriginal and Islander Child Care, Committee Hansard, 20 September 2022, p. 38.

<sup>&</sup>lt;sup>80</sup> Services Australia, *Family tax benefit*, 10 December 2021, <u>www.servicesaustralia.gov.au/family-tax-benefit?context=60007</u> (accessed 13 October 2022).

Details on the rates of payment are in Senate Select Committee on Work and Care, *Interim Report*, October 2022, Chapter 4. Department of Social Services, *Family Tax Benefit*, 8 September 2020, <a href="https://www.dss.gov.au/families-and-children/benefits-payments/family-tax-benefit">www.dss.gov.au/families-and-children/benefits-payments/family-tax-benefit</a> (accessed 3 February 2023).

- income over that amount, but below \$103 386. For income over \$103 386, the rate is reduced by 30 cents per dollar, until the payment is nil.<sup>82</sup>
- 7.89 FTB Part B is paid per family and depends on the age of the youngest child, and income—the payment is not available in single parent families with an income over \$104 432, nor can FTB Part B be paid if receiving PPL payments. A secondary earner can earn up to \$6059 each year, before it affects FTB Part B.<sup>83</sup>

High effective marginal tax rates and high average tax rates

- 7.90 As noted in its *Interim Report*, the committee received evidence of structural features in Australia's tax and transfer system that can discourage parents from working additional hours.<sup>84</sup>
- 7.91 The combination of progressive income tax rates, reduced family support payments at higher income levels, and childcare costs can result in very high effective marginal tax rates (EMTRs) for working parents.<sup>85</sup>
- 7.92 This outcome is 'particularly punishing' for women who provide most of the unpaid care to children and disproportionately work part-time.<sup>86</sup>
- 7.93 The Roundtable, for example, noted that the design of Australia's tax and transfer system has a 'strong gendered impact on families, directly shaping household decision-making about who works and who cares'. The Roundtable continued that:

Financial incentives baked into the system of tax and transfers ... embed the one (male)-and-a-half (female) household earner model so dominant in Australia. This has significant consequences for women's economic security over the life course, including their reliance on social security payments, and income support in older age. 87

7.94 A similar point was made by the Australian Human Rights Commission (AHRC) in its 2013 report into valuing unpaid care. The AHRC commented that

Services Australia, *Income test for FTB Part A*, 7 September 2022, <a href="www.servicesaustralia.gov.au/">www.servicesaustralia.gov.au/</a> <a href="mailto:income-test-for-family-tax-benefit-part?context=22151">income-test-for-family-tax-benefit-part?context=22151</a> (accessed 3 February 2023).

<sup>83</sup> Services Australia, *Income test for FTB Part B*, 1 July 2022, <u>www.servicesaustralia.gov.au/income-test-for-family-tax-benefit-part-b?context=22151</u> (accessed 3 February 2023).

<sup>&</sup>lt;sup>84</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, pp. 69–70.

Note, the EMTR is a measure of 'the net loss for an individual resulting from income taxation combined with the withdrawal of a cash transfer or family benefit, applied to an extra (marginal) dollar of income.' See, Professor Miranda Stewart, Member, Work + Family Policy Roundtable, answers to questions on notice, 7 October 2022, p. 3 (received 24 October 2022).

The Grattan Institute, Cheaper child care: A practical plan to boost female workforce participation, August 2022, p. 3, <u>grattan.edu.au/wp-content/uploads/2020/08/Cheaper-Childcare-Grattan-Institute-Report.pdf</u> (accessed 3 February 2023).

<sup>&</sup>lt;sup>87</sup> Work + Family Policy Roundtable, *Submission* 22, p. 11.

superannuation savings are supported by 'generous taxation concessions'. The AHRC also noted the gendered nature of tax concessions, saying:

The current system of taxation concessions disproportionately benefits higher income earners who make higher contributions to their superannuation. As carers are more likely to have lower superannuation savings, they are less likely to benefit from taxation concessions.<sup>88</sup>

- 7.95 The Productivity Commission was very clear that the tax and transfer system affects how people can combine work and care responsibilities, 'as it creates a disincentive for some parents to enter the workforce or to increase their hours of work'.89
- 7.96 The Grattan Institute called this the 'workforce disincentive rate'—being the combination of tax, welfare settings and childcare costs. The Institute noted that the workforce disincentive rate could be 'particularly punishing for the fourth and fifth day of work for a primary carer, still generally a woman', and concluded that 'working an additional day for no or virtually no take-home pay is understandably not a choice many find attractive'.<sup>90</sup>
- 7.97 Further to this, the committee heard that for a female who is the primary caregiver to a child, working a fourth or fifth day in a week can result in between 80 to 100 per cent of the income earned being offset by increased tax, and decreased rates of the CCS, and FTB payments (Parts A and B).<sup>91</sup>
- 7.98 This situation particularly affects dual-parented households where a female primary carer is typically paid less than their partner and is a so-called 'second earner'. Also affected are sole-parented households, the majority of which are headed by a female primary carer who is also the primary earner.<sup>92</sup>
- 7.99 Professor Miranda Stewart, Member of the Roundtable, provided compelling evidence on the impact that personal income tax rates, combined with the taper rates of the CCS and FTB payments, has for household income levels. Professor Stewart explained:
  - ... there are a couple of features of the design of that childcare subsidy which contribute to the effective tax on work. The first is that it is income-tested on joint income, so the income of both the primary earner and what we would call the second earner—the second earner being the person joining the workforce, often with a lower wage and usually female. It tapers, and it

<sup>90</sup> The Grattan Institute, Cheaper child care: A practical plan to boost female workforce participation, August 2022, p. 3.

<sup>92</sup> See, for example, Productivity Commission, *Submission 2*, p. 10; Professor Miranda Stewart, Member, Work + Family Policy Roundtable, *Committee Hansard*, 7 October 2022, pp. 4–5.

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<sup>&</sup>lt;sup>88</sup> Australian Human Rights Commission, *Investing in care: Recognising and valuing those who care; Volume 1: Research Report*, 2013, p. 10.

<sup>89</sup> Productivity Commission, Submission 2, p. 10.

<sup>&</sup>lt;sup>91</sup> Business Council of Australia, *Submission* 12, p. 3.

tapers not on individual income but on joint income. That child care subsidy taper sits on top of the personal income tax rate structure and adds an effective tax rate.

7.100 In relation to FTB Parts A and B, Professor Stewart expanded on the issue of adverse consequences from the withdrawal of the benefit over a certain threshold:

The payments are per child, so the effect differs depending on the number of children in the household. Because both of those payments for couple households are tested on joint income—again, we have a quasi joint or family unit in the transfer system—that has the effect of the second earner's income being kind of on top of the first earner's income, and it faces, therefore, the higher rate. The second earner is the more responsive, or we would say 'has more elastic labour supply' ... and also, at the same time, faces that higher effective tax rate from the withdrawal of benefits.<sup>93</sup>

- 7.101 Professor Stewart illustrated these impacts for a family on a 'relatively low income' with a male primary income earner being paid \$78 000 per annum, and a female secondary income earner seeking to work full-time with two children under five. In that example, Australia's tax and transfer settings, as of May 2022, would result in the female incurring a very high EMTR of 55 per cent when working two days, 50 per cent when working three days, slightly over 50 per cent when working four days and 70 per cent if working five days.<sup>94</sup>
- 7.102 Professor Stewart continued that while EMTRs may be 'very high at a specific level of earned income, the disposable income of the individual or family may be steady or still rising.' However, where the disposable income of a family or individual is 'flat or grows very little overall, this indicates a high average effective tax rate'. In this circumstance:
  - ... there is essentially little net benefit in working, compared to remaining at home in a dependent carer role where the family relies on the breadwinner earnings and family payments. This average tax rate is also relevant to understanding work disincentives for secondary earners.<sup>95</sup>
- 7.103 Emeritus Professor Bettina Cass AO of the Roundtable reiterated the point that the FTB constitutes a 'high proportion of the incomes of low-income families', and they should not be considered just as 'add-ons', especially to JobSeeker. Emeritus Professor Cass continued that the payments are:
  - ... absolutely critical in some instances, particularly for sole-parent families and low-income couple families. Therefore there can be a trade-off, a real dilemma, between ensuring the adequacy of those payments and the

<sup>93</sup> Professor Miranda Stewart, Work + Family Policy Roundtable, Committee Hansard, 7 October 2022, pp. 4–5.

Professor Miranda Stewart, Work + Family Policy Roundtable, Committee Hansard, 7 October 2022, pp. 4–5.

Professor Miranda Stewart, Work + Family Policy Roundtable, answers to questions taken on notice, 7 October 2022, p. 3 (received 24 October 2022).

relationship between the cut-off points and the tapers. I think that, if the issue for government is ensuring the wellbeing of low-income families, their employment potential, their care potential and the welfare and wellbeing of their children, then I'd be putting my emphasis ... on adequacy, because it's just so crucial. Very often family payments A and B are crucial add-ons to JobSeeker, particularly for sole parents whose youngest child is over eight, but also for low-income couples whose youngest child is younger than eight. Therefore we should be ensuring that that balance works.<sup>96</sup>

7.104 The Productivity Commission explained that addressing this issue was complex, noting that 'there is no simple solution to high EMTRs'. The Commission explained that:

In general, they exist because of desirable design elements of the tax and transfer system — a progressive income tax scale and means-tested benefits that phase out gradually as incomes rise. Careful design can address the highest EMTRs in the system, but generally by smoothing peak EMTRs, which can have the effect of raising EMTRs at another point in the income scale. Moreover, EMTRs are but one consideration in the design of benefit payments — affordability and targeting also have to be weighed up as part of any policy options.<sup>97</sup>

- 7.105 However, Professor Stewart put forward several policy measures aimed at lessening the work disincentives for second income earners, which arise from high EMTRs and average tax rates. These included:
  - expanding the CCS and establishing a universal and affordable, or near-free, public ECEC system;
  - establishing a universal and taxable per-child payment that would 'recognise the costs of care and alleviate the high EMTRs' experienced by secondary earners;
  - establishing 'a universal family or child tax benefit into the income tax net for the second earner'; and
  - 'taper or income test the family or child payment on secondary earner's income' to 'smooth and reduce EMTRs'.98

<sup>&</sup>lt;sup>96</sup> Emeritus Professor Bettina Cass AO, Member, Work + Family Policy Roundtable, *Committee Hansard*, 7 October 2022, p. 10.

<sup>&</sup>lt;sup>97</sup> Productivity Commission, *Submission* 2, p. 11.

Professor Miranda Stewart, answers to questions taken on notice, 7 October 2022, pp. 7–8 (received 24 October 2022).

## Superannuation

Women, retirement and poverty

- 7.106 This report has laid bare the adverse impacts that unpaid superannuation during parental leave has on working carers and in particular women. The committee was also told of the negative impact of extended unpaid leave and reduced hours as well as the gender pay gap on women's superannuation balances, leaving them at risk of poverty as they age.<sup>99</sup>
- 7.107 Evidence to the committee indicated that most unpaid carers of an elderly person are women in mid-life caring for parents. These carers are likely to reduce their working hours, with adverse consequences on their earnings and their superannuation. It is women without children who are often expected to take on this caring role and their lower workforce participation will impact their economic security in retirement.<sup>100</sup>
- 7.108 Modelling on the economic impacts on lifetime income and retirement savings of unpaid carers commissioned by Carers Australia revealed that:

On average, Australian carers will lose \$392,500 in lifetime earnings to age 67; and \$175,000 in superannuation at age 67. People who are carers for extensive periods of time will lose substantially more than 12 months on unpaid leave, with the most affected 10% losing at least \$940,000 in lifetime income, and \$444,500 in retirement savings. 101

- 7.109 Women are more likely to take the primary responsibility for unpaid care, work part-time or in casual positions for lower income. A fragmented work history and lower paid work across a lifetime means that women are likely to accumulate less superannuation than men. According to the Office for Women, women in Australia today are retiring with 23 per cent less superannuation than men. 102
- 7.110 However, other evidence to the committee suggested that the gender superannuation gap may be greater. The Workplace Gender Equality Agency (WGEA) noted in this regard that the average superannuation at retirement was \$292 510 for men and \$138 154 for women, resulting in a gender retirement superannuation gap of 52.8 per cent.<sup>103</sup> Furthermore, during the pandemic, the

<sup>&</sup>lt;sup>99</sup> Carers Australia, Submission 10, p. 7.

<sup>&</sup>lt;sup>100</sup> National Foundation of Australian Women, Submission 4, p. 6.

<sup>&</sup>lt;sup>101</sup> Carers Australia, Submission 10, p. 7.

Ms Shelby Schofield, Chief Economist and Acting Assistant Secretary, Women's Economic Policy Branch, Office for Women, Department of the Prime Minister and Cabinet, Committee Hansard, 8 December 2022, p. 53.

<sup>&</sup>lt;sup>103</sup> Workplace Gender Equality Agency, Submission 17, p. 5.

- gendered pattern of disruption to work and care coupled with the COVID-19 Early Release Scheme has widened the gender gap in superannuation savings. 104
- 7.111 As women are more likely to take longer parental leave, the superannuation gender gap widens as Australian employers and the Australian Government do not have to pay superannuation for workers on parental leave. Furthermore, women generally live longer than men. At the age of 65, the average Australian male is expected to live a further 19 years, with women a further 22 years. The combined effect of these factors leaves women with insufficient savings to support them in retirement and more likely to experience poverty in retirement than men.<sup>105</sup>
- 7.112 In 2012, 38.7 per cent of elderly single women were living in poverty compared to 33.8 per cent of elderly single men. According to the WGEA, even though the poverty rate amongst pensioners started to decline since the aged pension was increased in 2009, 'being single still increases the risk of poverty and it is more common for women than men to live alone'. 106
- 7.113 These factors leave women more reliant on the aged pension than men as their primary source of income. Women comprise nearly 56 per cent of people 65 years and older receiving the age pension which is a consequence of the difference in retirement superannuation savings.<sup>107</sup>
- 7.114 Industry Super Australia has found that if a mother of two received superannuation on Commonwealth Paid Parental Leave, she would be \$14 000 better off at retirement. While significant, superannuation on PPL alone is not adequate to ensuring equality in superannuation.
- 7.115 Women are more likely than men to re-enter the workforce after retirement out of financial need. They are also twice as likely as men to sell their house and move to lower cost accommodation because of their financial state in retirement.<sup>109</sup>
- 7.116 The committee was told that superannuation is not working as it should for working carers because of the stop-start nature of their working lives and generally lower pay. The WGEA noted that the superannuation system and its 'in-built biases' impact women's economic security at retirement, arguing that:

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<sup>&</sup>lt;sup>104</sup> Work + Family Policy Roundtable, Submission 22, p. 6; Women in Super, Submission 43, p. 3.

<sup>&</sup>lt;sup>105</sup> Workplace Gender Equality Agency, Submission 17, p. 4.

<sup>&</sup>lt;sup>106</sup> Workplace Gender Equality Agency, Submission 17, p. 4.

<sup>&</sup>lt;sup>107</sup> Workplace Gender Equality Agency, Submission 17, p. 4.

Deloitte Access Economics, Breaking the Norm. Unleashing Australia's economic potential, November 2022, p. 37, <u>www2.deloitte.com/au/en/pages/economics/articles/breaking-norm-unleashing-australia-economic-potential.html</u> (accessed 16 January 2023).

<sup>&</sup>lt;sup>109</sup> Workplace Gender Equality Agency, Submission 17, p. 4.

The system is tied to paid work and assumes a continuous work history to accumulate sufficient funds to live comfortably in retirement. This is more often the experience for men rather than for women. Evidence confirms that women are more likely to take primary responsibility for unpaid care work and are more likely to return to work part time and in lower paying roles. This means that that the annual superannuation contributions are significantly less when compared to continuous full-time employment.<sup>110</sup>

- 7.117 Australia's superannuation system is highly biased in favour of full-time workers whose participation in the workforce is uninterrupted and this has a gender impact.<sup>111</sup> As the system is tied to paid work, it creates significant inequalities in retirement outcomes for those who undertake unpaid care, who are predominantly women.<sup>112</sup> In terms of superannuation savings, the system penalises women for:
  - having time off work to care for children, elderly parents or others with non-retiree women (who have or have had children) having 16.3 per cent lower superannuation savings on average than their counterparts who have not had children;<sup>113</sup> and
  - working part-time with non-retired women who work or have worked part-time having on average 20.6 per cent lower superannuation savings than counterparts who have not worked part-time.<sup>114</sup>
- 7.118 The point was also made to the committee that women miss out on the gains arising from compound interest on the superannuation contributions that they miss. Evidence to the committee indicated that with improved parenting and workforce participation policy settings, Australian women could earn an additional \$696 000 over their working life and retire with an additional \$180 000 in superannuation.<sup>115</sup>

#### Carer credits

7.119 Noting the evidence associated with the superannuation system in Australia, the committee was interested to learn that several countries have considered ways to address the income inequalities arising in retirement incomes.<sup>116</sup>

<sup>112</sup> Australian Nursing and Midwifery Federation, Submission 84, p. 11.

<sup>115</sup> Health Employees Superannuation Trust Australia, *Submission* 102, [p. 2].

<sup>&</sup>lt;sup>110</sup> Workplace Gender Equality Agency, Submission 17, p. 4.

<sup>&</sup>lt;sup>111</sup> Professor Alison Preston, Submission 34, p. 12.

<sup>&</sup>lt;sup>113</sup> Professor Alison Preston, *Submission 34*, p. 12; New South Wales Nurses and Midwives' Association, *Submission 49*, p. 16.

<sup>&</sup>lt;sup>114</sup> Professor Alison Preston, Submission 34, p. 12.

Australian Human Rights Commission, Investing in care: Recognising and valuing those who care; Volume 1: Research Report, 2013, p. 10, <a href="https://humanrights.gov.au/">humanrights.gov.au/</a> sites/default/files/</a> <a href="https://humanrights.gov.au/">LupaidCaringVolume1 2013.pdf</a> (accessed 20 February 2023).

- 7.120 In 2013, the AHRC released its report *Investing in care: Recognising and valuing those who care*, which examined models and mechanisms used across 24 countries to value unpaid care. That research informed a number of potential reform options put forward by the AHRC, aimed at 'recognising and valuing unpaid caring work'.<sup>117</sup>
- 7.121 One proposal put forward by the AHRC to address inadequate retirement incomes for informal carers was the introduction of 'carer credits', in recognition that superannuation 'consolidated a direct link in Australia's retirement income system between income in old age and participation in paid work throughout the lifecourse'.<sup>118</sup>
- 7.122 Noting the impact of unpaid care and time out of paid employment creates significant inequalities in retirement income between carers and non-carers, the AHRC suggested that:

The introduction of carer credits into a country's pension system provides a method of explicitly recognising these years spent providing unpaid care for a child or a family member with a disability, long-term illness or frailty due to old age.<sup>119</sup>

7.123 The AHRC explained how such a system would work. In many countries, carer credits for parents are linked to periods of paid or unpaid parental leave. Credits are also made available to new parents not in paid employment, or not entitled to parental leave. The AHRC further explained that:

Some carer credit schemes permit, and indeed encourage, carers to return on a part-time basis by continuing to provide carer credits upon their return or re-entry to the workforce. These credits can 'top up' an individual's pension contributions to the value of what they would be if the individual was working full-time.<sup>120</sup>

7.124 The AHRC noted that as of 2013, some countries were extending carer credits to all carers—not just parents. The carer credit entitlement 'generally depends on the level of the care need or the amount of care provided by the carer, sometimes verified by a "care certificate". The AHRC warned, however, that changes to the superannuation system take time to mature, and the introduction of carer credits

<sup>118</sup> Australian Human Rights Commission, *Investing in care: Recognising and valuing those who care; Volume 1: Research Report*, 2013, p. 10.

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Australian Human Rights Commission, *Investing in care: Recognising and valuing those who care*, 23 January 2013, <a href="https://humanrights.gov.au/our-work/sex-discrimination/publications/investing-care-recognising-and-valuing-those-who-care">https://humanrights.gov.au/our-work/sex-discrimination/publications/investing-care-recognising-and-valuing-those-who-care</a> (accessed 2 February 2023).

<sup>&</sup>lt;sup>119</sup> Australian Human Rights Commission, *Investing in care: Recognising and valuing those who care; Volume 1: Research Report*, 2013, p. 10.

<sup>&</sup>lt;sup>120</sup> Australian Human Rights Commission, *Investing in care: Recognising and valuing those who care; Volume 1: Research Report*, 2013, p. 10.

- should therefore 'include both the age pension and the superannuation system', so that those approaching pension age now can benefit. 121
- 7.125 The AHRC concluded that the 'benefit to society is greater gender equality in older age and greater adequacy of women's retirement'.
- 7.126 The committee received some evidence supporting the implementation of carer credits. Chief Executive Women, for example, was in favour of extending superannuation guarantee payments to time spent out of the workforce to provide informal care, but also pointed to the carer credits model 'to ensure carers are not disadvantaged and left financially insecure in retirement'. Chief Executive Women noted that this approach had been adopted in a variety of ways in 'many OECD nations'. 122
- 7.127 Similarly, Carers NSW advocated for carer credits stating that 'ensuring adequate financial support for carers throughout and after their working life is a vital element of supporting carers to balance work and care'.123

## Issues with implementing carer credits

- 7.128 The Treasury, in its 2020 review of Retirement Income Final Report, noted that countries including the United Kingdom, Sweden, Finland and Germany recognised unpaid care in their pension systems, through carer credit systems. 124
- 7.129 However, Treasury observed that a similar approach might not be possible here, because retirement systems operating overseas were different to those in Australia. By way of example, Treasury explained that 'many public pension rates in schemes overseas depend on a person's time in the workforce, and carer credits are used in these calculations'. It noted that:

As the Age Pension is non-contributory and does not depend on workforce participation, a carer credit system would need to be adapted to work in the Australian context. A carer credit paid through superannuation would likely interact with the Age Pension, and its effect would be moderated by the means test.125

7.130 As part of its Review, Treasury also recognised that there was a gender gap in superannuation balances at retirement. But, Treasury's analysis concluded that

<sup>&</sup>lt;sup>121</sup> Australian Human Rights Commission, Investing in care: Recognising and valuing those who care; Volume 1: Research Report, 2013, p. 10.

<sup>122</sup> Chief Executive Women, Submission 44, p. 4.

<sup>&</sup>lt;sup>123</sup> Carers NSW, Submission 27, p. 18. See also: Health Employees Superannuation Trust Australia, Submission 102, [pp. 5-6]; Carers Australia, Submission 10, pp. 5 and 7; Seniors Australia, Submission 11, Attachment 1, p. 6.

<sup>124</sup> The Treasury, Retirement Income Review: Final Report, July 2020, 271, treasury.gov.au/sites/default/files/2021-02/p2020-100554-udcomplete-report.pdf (accessed 3 February 2023).

<sup>&</sup>lt;sup>125</sup> The Treasury, Retirement Income Review: Final Report, July 2020, pp. 271–272.

- 'the average annual retirement income pay gap for all workers reduces to 9.6 per cent because the Age Pension plays a larger role in the retirement of those with lower working-life incomes, such as part-time and casual workers'. 126
- 7.131 Treasury also suggested that due to the targeting effect of the Age Pension, the gap between men and women's income narrows, and this 'is the case even when women take career breaks or work part-time'.<sup>127</sup>

<sup>126</sup> The Treasury, Retirement Income Review: Final Report, July 2020, p. 261.

<sup>&</sup>lt;sup>127</sup> The Treasury, answers to questions on notice, 8 December 2022 (received 22 December 2022).

# **Chapter 8**

# Reforming the architecture of the work and care system

- 8.1 The committee has been tasked with considering how workers across Australia combine work and care, and how that combination can be better supported across their lives. It has become increasingly clear that while Australians have a right—indeed, an obligation to work—they do not have a parallel right to work and care. For too many workers, this means they must juggle care around work, and their lives are increasingly demanding. The collective social responsibility of delivering adequate care is often privately born, notably by women, within the constraints of a workplace structure and system which does not properly fit the circumstances of working carers.
- 8.2 The committee has been surprised at the level of misfit affecting many working Australians, their workplaces and households, and our community and economy.
- 8.3 Structural reforms to the architecture of Australia's work and care systems would reap significant social and economic benefits, not just for individuals and families, but for communities and the national gross domestic product (GDP) and it would improve wellbeing.
- 8.4 Reflecting the evidence presented throughout this final report as well as the committee's *Interim Report*,<sup>1</sup> this chapter outlines the committee's recommendations for implementing changes to the architecture of the work and care system, in order to improve the lives and outcomes for Australians balancing both work and care. The challenge we face demands a holistic, rather than piecemeal, response.
- 8.5 Most Australians will have periods of combining their jobs with care of someone else across their life: it is time our work and care arrangements treated this as normal and facilitated their combination, rather than imposing costs for their combination.
- 8.6 In this chapter, the committee puts forward recommendations for structural reform to early childhood education and care, respite care, support payments and workplace relations arrangements, including pay, leave, rostering, hours of work, flexibility and job security, amongst others. These recommendations are intended to support workers with caring responsibilities, and to promote more

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Senate Select Committee on Work and Care, Interim Report, October 2022, p. 108, www.aph.gov.au/Parliamentary Business/Committees/Senate/Work and Care/workandcare/Interim Report (accessed 20 February 2023).

- inclusive, flexible and responsive workplaces, by creating the conditions that allow people to better combine work and care.
- 8.7 In comparison with international practices, many of Australia's work and care arrangements make us an outlier, over-dependent on insecure part-time work, or unpredictable rosters, with outdated and inadequate leave arrangements that do not appropriately support parents and carers more broadly.
- 8.8 While the committee's focus is necessarily restricted to the intersection between paid work and informal care, it is important to recognise that insecure work, casualisation and the gig economy are complex and wide-ranging phenomena with a variety of overlapping causes and effects. In relation to these matters, the committee would like to acknowledge the Senate Select Committee on Job Security (Job security committee) for its important work unpacking the economic, social and technological conditions that foster and sustain insecure work, and making recommendations to fix them—these should be implemented.

# Whole of government approach

- 8.9 The committee was convinced by the evidence before it that current care policies and regulatory settings are not fit for purpose and require a holistic, whole-of-government approach to reform. The committee recognises that reform in the past has largely been piecemeal and disjointed, often thereby creating unintended consequences and an inconsistent 'system of systems'. In addition, it is clear to the committee that the care framework is deeply entwined with workforce issues and must be considered in that context.
- 8.10 Therefore, the committee recommends that care policies and the regulatory measures that underpin those policies are reviewed and reformed holistically as part of a whole-of-government initiative. This would not only benefit those combining work and care but would present a considerable economic investment for the country. This whole-of-government approach to reform should be progressed as a matter of immediate national priority.

#### **Recommendation 1**

8.11 The committee recommends the Australian Government take a comprehensive and integrated approach to addressing the challenges of work and care in this country. The Australian Government should implement the recommendations in the committee's interim and final reports to a range of systems, including workplace relations, early childhood education and care, paid leave, disability and aged care, as well as financial supports for carers. This reform package should ensure that Australians have a right to care, alongside their right to work, and our systems and laws should provide unequivocal support for this important role through a new work and care social contract fit for the 21st century.

# Value of unpaid care

- 8.12 The committee considers it imperative that greater attention is paid to the annual financial contribution of unpaid care to the national economy. As noted in Chapter 2, unpaid care work in Australia has been estimated to amount to \$650.1 billion, the equivalent of 50.6 per cent of GDP—yet unpaid care work is not included in the calculation of GDP.
- 8.13 Given the significant financial and essential social contribution of unpaid care to the country, the committee is of the view that a statement estimating the value of unpaid care to the national economy should be included in the employment white paper. This measure could be complemented by a statement providing an estimate of the annual financial contribution of unpaid care to the national economy in the Budget papers.
- 8.14 This would align with the budgetary analyses, including in the Women's Budget Statement, and the concept of a wellbeing budget, to be introduced in the next Budget via the 2023 *Measuring What Matters* statement.<sup>2</sup>

#### Recommendation 2

8.15 The committee recommends the Australian Government include a statement in the employment white paper, providing an estimate of the annual financial contribution of unpaid care to the national economy. Further, the committee recommends that the Australian Government consider including a statement in the Budget papers providing an estimate of the annual financial contribution of unpaid care to the national economy. The committee also recommends that the wellbeing budget include specific analysis of the contribution of care to wellbeing, and include measurement of such care, its state and change over time.

# Early childhood education and care

- 8.16 The current early childhood education and care (ECEC) framework has not adapted to changing workforce conditions—especially the rise of shift and casual work, the gig economy and other insecure forms of employment for working carers. Workers with childcare responsibilities are being asked to choose between looking after children and engaging with paid employment and career progression.
- 8.17 Further, Australia's ECEC system does not properly cater for residents in regional, rural, remote, and some urban areas, where 'childcare deserts' are having a direct, detrimental effect on early life opportunities for children.

<sup>2</sup> Australian Government, 2022-23 Budget: Budget Paper No. 1: Statement 4: Measuring What Matters, October 2022, p. 119, <u>budget.gov.au/2022-23-october/content/bp1/download/bp1\_bs-4.pdf</u> (accessed 20 February 2023).

- 8.18 Conversely, the benefits of a reinvigorated and effective ECEC system are clear. Such a system should provide childcare, which is universally accessible, child-focused, culturally appropriate, of a high quality and supported by a properly paid and equipped workforce.
- 8.19 If implemented in this way, ECEC would benefit children, their carers, and the economy and society more broadly. The return of women to the workforce would be supported and normalised, as would children accessing ECEC from a younger age. As observed by the committee in its *Interim Report*, there are intersectional benefits of an effective ECEC system, and it has been clearly shown that life outcomes are vastly improved when children can access quality ECEC from an early age.

# A universal, high quality ECEC system

- 8.20 The committee heard that Australian ECEC costs, as a share of family income, are among the highest in the developed world. This is actively disincentivising working parents from accessing ECEC and is prohibiting women who want to work, or work more, from participating in paid employment and progressing their career.
- 8.21 The evidence to this committee shows that there is a clear and compelling case for the implementation of a universal, high-quality, child-centred and community-based ECEC system. Such a system would support both the positive development of children in their first five years, and also help working carers to better engage with ongoing, fulfilling employment.
- 8.22 The childcare system needs to be child-focused, and in that sense, every child deserves a minimum guarantee as to their outcomes from a universal and quality ECEC system.
- 8.23 The provision of quality, universal childcare would also directly and positively impact on gender equality and wage equity, noting that it is predominantly women who shoulder the burden of unpaid care for children—often to the detriment of their earning capacity and career progression.
- 8.24 A more affordable ECEC system would reduce incentives in the for-profit childcare sector to focus only on those geographic areas where the largest profits can be made, with inadequate consideration given to quality service provision and staff remuneration.
- 8.25 The committee notes the public comments of the Minister for Early Childhood Education, the Hon Dr Anne Aly MP, regarding fully universal childcare in light of recent amendments to *A New Tax System (Family Assistance) Act 1999* to increase the Child Care Subsidy (CCS). Minister Aly indicated that these reforms are part of 'transitioning to the aspiration of universal childcare'. The Minister continued that:

... the way to strengthen the economy is productivity gains. Childcare plays a big role. Women particularly, but not only, might be working two days a week but can't afford to work more. That's about productivity, but also gender equity.

There should be no reason why women wanting to participate more fully shouldn't be able to work because they can't find or afford childcare.

The other argument is those early years are critical to development. If a child has good foundations in the early years, it carries on to later life and improved outcomes ... Investing in early years means better outcomes for education, fewer challenges for children born into challenging circumstances, [less] antisocial behaviour and youth crime'.<sup>3</sup>

- 8.26 The committee is buoyed by these sentiments and would like to see further action in this direction as soon as possible. To this end, the guarantee for young children and families, as developed and put forward by the Centre for Policy Development in its *Starting Better* report, provides a comprehensive roadmap to implement change and to ensure that all children are given the best chances in the first five years of life.
- 8.27 The committee also notes the recent announcement of a Productivity Commission (PC) inquiry to consider a universal early education system.<sup>4</sup> The committee welcomes this inquiry, to be led by Professor Emerita Deborah Brennan AM, as another step to achieving a universal early education system.
- 8.28 There are proven benefits to children, families and carers having access to universal, quality, place-based and child-centred ECEC. Not only would such a framework deliver immediate benefits to children, but it would also have roll-on effects to carers and their engagement in the workforce, and will improve outcomes for all.
- 8.29 The implementation of free—and therefore more accessible—childcare during the pandemic resulted in increased attendance, primarily from the most vulnerable children. Because childcare was free, stigma was removed, as were administrative barriers through Centrelink.
- 8.30 Alongside the PC inquiry into a universal early education system, the committee recommends the implementation of a new ECEC framework, which has a clear

Josh Butler, 'The aspiration of universal child care': Anne Aly on what drives Labor's ambitious plans', *The Guardian*, 14 June 2022, <a href="https://www.theguardian.com/australia-news/2022/jun/14/the-aspiration-of-universal-childcare-anne-aly-on-what-drives-labors-ambitious-plans">www.theguardian.com/australia-news/2022/jun/14/the-aspiration-of-universal-childcare-anne-aly-on-what-drives-labors-ambitious-plans</a> (accessed 20 January 2023).

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Hon Jim Chalmers MP, Treasurer, Hon Jason Clare MP, Minister for Education and Hon Anne Aly MP, Minister for Early Childhood Education, Productivity Commission Inquiry to consider Universal Early Education System, *Media Release*, 9 February 2023, ministers.treasury.gov.au/ministers/jim-chalmers-2022/media-releases/productivity-commission-inquiry-consider-universal-early#:~:text=The%20inquiry%20will%20commence%20on,to% 20engage%20with%20the%20inquiry. (accessed 21 February 2023).

policy framework, provides active consideration of the circumstances of working carers—especially women—and addresses issues around accessibility of ECEC, particularly in rural, remote and some regional areas. In addition, a renewed ECEC system should ensure that education and care for children is culturally appropriate, community managed and trauma-informed in circumstances where that is appropriate.

#### **Recommendation 3**

- 8.31 The committee recommends the National Cabinet develop a framework for and progress the implementation of a universal, quality, place-based and child-centred early childhood education and care (ECEC) system. The new ECEC framework should be developed within 12 months and:
  - be supported by a clear policy framework which seeks to strengthen outcomes for children, their carers, childhood educators and childcare providers;
  - be developed with active consideration of working carers, and especially women, to support better access to paid employment (including outside of core hours) while balancing work and care responsibilities; and/or set rosters that include caring responsibilities; and
  - address 'childcare deserts' by providing ECEC facilities in rural, remote and some regional areas, and ensure culturally-appropriate, community managed and trauma-informed ECEC is made available where needed, especially in First Nations communities.
- 8.32 The committee further recommends that the Australian Government continue to regularly review ECEC systems for adequacy, and undertake appropriate changes, with a view to universal, early childhood education and care.
- 8.33 Noting the importance of a universal ECEC system, the committee further recommends that National Cabinet consider frameworks which promote national consistency in the way in which the ECEC system is implemented across Australia.

- 8.34 The committee recommends that the Australian Government work through National Cabinet to develop a framework for a universal early childhood education and care (ECEC) system that is consistent across Australia. This framework should be implemented with a view to increase access to quality ECEC and lower its costs.
- 8.35 The following amendments to income supports should be taken into consideration by National Cabinet when developing the new ECEC framework, to ensure the benefits of these revised approaches are secured into the future.

# Funding for more ECEC centres

- 8.36 The committee is very pleased to see some of Australia's largest jurisdictions start to increase ECEC funding, including helping children to access two years of preschool learning, development and social engagement.
- 8.37 The committee is particularly encouraged by the steps taken in Victoria to fund an additional 50 government-owned and affordable childcare centres, focussed in those areas with unmet demand. This pro-active approach will have immediate benefits to both children and to their working carers.
- 8.38 Noting the clear benefits of increased access to ECEC, the committee is of the view that the Australian Government should take similar steps, and consider funding the building of 100, publicly-owned early childcare centres (including centres operated by local governments) in areas identified as 'childcare deserts' and where there is unmet demand, to make it easier for families to access childcare. Such centres—particularly in regional, rural and remote areas—should provide holistic, culturally appropriate and trauma-informed services to children.
- 8.39 The committee was pleased to see an increase in subsidised hours of ECEC to First Nations children in the most recent Budget. In line with its *Interim Report* recommendation, the committee encourages the Australian Government to make this investment a permanent feature of future Budgets, so that long-term funding can be provided to First Nations community controlled ECEC facilities, thus providing certainty and security to these organisations.

## **Recommendation 5**

8.40 The committee recommends the Australian Government consider the provision of a further 100 publicly owned early childhood education and care centres (including centres operated by local government), in areas identified as 'childcare deserts' and/or as having unmet demand. The centres should provide holistic, culturally appropriate, and trauma-informed services to children.

Early years intervention and preschool accessibility

## **Preschool Reform Agreement**

- 8.41 The committee applauds all the states and territories for working together to implement the Preschool Reform Agreement (PRA), and anticipates that such focussed funding on enrolment and participation for four-year-olds in preschool will reap benefits—especially alongside the important ECEC reforms being progressed particularly in New South Wales and Victoria.
- 8.42 The evidence shows that an increase in the base entitlement to ECEC hours under the PRA and extending availability to children under the age of four, will improve the availability, accessibility and affordability of ECEC.

8.43 However, the committee encourages the Australian Government to go further with the PRA and ensure that quality, government-supported preschool programs are available to children from age three years. This would ensure that children have access to preschool for at least two years prior to commencing school—and the evidence shows that better access to preschool better prepares children for school, especially disadvantaged and First Nations children where culturally safe and quality ECEC helps children to meet their full potential. To this end, the committee recommends that the PC be requested to identify ways to extend the PRA to both three- and four-year old children. The committee would like to see that the hours for subsidised care provided for by the PRA be increased, based on the needs of the child and their carers.

#### Recommendation 6

- 8.44 The committee recommends the Australian Government request the Productivity Commission to identify ways to extend the Preschool Reform Agreement (PRA) to both three- and four-year old children, to ensure that all children can access early childhood education and care in the two years prior to commencing school.
- 8.45 The committee further recommends that the hours of subsidised care provided for by the PRA be increased, to a minimum of 15 hours a week (600 hours a year) and a maximum of 30 hours a week (1200 hours a year), based on the needs of the child and their carers.

## **Inclusion Support Program**

- 8.46 A reinvigorated ECEC system should continue focusing support on vulnerable children in need of extra assistance to learn and grow as best they can. To this end, the Inclusion Support Program (ISP)—through its subsidisation of additional short- and long-term additional educators and innovative solutions support—provides an important part of the Child Care Safety Net.
- 8.47 However, the evidence to the committee suggests the ISP should be amended in several ways, to improve the way it supports vulnerable children and their learning outcomes. Therefore, the committee recommends that the PC be requested to conduct a review of the IPS program.

#### Recommendation 7

8.48 The committee recommends the Australian Government request the Productivity Commission to immediately review the Inclusion Support Program and consider appropriate action including, but not limited to the commitment of additional funding of the program, with a view to provide extra support to children who have additional needs to participate in ECEC. Indexation of funding should also be considered.

# Returning to work: Employment and training programs for carers

- 8.49 The evidence shows that many informal carers struggle to enter and remain in paid employment, especially after long absences from the workforce. Women are further hit by the 'motherhood penalty', with reductions in wages and career outcomes resulting from time out of work for childcare responsibilities.
- 8.50 The committee sees great benefit in the establishment of dedicated training programs, focused on supporting informal carers to enter or return to the workforce.
- 8.51 These training programs should help to identify and promote the experiences, knowledge and prior learning, as well as the 'soft skills' acquired by people in caring roles.
- 8.52 The committee was also concerned by evidence regarding the punitive aspects of employment programs which force people caring for others to move from some programs and into others with potentially higher barriers to employment.
- 8.53 The committee was alarmed by evidence regarding the compulsory elements of ParentsNext which appear to penalise single mothers in particular and recommends that they be abolished for those providing care.

#### **Recommendation 8**

- 8.54 The committee recommends the Department of Employment and Workplace Relations and the Department of Education develop a large-scale, evidence-based, appropriately evaluated, holistic, non-compulsory training and work placement program, to assist informal carers returning to or seeking further engagement with paid employment, training or voluntary work. Recognition of the prior education, employment and experiences of informal carers should be incorporated into the program.
- 8.55 The committee further recommends that the compulsory elements of ParentsNext be abolished for people providing care.

# Work and care experiences of specific groups

# Mental health and respite for carers

- 8.56 The committee received compelling evidence from experts about the sometimes severe consequences on mental and physical health of people trying to balance work and care obligations. These impacts are experienced in unique ways by certain social groups, including young people, migrants and culturally and linguistically diverse (CALD) communities and First Nations people.
- 8.57 The committee recommends that the feasibility of targeted supports for young carers be considered, in recognition of the fact that many support services are focused on other carer groups (for example, parents or families), but do not explicitly cater to the unique circumstances of young carers.

8.58 The committee calls on the Australian Government to develop a framework for the delivery of targeted mental health, training, and education programs to support young carers, and in particular consider increasing awareness of and support for young carers in schools.

#### Recommendation 9

- 8.59 The committee recommends the Department of Health and Aged Care, in consultation with key stakeholder groups and allied health professionals, develop a mental health support program tailored to carers aged 25 years and under. The program should consider:
  - the unique mental and physical health impacts of caring on young people;
  - the intersection of mental health for young carers with their education, training and employment opportunities and outcomes; and
  - how to raise awareness in educational settings of the burdens faced by young carers and how educators can support and direct young carers to appropriate support programs.
- 8.60 The committee was informed of the complexities for carers in seeking and securing respite care or substitute care for those they care for. It was also made aware of the importance of quality respite care for working carers as a means of managing their own wellbeing and employment obligations as well as ensuring that those they care for receive the best quality care and support.
- 8.61 To this end, the committee is convinced of the need for accessible, affordable and flexible respite care for the benefit of both working carers and those they care for. Noting the evidence which indicated that respite care is difficult to access, often unavailable and largely inflexible, the committee recognises the need for a review of respite care in Australia. As a starting point, this review should consider the evidence before the committee. It should focus on ways in which respite care can be made administratively easier to apply for, more accessible and flexible in order to accommodate the varying needs of working carers and those they care for.

## **Recommendation 10**

8.62 The committee recommends the Australian Government review the accessibility, availability, and flexibility of respite care with a view to improving respite care options available to working carers and those they care for.

# Migrants and CALD communities

8.63 The experience of migrants and CALD people engaging with work and care again highlights how the current architecture of the work and care system is failing so many people.

8.64 The committee was told of the barriers and complexities for migrants and CALD people seeking employment while undertaking caring responsibilities, and the unique circumstance they face. The committee therefore sees benefit in targeted programs which support migrant and CALD carers to better access support services and family support. In addition, better training of care workers on the needs of culturally and linguistically diverse people will help to deliver care in a safe environment and trauma-informed way.

## **Recommendation 11**

8.65 The committee recommends the Australian Government develop and implement programs and initiatives for informal carers from migrant and culturally and linguistically diverse (CALD) backgrounds to improve access to carer support services and family support.

#### **Recommendation 12**

- 8.66 The committee recommends that the Department of Employment and Workplace Relations develop training materials for all staff in care roles about cultural competency and safety, discrimination and anti-racism and the delivery of trauma-informed care.
- 8.67 The committee also encourages the Australian Government to consider amendments to the Pacific Australia Labour Mobility (PALM) scheme and other migrant worker schemes, to better consider the informal caring responsibilities of workers participating in these schemes. Ways to better support migrant workers with caring responsibilities may include providing affordable family accompaniment and return travel options, having clear pathways to permanent residency, and ensuring that workers are protected from discrimination should they elect to change to a new, more supportive employer.

## First Nations communities

- 8.68 First Nations carers deserve a work and care architecture that supports their unique cultural and community needs.
- 8.69 The committee, in its *Interim Report*, recommended funding for First Nations community-controlled ECEC, with a focus on regional, remote and some urban areas. This was in recognition of the need for culturally appropriate ECEC services, in areas with unique socio-economic and educational circumstances.
- 8.70 The committee welcomes the increase of the CCS for First Nations families in the Australian Government's 2022–23 Budget, from 24 to 36 hours, alongside removal of the activity test. These are important steps in improving access to early childhood education opportunities for First Nations children.
- 8.71 As part of its inquiry the committee continued to explore the intersection of work and care and how this affects First Nations people. The Secretariat of

- National Aboriginal and Islander Child Care in particular made it clear that institutional barriers in education, and a lack of cultural awareness in higher education training institutions, meant that the necessary, specific cultural skills for First Nations ECEC educators and staff are inadequate at present.
- 8.72 In addition, there needs to be greater support for the workforce participation of First Nations people, including in workplaces which are providing care to their own communities. As the evidence noted, employment of First Nations people in providing culturally secure and trusted services will help those being cared for feel supported, while simultaneously supporting local economies.
- 8.73 It is clear from this inquiry and from other bodies of work that care services for First Nations people, including aged and disability care and education, should be in hands of First Nations-controlled organisations, along with the training for providing such services.

- 8.74 The committee recommends the Department of Health and Aged Care and the National Indigenous Australians Agency develop processes to ensure that:
  - care services for First Nations people transition to First Nations community-controlled organisations; and
  - culturally appropriate training in care service sectors is available to workers providing care to First Nations communities, especially in regional, remote and some urban areas.

## Disabled workers

- 8.75 A significant number of disabled people are employed in the supported employment sector, including by Australian Disability Enterprises (ADEs).
- 8.76 The committee is deeply concerned by evidence which indicated that pay and working conditions in ADEs may be below standard. The committee recognises that disabled people should have more choice and options about the work they undertake.
- 8.77 In light of the evidence regarding the supported employment sector, including ADEs, and the need to provide opportunities in open employment, the committee recommends that more open employment pathways and opportunities for disabled people.

#### **Recommendation 14**

8.78 The committee recommends the Australian Government undertake further work in relation to the supported employment sector, including Australian Disability Enterprises (ADEs), to ensure that they meet community expectations, and both improve and increase pathways for disabled people

into open employment. This work should build on work already being progressed through the Disability Reform Ministerial Council.

## Pay and conditions of care work

- 8.79 The wage issues within the care sector have been long-known and yet remain unaddressed.
- 8.80 In particular, this inquiry has again highlighted that insufficient wages and poor working conditions are actively contributing to care workforce shortages whilst having significant, detrimental effects on workers, their families and our society.
- 8.81 Classification structures need to be unpacked and considered relative to each other across the care sector, with appropriate pay, and recognition of skills, experience and qualifications.
- 8.82 The committee is also concerned by the increasing use of gig platforms within the formal care sector. The committee supports the Senate Select Committee into Job Security (Job security committee) recommendation that the Senate consider an inquiry into the extent and impact of on-demand platform employment, increasing casualisation, use of labour hire/agency work, and contract labour in aged care, disability care, social services and health care.
- 8.83 The Job security committee also called on the Australian Government to direct pricing authorities in the care sector to consider all genuine costs to provide care, including the wages and conditions needed to attract and retain a skilled workforce, best practice skill mix and paid training hours. The committee would also welcome progress on this recommendation.
- 8.84 The committee acknowledges the recent decision of the Fair Work Commission (FWC) which recognised the existing rates of pay do not properly compensate aged care workers for the work performed. However, the FWC decided to award a 15 per cent wage increase only to direct care workers in aged care, arguing that the case for a similar increase could not be made for support or administrative care workers. The committee is glad to see an increase in pay for some workers, but this piecemeal approach will not address the underlying issues with inadequate pay, gender inequality and poor conditions in aged care sector or the pay issues more broadly across all care sectors.
- 8.85 The committee is encouraged by this initial progress and notes that further action can be taken to support care workers and to address some of the systemic issues with wages and conditions in these sectors. The Australian Government should advocate for care sector workers through support of a priority application to the FWC, via the newly established care and community sector expert panel, for award wage increases for all care sectors, including ECEC, disability care and age care, and all sectors covered by the Social, Community Home Care and Disability Services Industry (SCHADS) Award.

- 8.86 Following passage of the Secure Jobs, Better Pay legislation, care workers and their representatives can now also access the supported bargaining stream, initiate an application for an equal remuneration order, or a work value claim.
- 8.87 The Australian Government should, as recommended by the committee's *Interim Report*, draw on analyses completed by its departments which consider care work classifications and wage structures, as well as the interrelationships and variability in care work, to support the application to the FWC via the expert panel.

- 8.88 The committee recommends the Australian Government support workers and their representatives in the care sector to use the mechanisms available to them through the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022 to achieve wage increases. This could include care sector workers and their representatives accessing the supported bargaining stream, initiating an application for an equal remuneration order, or a work value claim.
- 8.89 The committee further recommends the Australian Government support a priority application to the Fair Work Commission (FWC) through the newly established care and community sector expert panel, for award wage increases for all care sectors including early childhood education, disability care and aged care, and all sectors covered by the relevant childcare, and Social, Community Home Care and Disability Services Industry (SCHADS) Awards.
- 8.90 In order to address pay equity and to stem the flow of workers out of the care sector, such a priority application should draw the FWC's attention to:
  - the need to reconsider and appropriately reward classifications, wage structures, conditions and entitlements across all care sectors and awards, and under the SCHADS Award. This consideration should include appropriate relative pay across the care sector reflecting the nature of work and qualifications, skills and experience. It should also recognise the impact of gender on caring roles and the unique skills, variability and value of care work;
  - the appropriateness of care sector employees receiving payments for work-related travel time, administrative responsibilities and engagement with essential training; and
  - the appropriateness of a minimum shift call-in time across the care sector (for example, a four-hour minimum or another identified suitable minimum period).
- 8.91 The Australian Government should consider mechanisms to fund and implement, in accordance with historical practice, any wage increases and improved conditions agreed to by the FWC.

## Paid parental leave

- 8.92 The implementation of a quality and universal ECEC system needs to be adequately supported by paid leave systems, which allow families and carers to better balance their work and care responsibilities and to support children without financial or career detriment.
- 8.93 This is most urgent for women, who still carry the majority of child caring responsibilities and therefore have reduced choices and flexibility when it comes to engaging with the workforce.
- 8.94 As the committee argued in its *Interim Report*, there is a complex relationship between the utilisation of paid parental leave (PPL), access to ECEC and for workforce participation for carers.

## **Increasing the PPL entitlement**

- 8.95 The committee notes and welcomes the Australian Government's announcement of an increase to PPL, from 18 to 26 weeks, to be implemented in full by 2026, consistent with the announcement in the October 2022–23 Budget. This increase to 26 weeks reflects the views and recommendation put forward by the committee in its *Interim Report*.
- 8.96 The Australian Government has now introduced legislation, via the Paid Parental Leave Amendment (Improvements for Families and Gender Equality) Bill 2022, to increase PPL from 18 to 20 weeks from 1 July 2023, with further legislative changes to give full effect to this PPL measure to be introduced later in 2023.
- 8.97 However, the evidence to the committee suggests that a PPL period of 52 weeks is the best practice for both children and their carers.
- 8.98 The committee therefore recommends that the Australian Government consider mechanisms to fund and implement a pathway to reach international best practice of 52 weeks of PPL. If this is not achieved within a reasonable timeframe, Australia may fall further behind international standards to the disadvantage of Australian parents, productivity and labour supply.
- 8.99 In addition, and in order for PPL to operate most effectively, the committee also calls on the Australian Government to consider an extension to the 'use it or lose it provisions', and payment of superannuation on such leave.

#### **Recommendation 16**

8.100 In light of recent and forthcoming legislative amendments, the committee recommends the Australian Government consider mechanisms to fund and implement a pathway to reach international best practice of 52 weeks of paid parental leave. The government-funded leave should be paid at least at the minimum full-time wage, with consideration given to encouraging employers to top up payments to full wage replacement.

- 8.101 The committee also recommends the Australian Government consider further amendments to the *Paid Parental Leave Act* 2010 to:
  - include 'use it or lose it' provisions so that a proportion of the leave is taken by a co-parent;
  - guarantee the full period of paid leave to sole parents; and
  - ensure superannuation is paid in addition to paid parental leave payments.

# Sick, carers and holiday leave

- 8.102 The current definitions of 'immediate family or household member', which apply to accessing existing carer's sick leave, have been shown to be inadequate. A variety of stakeholders and communities expressed to the committee their concerns about the current definitions, and how they were limiting working carers access to leave entitlements to care for friends, neighbours and members of their community.
- 8.103 The committee heard that this particularly affects First Nations and CALD communities, where informal care is often provided to those considered extended family, despite perhaps not being directly related. Similarly, other diverse carer cohorts, such as the lesbian, gay, bisexual, transgender, intersex, queer, asexual and other sexually or gender diverse (LGBTIQA+) community, may not have their families of choice recognised by employers.
- 8.104 The current definitions around 'carer's leave' do not reflect the experience of the family, friends and community groups of working carers, and should be amended to better reflect the diversity of the work and care experience.
- 8.105 The committee is therefore of the view that broader, nationally consistent definitions for leave entitlements would be of great benefit to not only working carers and their employers, but also to governments and other key stakeholders as they develop and renew policies within the leave entitlement framework.
- 8.106 The committee therefore recommends that the definition of 'immediate family' in the *Fair Work Act* 2009 (Fair Work Act) be amended, to make it broader and to include members of an employee's household; any of the employee's children or siblings; or any other significant person to the employee (which the Fair Work Ombudsman may choose to issue guidance material on).

- 8.107 The committee recommends that the definition of 'immediate family' in the Fair Work Act 2009 be amended and broadened for the purposes of an employee accessing carer's leave. In addition to the current definition, the following persons should be classified as 'immediate family':
  - any person who is a member of an employee's household, and has been for a continuous period of over 18 months;

- any of the employee's children (including adopted, step and ex-nuptial children);
- any of the employee's siblings (including a sibling of their spouse or de facto partner); and
- any other person significant to the employee to whom the employee provides regular care.

## Leave 'buckets'

- 8.108 The committee is concerned that employees are being forced to utilise their own personal leave when caring for others, resulting from the lack of any distinction between 'personal' and 'carer's' leave.
- 8.109 This leave entitlement as it is currently legislated is clearly combining two very different types of leave. Carers often exhaust their personal leave while undertaking caring responsibilities. This leaves them with no leave entitlement for their own illnesses or personal needs. This is especially problematic for those informal carers who may be disabled or living with a or chronic illness themselves.
- 8.110 The committee therefore recommends that the Australian Government consider existing leave arrangements. As part of this review, the prospect of personal and carer's leave being split into two leave 'buckets' should be considered alongside other possible improvements to leave arrangements under the Fair Work Act.

- 8.111 The committee recommends the Australian Government consider the adequacy of existing leave arrangements and investigate potential improvements in leave arrangements in the Fair Work Act 2009, including separate carer's leave and annual leave.
- 8.112 At present insecure workers—up to a third of the workforce—do not have access to paid sick and holiday leave. Casual workers in theory are paid a leave loading to compensate for loss of such conditions. However, the committee heard evidence suggesting that many casual and insecure workers do not receive a casual loading, and are paid less than ongoing workers they work alongside, so they do not appear to be paid any premium for their loss of paid leave and other conditions. Further the casual loading, where it is paid, does not fully compensate for the many conditions lost, including basic job insecurity, different forms of leave, training, promotion, and career opportunities.
- 8.113 Working carers are disproportionately concentrated in jobs lacking paid sick and holiday leave and yet, ironically, their need for paid sick leave and a holiday to rest and recover is great.
- 8.114 Recognising that many workers employed on casual terms do not receive a casual loading, and that the loading does not adequately compensate for all

conditions lost, the committee recommends the Australian Government request the Fair Work Commission to review these arrangements.

#### **Recommendation 19**

8.115 The committee recommends the Australian Government request the Fair Work Commission to review access to and compensation for paid, sick and annual leave for casual and part-time workers.

## Sustaining a work and care system

- 8.116 Submitters to the inquiry questioned the sustainability of the current aged and disability care systems, calling for a review of funding models. Particular concern was raised in relation to for-profit providers in the aged care, disability and ECEC sectors.
- 8.117 The committee was told that the pursuit of profit often leads to cost reductions resulting in an erosion service quality. It is concerned by evidence regarding wages and conditions offered by for-profit providers as well as the impact on not-for-profit providers.
- 8.118 The committee takes the view that the provision of care in the aged, disability and ECEC sectors should therefore be reviewed by the Department of the Prime Minister and Cabinet. Such a review may consider the governance of care providers, including the extent to which they are transparent and accountable, the impact of thin markets on care provision, and consider the quality of care provided and the level of training and other supports provided to workers which underpin that care.

## **Recommendation 20**

8.119 The committee recommends the Department of the Prime Minister and Cabinet consider the operation of markets in the aged, disability and early childhood education and care sectors and the effectiveness of current models of provision (including profit and not-for-profit models) in delivering quality care and addressing provision in thin markets.

# Roster justice

- 8.120 The committee's view is that all workers, including working carers, are entitled to a reasonable and consistent work schedule.
- 8.121 Workers with caring responsibilities should be given input into their own schedules and must be free to raise issues with their employer, including seeking greater flexibility, without fear that doing so will affect their future engagement and opportunities with that employer.
- 8.122 The committee canvassed this issue extensively in its *Interim Report*. The committee reiterates Recommendation 5 of that report and calls on the

Australian Government to take action on this recommendation as soon as possible:

The Australian Government amend the *Fair Work Act* 2009 to provide improved rostering rights for employees, and in particular working carers, by:

- ensuring employers implement rostering practices that are predictable, stable and focused on fixed shift scheduling (for example, fixed times and days); and
- amending section 145A of the Act to require employers genuinely consider employee views about the impact of proposed roster changes, and take the views of the employee, including working carers, into consideration when changing rosters and other work arrangements.<sup>5</sup>
- 8.123 Following on from the tabling of its *Interim Report*, the committee received further evidence raising concerns with unpredictable rostering practices and their significant impact on working carers. The committee therefore urges the Australian Government to respond to this recommendation and support rostering rights for employees.
- 8.124 In addition to this reform, the committee recommends further changes to the Fair Work Act to require employers to provide a minimum of two weeks advance notice of rosters and roster changes. Evidence to the committee was clear that notice of at least two weeks would enable working carers to undertake their work and fulfil their caring responsibilities. To supplement this change, the committee also believes that workers should be provided with the right to decline working extra hours without suffering any negative consequences or penalties in the workplace.

- 8.125 The committee recommends, alongside its Interim Report recommendations to ensure employees have predicable, stable rosters, the Australian Government supports a review by the Fair Work Commission (FWC) of current industrial awards, to require employers to give advance notice of at least two weeks of rosters and roster changes (except in exceptional circumstances) and genuinely consider employee views about the impact of proposed roster changes and to accommodate the needs of the employee.
- 8.126 The committee further recommends the Australian Government support a review by the FWC into current industrial awards, to ensure employees have a 'right to say no' to extra hours with protection from negative consequences.

<sup>&</sup>lt;sup>5</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, p. 110.

# Working long hours

- 8.127 It was 75 years ago in 1948 that a 40-hour, five-day paid working week for all Australians was adopted and it was 40 years ago in 1983, that the Australian Conciliation and Arbitration Commission introduced the 38-hour week.
- 8.128 The committee recognises that Australian workplaces have undergone considerable change since that time, including greater flexibility in workplace arrangements which came to the fore during the pandemic, as well as modern trends such as the gig economy.
- 8.129 The committee is convinced by research demonstrating that work-hour regulations improve the compatibility of work and family and reduce gender inequality in working hours.<sup>6</sup> Therefore, the committee believes that it is timely that the Fair Work Commission conduct a review of the operation of the 38-hour working week.

#### **Recommendation 22**

8.130 The committee recommends the Australian Government write to the Fair Work Commission suggesting a review of the operation of the 38-hour working week set in the National Employment Standards, the extent and consequences of longer hours of work. The review should also consider stronger penalties for long hours and other possible ways to reduce them, including through the work, health and safety system which requires employers to ensure safe working hours as a part of providing a safe workplace.

# Right to disconnect

8.131 As the committee made clear in its *Interim Report*, it is concerned by the gradual erosion of the boundary between working and non-working hours.

8.132 It is vital that workers are able to genuinely and fully disconnect from work, and to this end the committee also reiterates Recommendation 4 of its *Interim Report*:

The Department of Employment and Workplace Relations investigate legislative reforms to the *Fair Work Act* 2009 and any other associated workplace laws, to enact a 'right to disconnect' from work. This right should:

- enable and support productive work from home and flexibility of work;
- protect the right of workers to disconnect from their job outside of contracted hours and to enforce this right with their employer;
- place a positive duty on employers to reasonably accommodate the right wherever possible; and

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<sup>&</sup>lt;sup>6</sup> Liana Christin Landivar, 'The gender gap in employment hours: do work-hour regulations matter?', Work, Employment and Society, Volume 29(4), August 2015, p. 568, journals.sagepub.com/doi/epub/10.1177/0950017014568139 (accessed 11 January 2023).

- allow employees to appeal to the Fair Work Commission where the right is not being enacted by employers.7
- 8.133 The committee continued to receive evidence after tabling its *Interim Report* that raised significant concerns regarding the importance of disconnecting from work at the completion of the working day. Given the seriousness of this issue, and its impact on the health and wellbeing of workers, the committee recommends amendment to the Fair Work Act to secure the 'right to disconnect' as an enforceable right without further delay. The committee notes that these changes would align with standards in comparable Organisation for Economic Co-operation and Development countries.
- 8.134 In addition to the importance of disconnecting from work without fear of penalty or reprisal, the committee is aware of circumstances whereby workers have not been paid for additional hours worked. This is unacceptable for any worker in Australia and in particular for workers with unpredictable incomes in insecure work.

- 8.135 The committee recommends the Australian Government consider amending the Fair Work Act 2009 to include an enforceable 'right to disconnect' under the National Employment Standards, giving all workers a right to disconnect once their contracted working hours have finished and restricting employers from communicating with workers outside of work hours, except in the event of an emergency or for welfare reasons.
- 8.136 The committee further recommends the Australian Government increase penalties for employers who commit wage theft through, for example, unpaid additional hours of work and consider changes to law that make these cases subject to criminal charges.

# **Flexibility**

- 8.137 As the committee argues in its *Interim Report*, all workers should have an enforceable right to request flexible working arrangements after six months of engagement.
- 8.138 Further, there should a positive duty on employers to create flexible work spaces, and environments where working carers feel comfortable broaching the subject with their supervisors.
- 8.139 The committee reiterates Recommendation 3 of its Interim Report and calls on the Australian Government to implement the recommendation as a matter of priority, recognising that the final point below has been implemented in welcome amendments to the Fair Work Act in late 2022:

<sup>&</sup>lt;sup>7</sup> Senate Select Committee on Work and Care, *Interim Report*, October 2022, p. 109.

The committee recommends that the Australian Government amend the *Fair Work Act* 2009, including section 65 of that Act, to:

- make the right to request flexible work available to all workers and to remove the stigma attached to its use when confined to carers;
- replace the 'reasonable business grounds' provision at section 65(5) under which employers can refuse a flexible working arrangement, with refusal only on the grounds of 'unjustifiable hardship';
- introduce a positive duty on employers to reasonably accommodate flexible working arrangements;
- · require consultation with workers about flexibility requests; and
- revise sections 738 and 739 of the Act to introduce a process of appeal to the Fair Work Commission, for decisions made by employers under section 65 refusing to allow flexible work arrangements on the grounds of unjustifiable hardship, or on 'reasonable business grounds'.
- 8.140 The committee was also particularly concerned about the flexible workplace arrangements in companies and their rostering practices. During the inquiry, the committee received evidence from several major Australia retail companies regarding their workplace arrangements and rostering practices coupled with evidence from unions and workers.
- 8.141 The committee takes the view that companies in Australia should be required to report on the active steps they are taking to ensure roster justice and flexible workplace arrangements. It is the belief of the committee that by requiring the mandatory public reporting by these companies on these matters, scope for improvements in workplace flexibility and roster justice will be found.

- 8.142 The committee recommends the mandatory annual reporting of companies with over 20 000 employees in Australia to the Fair Work Commission on workplace practices to ensure roster justice and flexible working arrangements.
- 8.143 The committee further recommends the mandatory collection of data by these companies of requests, including at store level, for roster changes and flexible working arrangements, and the percentage of changes to shifts that have been initiated by the employer within one week of the shift taking place. The data should:
  - include a collection of all requests, including those deemed 'informal', and detail whether these requests were approved, approved with modification, or denied;
  - provide information on the length of employment (up until the date of reporting) for that employee after their request was initially made; and
  - be provided in full to the Workplace Gender Equality Agency and published on the respective company's website.

# Job security

- 8.144 The committee acknowledges that all workers, including working carers, can be harmed by insecure work.
- 8.145 Working carers may be doubly harmed: caring responsibilities make it more likely they're in insecure work in the first place, and the nature of insecure work creates additional barriers to managing their caring responsibilities.
- 8.146 The committee recognises that insecure work is a complex, wide-ranging problem that must be addressed across the whole of the Australian economy. It is vitally important that this work reflects the disproportionate impact of insecure work on working carers.
- 8.147 Much work on addressing this issue has already been progressed, through the work of the Job security committee. It made several important recommendations to the Australian Government:
  - that it work with unions, service providers and employers to amend awards to restrict the use of low minimum-hours part-time contracts;<sup>8</sup>
  - that it develop a new statutory definition of causal employment that reflects the true nature of the employment relationship;<sup>9</sup> and
  - that the Senate consider referring to the Education and Employment References Committee an inquiry into the extent, growth and impact of insecure work in Australia.<sup>10</sup>
- 8.148 Regarding casual employment, the committee is keen to ensure that any definition of this form of employment reflects casual work to be genuinely intermittent, seasonal or unpredictable—and not used as a way for employers to perpetuate cycles of insecure work.<sup>11</sup>
- 8.149 The committee supports the above recommendations of the Job security committee but is disappointed that despite being tabled nearly a year ago, the Australian Government is yet to respond to these recommendations.
- 8.150 Given their importance, the committee reiterates the recommendations of the Job security committee and calls on the Australian Government to implement these recommendations as a matter of priority.

Senate Select Committee on Job Security, *First interim report: on-demand platform work in Australia*, October 2021, pp. 135–136, <a href="www.aph.gov.au/Parliamentary Business/Committees/Senate/Job Security/JobSecurity/Interim Report">www.aph.gov.au/Parliamentary Business/Committees/Senate/Job Security/JobSecurity/Interim Report</a> (accessed 3 February 2023).

Senate Select Committee on Job Security, The job insecurity report, February 2022, p. 126, www.aph.gov.au/Parliamentary Business/Committees/Senate/Job Security/JobSecurity/Fourth In terim Report (accessed 3 February 2023).

<sup>&</sup>lt;sup>10</sup> Senate Select Committee on Job Security, *The job insecurity report*, February 2022, p. 193.

<sup>&</sup>lt;sup>11</sup> Senate Select Committee on Job Security, *The job insecurity report*, February 2022, p. 193.

- 8.151 The committee recommends the Australian Government respond to the recommendations of the Senate Select Committee on Job Security as a matter of priority. The committee reiterates those recommendations and calls on the Australian Government to:
  - develop a new statutory definition of casual employment that reflects the true nature of the employment relationship and is restricted to work that is genuinely intermittent, seasonal or unpredictable; and
  - restrict the use of low base hour contracts, which can be 'flexed up'
    without incurring any pay penalty for additional hours worked beyond
    contract, and ensure permanent part-time employees have access to
    regular, predicable patterns and hours of work. This could include
    implementing penalty rates for any hours worked over the contracted
    amount. For example, if an employee is contracted for 15 hours and their
    employer rosters them for more, they should be paid a penalty rate for
    hours worked beyond the contracted amount.
- 8.152 The committee further recommends that the Australian Government develop clearly delineated statutory definitions of part-time and full-time employment and that these definitions, as well as a definition of casual employment, be inserted into the *Fair Work Act 2009*. These definitions should accurately reflect modern employment relationships and address employers' use of widely accepted legal loopholes, which can result in employment conditions that do not align with community expectations. In particular, the growing trend of part-time work to function as a form of casual employment without the benefit of casual loading.

# Gig workers—equal pay for equal work

- 8.153 The gig economy was also extensively explored by the Job security committee. In this current inquiry, the committee is concerned with how people with caring responsibilities can engage as gig workers while maintaining their workplace rights and entitlements.
- 8.154 It is just as important, as with other carers in other forms of paid employment, that gig workers have predictability and can earn a liveable income with access to leave entitlements like personal and carers leave.
- 8.155 Gig workers need the same conditions and entitlements as all other workers. This includes predictability of work, liveable income, decent health and safety standards, and paid sick and holiday leave. The Australian Government should remove incentives for gig platforms to avoid workplace regulations.
- 8.156 Gig workers need to be able to balance work and care. Gig services in the care sector in particular, need to ensure quality and continuity of care for those being cared for, as well as the rights of gig workers in care jobs.

- 8.157 The committee recommends that the principle of equal pay for equal work should be applied to gig workers, who currently do not have the same conditions and entitlements as other workers. Gig workers should have the same rights regarding predictability of work, liveable income, decent health and safety standards, and paid sick and holiday leave.
- 8.158 The committee further recommends the Australian Government remove incentives for gig platforms to avoid workplace regulations.

# Shorter working week

- 8.159 The committee recognises that a reduced working week and in particular, a four-day week, offers a range of benefits for both employers and employees. Key amongst these benefits is that a reduced working week normalises care as a part of working life.
- 8.160 The question is whether standardising reduced hours as the norm, with the purpose of providing greater work-life balance without undermining productivity, will influence a redistribution of unpaid work across genders as well as provide a more even playing field for women with caring responsibilities.
- 8.161 The prospect that a shorter working week could make employment more accessible, encouraging the creation of more jobs for people, and particularly women who might otherwise have to work part-time, on a casual basis, or not at all because of caring responsibilities, is very enticing. It raises the prospect that working carers can progress their careers and take up employment appropriate to their level of qualification, while also encouraging a redistribution of unpaid labour more equally across genders.
- 8.162 While appreciating that a four-day working week and other reduced working week initiatives may not be suitable for all workplaces, there is a growing volume of evidence to demonstrate that it can work across most sectors and industries.
- 8.163 As a workplace with reduced hours has the potential to level the gender playing field, it raises not only the prospect of more women in managerial positions but also positively impact unconscious bias in recruitment and training, as well as promotion across workplaces.
- 8.164 While workplace flexibility and shorter working hours are promoted as work-family reconciliation measures, the implications for advancing gender equality in the workplace and narrowing the gender pay gap have not been comprehensively captured in the analysis. Therefore, the committee holds the view that any future pilot scheme, such as a four-day week, must be subject to ongoing monitoring, and analysis to measure these factors as part of a comprehensive data set.

8.165 The committee notes that the future of the working week, including a four-day working week, is the subject of an Australian Capital Territory (ACT) Legislative Assembly Standing Committee on Economy and Gender and Economic Equality inquiry. It would be advantageous for a four-day week piloted by the Australian Government to be coordinated with any similar initiative undertaken by the ACT Government.

#### **Recommendation 27**

8.166 The committee recommends the Australian Government request the Fair Work Commission undertake a review of standard working hours with a view to reducing the standard working week.

#### **Recommendation 28**

- 8.167 The committee recommends the Australian Government undertake a four-day week trial based on the 100:80:100 model whereby employees retain 100 per cent of the salary while reducing their hours to 80 per cent while maintaining 100 per cent productivity. The trial should be implemented in diverse sectors and geographical locations.
- 8.168 The Australian Government should partner with an Australian university throughout the trial to measure the impact of a four-day week on productivity, health and wellbeing, workplace cultural change, gender equality in the workplace as well as the impact on the distribution of unpaid care across genders.

# **Activity Tests**

- 8.169 To properly support people with childcare responsibilities to enter or reengage with the workforce, there needs to a proper social security framework in place which works alongside the ECEC system, and ensures parents are not financially punished for wanting to both care for children and engage in paid employment.
- 8.170 To this end, the committee is persuaded by the evidence that the activity tests associated with various income support payments, and specifically the CCS and ParentsNext, are negatively impacting on working carers—particularly for those working unpredictable or tenuous hours, and for disadvantaged families.
- 8.171 The committee shares the views put forward in evidence that there is no clear purpose to the activity tests, and they are instead actively keeping informal carers out of the workforce, rather than supporting them into paid work.
- 8.172 There was compelling evidence about the disproportionate impact of activity tests on First Nations communities, where participation rates in ECEC are low. In its *Interim Report*, the committee observed that the Australian Government should be removing barriers to increased participation in learning and care, and

- recommended that the relevant social policy and family assistance laws be amended to remove activity test requirements for First Nations people accessing subsidised childcare. We welcome recent actions on this front.
- 8.173 In addition, the committee notes that the PC review will consider and report findings on the abolition of the Child Care Subsidy activity test under the Family Assistance Law.
- 8.174 The committee is of the view that the Australian Government should consider removal of activity tests for all income support payments, noting their impact on workforce participation—especially for women.

8.175 Noting that the Productivity Commission will consider and report findings on the abolition of the Child Care Subsidy activity test, the committee recommends the Australian Government consider amending the relevant social policy and family assistance laws to abolish activity tests.

## Support payments for carers

- 8.176 It is clear that structural reform is needed for wages across all care sectors, but it is also apparent that income support payments are not fit for purpose for people trying to make a liveable income while caring for others and seeking more engagement with paid employment. The real value of carer payments have fallen behind.
- 8.177 Specifically, income security payments such as the JobSeeker and Parenting Payments have not kept pace with the cost of living and do not support people in meeting their basic needs.
- 8.178 For working carers who often have interrupted access to paid employment across their lives, these inadequacies can be amplified. This is of concern to the committee, as inadequate financial support can have long term and irreversible adverse impacts on both individuals and families.
- 8.179 Suspensions of activity tests and other conditions on income support payment during the pandemic, and the addition of the \$550 Coronavirus supplement, show that changes to the income security system are not only possible, but can be made quickly, to the great and immediate benefit of many people—including working carers and especially women.

- 8.180 The committee recommends the Australian Government review the level of Carers Payment and Carers Allowance, acknowledging the significant social and economic contribution that carers make.
- 8.181 The committee also recommends that the Australian Government consider reversal of the current policy which transfers sole parents from Parenting

- Payment Single to JobSeeker Principal Carer payments when their youngest child turns eight years of age, and imposes mutual obligation activities on them when their youngest child turns six years of age.
- 8.182 The committee further recommends the Australian Government ensure all income security payments are regularly reviewed to ensure that they are adequate.

# Reforming superannuation

- 8.183 The evidence received shows that Australia's superannuation system does not properly consider and respond to the various ways people engage with paid employment over their lives, and the impacts on their retirement incomes. Superannuation, as it is currently structured, also does not consider the gendered nature of care and the fact that women providing informal care will likely have an interrupted engagement with paid work.
- 8.184 It is clear to the committee that superannuation should be reformed to minimise the impact of caring on a worker's long-term economic security and deliver better outcomes for women.
- 8.185 To this end, alongside recommended amendments to the *Superannuation Guarantee* (*Administration*) *Act* 1992 to require superannuation to be paid on paid and unpaid portions of parental and carers leave, it was put to the committee that the Australian Government should permit working carers to average earnings for income tax purposes over five-year periods. The resultant tax benefit/refund could be paid into the recipient's superannuation account.
- 8.186 Furthermore, during the Job and Skills Summit, the Australian Government committed to establishing the right to superannuation in the National Employment Standards (NES).
- 8.187 Under current arrangements, enforcement of unpaid or underpaid superannuation rests with the Australian Taxation Office. Such reform to the NES would enable the Fair Work Ombudsman to pursue claims in relation to unpaid or underpaid superannuation, while also providing individual employees with a direct legal avenue to recover unpaid or underpaid superannuation.
- 8.188 This reform would require an amendment to the Fair Work Act to provide for the inclusion of these standards under the NES, and the committee recommends such amendments are progressed as a matter of priority.

#### **Recommendation 31**

8.189 The committee recommends the Australian Government amend, without delay, the Fair Work Act 2009 to establish the right to superannuation as a National Employment Standard.

## Carer credits

- 8.190 Internationally there are examples of different models, including effective carer credit schemes, which go some way to addressing gender discrepancies in retirement incomes, and acknowledging the long-term financial impacts of informal carers taking time out of paid employment.
- 8.191 The committee heard that carer credit systems have positively contributed to the retirement incomes of those who have had periods out of paid employment to informally care for others—in particular, for parental care leave.
- 8.192 Treasury's 2020 retirement review noted that for a similar carer credit scheme to be introduced into Australia, it would need to be adapted to Australia's work context, including the age pension and associated asset tests.
- 8.193 Notwithstanding these limitations, the committee believes there is merit in examining a variety of options, including an examination of the feasibility of implementing a carer credit scheme in Australia, as a means of addressing the gap in retirement incomes.
- 8.194 Therefore, the committee recommends the Australian Government investigate mechanisms to address the superannuation gap. As part of this review, the reform options put forward by the Australian Human Rights Commission in its 2013 report, *Investing in care: Recognising and valuing those who care* should be considered.

#### **Recommendation 32**

8.195 The committee recommends the Australian Government consider the implementation of a care credit scheme informed by the reform options proposed in the 2013 Australian Human Rights Commission, *Investing in care:* Recognising and valuing those who care report. As part of its review the Australian Government should investigate possible mechanisms to address the superannuation gap between men and women, including consideration of paying care credits to superannuation for up to five years for parents who take leave and reduce hours of employment to care for others.

## Data on work and care

- 8.196 The committee notes evidence that emerged during the inquiry of serious work and care data gaps.
- 8.197 As noted in its *Interim Report*, the issue of 'data poverty' is of great concern when it comes to considering the workplace relations framework and how caring obligations interact with this system. The committee therefore recommended generating data, about the extent, nature and effects of the interaction of work and care, in order to analyse outcomes for working carers, including carers in insecure work.

- 8.198 This data will also help in identifying and considering cohorts which have traditionally been underrepresented in discussions about the work and care framework, including young carers, disabled people, migrants and CALD communities, older people, First Nations people, and those in rural, regional and remote areas.
- 8.199 As noted by Professor Hickie, there needs to be continuous data collection to measure how caring roles are being accommodated in formal settings, including the workplace. Professor Hickie argued that a data-driven approach to reform of wellbeing in the workplace, including the wellbeing of workers with multiple roles, would help move away from reflexive and individualistic approaches to reform.<sup>12</sup>
- 8.200 As a case in point, the evidence showed that the numbers of young people providing informal care are not known, nor are their experiences properly being recorded and then considered by policy-makers. More data on young carers would help with the development of targeted support programs for young carers to better engage with education, and help provide clearer pathways to paid employment.

- 8.201 The committee recommends the establishment of a new longitudinal data set in parallel to the Household Income and Labour Dynamics in Australia survey with a specific focus on workplaces and the experience of workers within them, including how they intersect with care activities.
- 8.202 The committee further recommends that additional research be funded to independently analyse and publicly report on the circumstances and experiences of carers in Australia.

Senator Barbara Pocock Chair Greens Senator for South Australia Senator Deborah O'Neill Deputy Chair Labor Senator for New South Wales

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Mr Ross Womersley, Chief Executive Officer, South Australian Council of Social Services, Committee Hansard, 6 December 2022, p. 41; Professor Sara Charlesworth, Convenor, Work + Family Policy Roundtable, Committee Hansard, 20 September 2022, pp. 53–54.

# Government Senators' additional comments

- 1.1 The final report of the Senate Select Committee on Work and Care (committee) reflects a thorough investigation into the state of Australia's work and care sector, and the careful consideration of evidence provided by a wide range of stakeholders including major retailers, unions, individual workers, early childhood education and care advocacy groups, those within the formal care economy, and beyond.
- 1.2 Whilst the recommendations contained within the report provide a valuable contribution to policy debate and are supported in principle by the committee's Government Senators, they do not reflect Australian Government policy.
- 1.3 The report accurately reflects the current state of work and care within Australia. It provides recommendations to the Government on mechanisms to redress harms observed within the sector and improve the function of Australia's formal and informal care economies.
- 1.4 The recommendations contained in the report arise from the evidence.
- 1.5 On handing this report to the Parliament and the Australian Government for further consideration we acknowledge the fiscal constraints of the moment. It is certainly fair to assume that changes in policy that the committee recommends for consideration by the Government would have cost implications. The committee did not have the resources to undertake detailed costings, and offer these recommendations encouraging that such detailed work be undertaken to fully inform future policy making and action, to redress the harms this report catalogues.
- 1.6 At the time this important report is tabled, the Australian Government has inherited a trillion dollars of debt from the former Coalition Government. Global conditions are putting significant pressure on the Australian economy. Current interest rates, which are high due to global inflationary pressures, have resulted in increased interest payments on the debt which has been inherited from the former government. This fiscal reality necessarily imposes constraints on social policy.
- 1.7 Labor senators on this committee are proud that the Australian Government is committed to the introduction of responsible, incremental legislature and policy aimed at promoting Australia's economic growth, fair pay and conditions for all workers, practically accessible early childhood education and care, and an economic structure which empowers all Australians, including women, First Nations Australians, people with disability, and those undertaking caring responsibilities alongside the demands of work.
- 1.8 Support for people balancing work and care, and a strong care and support sector, are core priorities for the Australian Government. The centrepieces of the

Government's first Budget were a major investment in affordable early childhood education and care and a modernisation and expansion of paid parental leave. The Government has also launched a Productivity Commission inquiry into Australia's early childhood education and care system and is developing a National Strategy for the Care and Support Economy. Our industrial relations reforms will make it easier for workers in female-dominated care sectors to seek better pay and conditions and we have committed to fund wage increases for aged care workers.

1.9 This report contributes important contemporary knowledge about the state of work and care in our nation. It is now the role of government to consider the report and its recommendations within the context of broader budgetary and legislative constraints.

Senator Deborah O'Neill Deputy Chair Labor Senator for New South Wales Senator Jana Stewart Member Labor Senator for Victoria

Senator Linda White Member Labor Senator for Victoria

## **Additional comments from Coalition Senators**

1.1 Coalition Senators acknowledge the concerns expressed in the evidence of the witnesses who made submissions and appeared before the Select Committee on Work and Care. Coalition Senators also note the aspirational views expressed in the recommendations presented in the Work and Care final report, however these recommendations do not take into account the significant impact on Budget implications across the broad portfolio areas of workplace relations, education, social services, housing and health.

#### **Industrial relations**

- 1.2 Coalition Senators note the numerous recommendations that relate to the Australian workplace relations system.
- 1.3 The Australian labour market is diverse and provides various forms of work for people in different circumstances or with different needs. As policymakers we note that the best way to encourage Australians into work is to support all forms of work, as this gives Australian jobseekers the ability to find positions, arrangements and levels of work that fit around their needs. Many recommendations in this report, which reflect the Australian Labor Government policy, look to demonise certain forms of work as well as limit or discourage them.
- 1.4 Many recommendations of this report will see further deterioration of the flexibility and consideration of what employers and employees are looking for when it comes to fulfilling work, and a move to a further regimented and legalistic nature of the workplace relations system. Such change will be detrimental to all Australians.
- 1.5 Coalition Senators note that the employer/employee relationship is better when approached from a position of flexibility and common sense, and both the needs of the employer and employee are taken into consideration—not by a 'one-size-fits-all' approach. Many of these recommendations would require a significant consultation with both employers and employees to ensure that concerns of potential unintended consequences are addressed when considering the impact they would have on that employer/employee arrangement.
- 1.6 We note the former Coalition Government introduced the first statutory definition of a casual employee, despite the opposition by the Australian Greens and Australian Labor Party. The introduction of a statutory definition benefited both employees and employers as it now provides a clear determination of the nature of the employment arrangement at the outset of employment.
- 1.7 It also introduced, for the first time, a right to convert to permanent employment, by enshrining a casual conversion entitlement in the National

- Employment Standards. This means if employees wish to, they have the ability to convert after 12 months.
- 1.8 These changes also protect Australian businesses from significant additional costs if they were to incorrectly label an employee a casual. The legislation, which Labor and the Greens opposed, removes a potential \$30 billion liability by allowing employers to offset entitlements claims with casual loading already paid during the employment of the employee. This stopped any double dipping of entitlements, and protected Australia's 4.2 million small businesses from financial ruin.

## Recommendations to Fair Work Commission processes, reviews, and umpire decision-making

- 1.9 As is the case through many changes of the workplace relations system, governments must undertake considerable consultation and time to ensure that productivity, choice and options for Australians are improving, rather than moving back to a time of more disputation, delay and minimal confidence in the economy from employers.
- 1.10 Any changes to leave entitlements, awards, rights and obligations in the workplace relations system need to follow previous procedures for changes, which are appropriately done through the independent umpire of workplace relations in Australia, the Fair Work Commission. As was the case with the introduction of Paid Family and Domestic Violence Leave, the Fair Work Commission had a considerable number of hearings and extensive deliberations on how any changes would impact Australian employers and employees.
- 1.11 Any potential changes to how the gig-economy operates and choices independent contractors, more broadly, make around flexibility arrangements will need careful consultation and consideration for unintended consequences and impact. Your local plumber, electrician and the owner-drivers in the transport industry could be caught out, losing the main reason they chose to be an independent contractor—the freedom of choosing when, and if, they work and who to sell their services to.
- 1.12 Coalition Senators note over-regulation of the gig-economy has the potential to wreck the flexibility it offers. Failure to properly consider the possible consequences of any such changes could also mean gig-economy workers could miss out on the ability to work for more than one platform at the same time.
- 1.13 Coalition Senators disagree with moves to establish superannuation as a National Employment Standard. Superannuation continues to consume real wage growth by up to 80 per cent, as confirmed by the Department of the

Treasury.<sup>1</sup> The Australian Government should be making workplaces more flexible, not less.

## *Safety in the workplace*

- 1.14 Every single worker, no matter how their employment arrangements are structured, has the right to a safe working environment and to come home safe at the end of each day.
- 1.15 Under the model Work, Health and Safety (WHS) laws, any person conducting a business or undertaking, which can include gig-economy platforms, has a duty to ensure that workers and other persons in the workplace are not exposed to health and safety risks as far as is reasonably practicable. This includes risks to both physical and psychological health.
- 1.16 While the Australian Government has no direct authority to unilaterally make changes in relation to WHS laws, the former Coalition Government worked constructively with State and Territory ministers on improving the safety of all workers. WHS ministers from all Australian jurisdictions agreed to refer work on compliance and enforcement initiatives to the Heads of Workplace Safety Authorities (HWSA) for consideration, and to refer work on promoting and strengthening education on obligations and WHS to Safe Work Australia.

#### Employment programs and mutual obligations

- 1.17 Our social security system provides a strong safety net that is available to any Australian, for as long as they need it, where they meet eligibility criteria including residency, income and asset tests. Australia's income support system is part of a wide-ranging welfare system that helps people through support programs and other measures, for example, supporting working families via paid parental leave and the Child Care Subsidy.
- 1.18 Coalition Senators note Australia's welfare system operates as a safety net within the context of government economic and social policy. This system is funded by taxpayers and needs to be managed responsibly—a responsibility that extends to future generations as they will have to meet the cost of any system implemented in the decades to come.
- 1.19 Coalition Senators strongly support the principle of mutual obligations. Mutual obligation requirements are designed to ensure jobseekers are actively looking for work and are participating in activities that will help them into employment. This is critical, with many employers looking to fill jobs. Mutual obligation requirements are flexible and must be tailored to jobseekers' individual circumstances and consider local labour market conditions while being delivered in a safe manner.

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<sup>&</sup>lt;sup>1</sup> Mr Luke Yeaman, Deputy Secretary, Macroeconomic Group, Department of the Treasury, *Senate Economics Legislation Committee Hansard*, 8 November 2022, p. 37.

1.20 Coalition Senators strongly support the ParentsNext program, which helps parents return to the workforce. This is a highly successful program that continues to demonstrate positive outcomes for parents. The program gives parents personalised assistance to improve their work readiness and progress on a path from welfare to work.

#### 1.21 Between 1 July 2018 and 28 February 2022:

- 203 986 ParentsNext participants started to plan for education and employment (this figure includes 37 240 Indigenous parents);
- 96 078 participants commenced education;
- 56 350 participants commenced employment; and
- 7131 participants exited the ParentsNext program due to stable employment.
- 1.22 Since the introduction of mutual obligation requirements to ParentsNext in July 2018, attendance at compulsory appointments has increased from 67 to 79 per cent. Evidence from the program indicates that those most in need are less likely to participate if it is not compulsory.
- 1.23 Coalition Senators strongly support a flexible workplace relations system which mutually benefits both employers and employees and opposes the move to a 'one-size-fits-all' approach by the Labor Government and the Australian Greens. Coalition Senators also support a strong employment services system, which is underpinned by the principle of mutual obligations, and oppose moves to abandon mutual obligations or to water down these requirements.
- 1.24 Under the previous Coalition Government, a stable workplace relations framework and a strong employment services system was one of the reasons that unemployment was at a 50-year low when the Coalition left office in May 2022.

## Early childhood education

1.25 Coalition Senators note multiple recommendations that relate to education, specifically early childhood education and care (ECEC).

## Addressing childcare deserts

1.26 While Coalition Senators support recommendations to address childcare deserts by increasing access to early childhood education in rural, remote and some regional areas, they do not believe the Australian Government should be involved in creating the centres themselves. Instead, the Australian Government should work with communities to increase access to early childhood education through funding for community groups and councils

to establish centres, or through other means. The Kingston South East model<sup>2</sup> is a good example of how this funding model could work.

#### Developing an early childhood education and care system

- 1.27 We note the Coalition supported the Australian Government's Cheaper Childcare Bill, as we believe in 'the family as the building block of society'. Coalition Senators support regular reviews of ECEC systems by the Australian Government to ensure Australian families continue to have choice and access to quality care that work for them.
- 1.28 Coalition Senators support the development of a framework through National Cabinet for an ECEC system that is flexible and delivers quality access and choice for families. However, Coalition Senators also note such a framework is already under review via the Australian Competition and Consumer Commission Childcare Inquiry,<sup>4</sup> the Productivity Commission Early Childhood Education and Care Inquiry,<sup>5</sup> and the Australian Government's Early Years Strategy,<sup>6</sup> so any recommendations from this committee should consider recommendations from these current inquiries.

## Extending the existing Preschool Reform Agreement

- 1.29 Rather than requesting the Productivity Commission to identify ways to extend the Preschool Reform Agreement (PRA),<sup>7</sup> Coalition Senators support the Australian Government working with State and Territory governments to extend the current PRA for four-year-old children past 2025. The current PRA was established by the Coalition Government in 2021 and the Australian Government has not yet started work to extend this agreement.
- 1.30 Coalition Senators note Victorian and New South Wales (NSW) governments are already extending the existing PRA to three-year-old children through their own budgets. Indeed, the NSW Government is assisting more parents to re-enter

<sup>2</sup> Kingston District Council, *Kingston SE Early Learning and Childcare Services Working Group*, www.kingstondc.sa.gov.au/our-community/community-information/kingston-se-childcareworking-group (accessed 8 March 2023).

<sup>4</sup> Australian Competition and Consumer Commission, *Childcare inquiry*, <u>www.accc.gov.au/focus-areas/inquiries-ongoing/childcare-inquiry</u> (accessed 8 March 2023).

<sup>5</sup> Productivity Commission, *Early Childhood Education and Care*, <u>www.pc.gov.au/inquiries/current/childhood</u> (accessed 8 March 2023).

<sup>6</sup> Department of Social Services, *Early Years Strategy*, <u>www.dss.gov.au/families-and-children-programs-services/early-years-strategy</u> (accessed 8 March 2023).

<sup>7</sup> Department of Education, *Preschool Reform Funding Agreement*, <u>www.education.gov.au/child-care-package/preschool/preschool-reform-funding-agreement</u> (accessed 8 March 2023).

<sup>&</sup>lt;sup>3</sup> Ms Angie Bell MP, Shadow Minister for Early Childhood Education, *House of Representatives Proof Hansard*, 8 February 2023, p. 86.

- the workforce through its 'life-changing investment' in a universal free prekindergarten program. We recommend the Australian Government consider mechanisms to incentivise and support other State and Territory governments to roll out similar programs.
- 1.31 Instead of increasing the hours of subsidised care provided under the current PRA, Coalition Senators support reviewing ECEC recommendations once the Productivity Commission inquiry has finished. Additionally, Coalition Senators support a Productivity Commission investigation into why not all eligible families are utilising the 15 hours of care currently available.

## *Productivity Commission reviews*

- 1.32 Coalition Senators support an annual review of Inclusion Support Program (ISP) funding to ensure children who have additional needs to participate in ECEC are provided appropriate support.
- 1.33 Coalition Senators note the Productivity Commission should investigate the operation of markets in the ECEC sector, rather than the Department of Prime Minister and Cabinet. When considering models of provision, Coalition Senators note competition in the quality early childhood care market is important and also acknowledge not all not-for-profit ECEC providers are large businesses.
- 1.34 Before making any decision around abolishing the Activity Test, Coalition Senators support the Australian Government waiting for the final report from the Productivity Commission's Childcare Inquiry. Coalition Senators also note the Activity Test has already been expanded for Indigenous children.

#### Mental health

1.35 Mental health support is important for all Australians, particularly for both paid and unpaid carers as they deal with the pressures of their caring role and the

support they provide to those relying on their care.

1.36 The former Coalition Government led reform of the mental health and suicide prevention system by committing almost \$3 billion to the National Mental Health and Suicide Prevention Plan. This plan sought to expand Australia's headspace network to 164 locations and established a national network of new adult Head to Health centres and child mental health hubs to provide access to free, multidisciplinary mental health care.

The Hon Dominic Perrottet MP, Premier NSW, 'Universal pre-kindergarten year underway in NSW', *Media release*, 14 November 2022, <a href="www.nsw.gov.au/media-releases/pre-kindergarten-year">www.nsw.gov.au/media-releases/pre-kindergarten-year</a> (accessed 8 March 2023).

Department of Health and Aged Care, *The Australian Government's National Mental Health and Suicide Prevention Plan*, <a href="www.health.gov.au/resources/publications/the-australian-governments-national-mental-health-and-suicide-prevention-plan">www.health.gov.au/resources/publications/the-australian-governments-national-mental-health-and-suicide-prevention-plan</a> (accessed 8 March 2023).

- 1.37 Coalition Senators note that a whole-of-population telehealth model of care was implemented throughout the COVID-19 pandemic, including mental health care through general practitioners, psychologists, and psychiatrists. This initiative enabled mental health professionals to provide mental health care services via telehealth to Australians who required support, including carers. Noting the impact of the pandemic on the care workforce as well, it is important to reflect on plausible targeted support that was provided over the recent years; notably, the \$3 million provided to establish a dedicated mental health service for health care workers, including those in the aged care sector, and \$760 000 for the Australian Psychological Society to develop online mental health training for health practitioners and health workers.
- 1.38 During this time of rising interest rates, rising energy bills and rising cost of living pressures, it is essential that the Australian Government continue the former Coalition Government's investment in mental health support. Despite these pressures still impacting our communities, the Labor Government has slashed access to psychology sessions in half. The independent evaluation of the Better Access initiative even recommended that 'the additional 10 sessions should continue to be made available and should be targeted towards those with complex mental health needs' 10. Coalition Senators do not support attacks on the mental health services Australians are relying on and recommend urgent reinstatement of the full 20 Medicare-subsidised mental health sessions to support vulnerable Australians.

Senator the Hon Anne Ruston Member Liberal Senator for South Australia Senator Wendy Askew Member Liberal Senator for Tasmania

Senator Andrew Bragg Member Liberal Senator for New South Wales

<sup>&</sup>lt;sup>10</sup> Jane Pirkis, Dianne Currier, Meredith Harris, Cathy Mihalopoulos, *Evaluation of Better Access:* conclusions and recommendations, 8 December 2022, University of Melbourne, p. 9, <a href="https://www.health.gov.au/resources/publications/conclusions-and-recommendations-evaluation-of-the-better-access-initiative?language=en">https://www.health.gov.au/resources/publications/conclusions-and-recommendations-evaluation-of-the-better-access-initiative?language=en</a> (accessed 8 March 2023).

## **Australian Greens' Additional Comments**

- 1.1 As this report shows, many Australians struggle to combine work and care under current arrangements. There is a pressing need for a holistic response, and for change across a range of areas including labour law, early childhood education and care (ECEC), respite systems, pay for care workers, leave arrangements and the security of working time and employment, amongst others.
- 1.2 The Australian Greens support the majority report. However, in addition to all the main report's recommendations, we make eleven additional recommendations.

## A right to disconnect

1.3 The Senate Select Committee on Work and Care (committee) recommends in its final report that the Australian Government consider amending the *Fair Work Act* 2009 to include an enforceable 'right to disconnect' under the National Employment Standards. While we welcome the Australian Government's willingness to consider acting on this important issue, the Australian Greens recommend that the Australian Government prioritise such an amendment. This would give all workers a right to disconnect once their contracted working hours have finished and restrict employers from communicating with workers outside of work hours, except in the event of an emergency or for welfare reasons.

#### **Recommendation 1**

1.4 The Australian Greens recommend the Australian Government prioritise amendments to the *Fair Work Act* 2009 to include an enforceable 'right to disconnect' under the National Employment Standards.

## Free early childhood education and care

- 1.5 We support the range of recommendations in this report relating to ECEC, including improving access to preschool, greater First Nations management of culturally appropriate services, and increased provision of publicly-funded centres. It is fundamentally important for all children to have access to a universal ECEC system which accommodates and is appropriate to the needs of all children.
- 1.6 In addition, the Australian Greens recommend that the provision of ECEC should be free. This would provide immediate cost of living relief to many Australian families. This recognises the widespread evidence of the extraordinary value that investment in the early years creates, and responds to the high cost of ECEC in Australia relative to many other countries. In becoming

free, ECEC will be more easily accessed by those who need it most and it will reduce the administrative burden on families navigating the ECEC system.

#### Recommendation 2

1.7 The Australian Greens recommend the provision of free early childhood education and care to families.

## **Inclusion Support Program**

1.8 In relation to the Inclusion Support Program (ISP), the Greens recognise the importance of this program in providing appropriate staffing to educate and care for diverse community needs. In this light, the Greens make an additional recommendation.

#### Recommendation 3

- 1.9 The Australian Greens recommend the Australian Government provide additional funding to the Inclusion Support Program (ISP) and implement revised guidelines for the ISP which:
  - remove the cap on additional educator hours, and instead align funded additional educator hours with the needs and enrolled hours of a child; and
  - ensure that the annual funding allocation to the ISP is properly indexed and aligns with the wages of early childhood educators.

## Funding any pay increases for carers recommended by the Fair Work Commission

1.10 The committee heard compelling evidence about the need for increased wages in the ECEC, disability and aged care sectors, which should be addressed urgently. However, it is not enough to simply review the valuation of the work of carers, and create appropriate recognition of the skills, experience and knowledge of workers in the care sector. It is important that any such revaluation, and recommended increases in the pay to carers are properly funded by the government, and that National Disability Insurance Scheme or Aged Care Packages are adjusted appropriately to accommodate increased costs.

#### Recommendation 4

1.11 The Australian Greens recommend the Australian Government appropriately fund any pay increases and improved classifications and conditions for care workers decided by the Fair Work Commission.

#### Paid parental leave

- 1.12 There is a pressing need to improve Australia's paid parental leave (PPL) scheme to bring it in line with international standards. Beyond the recommendation that a pathway towards improvements be found, the Australian Greens specifically recommend, as a priority, that the Australian Government amend the *Paid Parental Leave Act 2010* to immediately increase government-funded PPL to 26 weeks, then by four weeks every year from 2027 to 2032, and then a final increase of two weeks in 2033, in order to reach the international standard of 52 weeks of PPL by 2033.
- 1.13 To address the 'parenthood penalty', the rate of parental leave should be raised above the minimum wage. The Greens support PPL at replacement wages (up to \$100 000 per annum pro rata), but urge the Australian Government to explore options for a liveable wage and initiatives to encourage employers to top up payments to full wage replacement. The Women's Economic Equality Taskforce could be tasked with undertaking a review of appropriate payment rates for PPL.

#### **Recommendation 5**

1.14 The Australian Greens recommend, as a priority, that the Australian Government amend the *Paid Parental Leave Act* 2010 to immediately increase government-funded paid parental leave to 26 weeks, then by four weeks every year from 2027 to 2032, and then a final increase of two weeks in 2033, in order to reach the international standard of 52 weeks of paid parental leave by 2033.

#### Recommendation 6

- 1.15 The Australian Greens recommend the Australian Government further amend the to the *Paid Parental Leave Act* 2010 to:
  - include 'use it or lose it' provisions to encourage co-parents to each take leave in accordance with best practice, and having regard to the recommendations of the Women's Economic Equality Taskforce;
  - guarantee the full 52 weeks leave to sole parents;
  - provide an additional two weeks leave, in addition to the 52 weeks, if the co-parent takes at least the minimum use it or lose it leave entitlement;
  - ensure superannuation is paid in addition to the paid parental leave payment; and
  - relax work and residency tests for eligibility for paid parental leave to
    ensure all parents have support to take leave. In particular, reforms
    should allow funded post graduate study to be counted as work for the
    purposes of satisfying the work test.

## Paid sick and annual/holiday leave for casual workers

1.16 The report recommends that the Australian Government request the Fair Work Commission to review access to paid sick and annual leave for casual workers. This recommendation needs to go further, in view of the widespread nature of casual work across the Australian labour force, and the fact that the casual loading does not fully compensate for all the conditions lost to workers who are deemed casual, many of them working in the same jobs for extended periods of time. Many casuals who regularly work for years are not able to take paid sick leave or a holiday, and many of them have ongoing care responsibilities. It is time to narrow the incentive to casualise the workforce by paying casual workers sick and holiday leave.

#### Recommendation 7

1.17 The Australian Greens recommend the Australian Government amend the National Employment Standards in the Fair Work Act 2009 to establish a right for all workers (including casual workers) who have worked for a period of six months, to pro-rata paid sick and holiday leave.

## Separate and increase paid carers and personal/sick leave

1.18 The report recommends a review of the adequacy of paid sick and carers leave and to investigate their potential improvement. The Australian Greens believe we need to go further than a review and take action.

#### Recommendation 8

- 1.19 The Australian Greens recommend the Australian Government amend the National Employment Standards under Division 7 of the *Fair Work Act* 2009, to separate carer's leave and personal leave into unique leave entitlements.
- 1.20 These separate leave entitlements should:
  - provide 10 days of paid carer's leave and a further 10 days of paid personal leave; and
  - be available on a pro-rata basis to all casual, part-time and permanent employees who have been engaged by an employer for at least six months.

## **Activity test**

1.21 There are clear benefits of ECEC for children, particularly from disadvantaged or challenging backgrounds. The logic of tethering a child's participation in ECEC to parents' activity is akin to stopping a child from going to school if their parent does not work. The current policy settings need updating to take account of contemporary understandings of child development and social norms.

#### Recommendation 9

1.22 The Australian Greens recommend the Australian Government amend, as a matter of urgency, the relevant social policy and family assistance laws to abolish the activity test for eligibility for the Child Care Subsidy.

#### **Carers Payment and Carers Allowance**

#### **Recommendation 10**

1.23 The Australian Greens recommend that the Department of Social Services review and increase the level of the Carers Payment and the Carers Allowance, restoring them to their relative level of previous years, acknowledging the significant economic contribution that carers make.

#### **Recommendation 11**

1.24 The Australian Greens recommend the Australian Government ensure all income security payments (including the Age Pension, Disability Support Pension and JobSeeker Payment) are regularly reviewed and increased to remain above the poverty line and immediately increase the rate of income support payments to at least \$88 a day.

#### **Recommendation 12**

1.25 The Australian Greens recommend the Australian Government ensure sole parents on income support payments can access the Parenting Payment Single until their youngest child turns sixteen years of age, and reverse the current policy which transfers sole parents from Parenting Payment Single to JobSeeker Principal Carer, when their youngest child turns eight years of age, and imposes mutual obligation activities on them when their youngest child turns six years of age.

## For-profit care provision

- 1.26 The committee heard the policy settings of the last decade in Australia's care sector have seen the responsibility for care provision shifted from the state to the private market, with serious questions raised about access, quality and value for money.
- 1.27 The provision of for-profit care in the aged, disability and ECEC sectors needs urgent review.

#### **Recommendation 13**

1.28 The Australian Greens recommend the Australian Government urgently review the provision of for-profit care in the aged, disability, and early childhood education and care sectors, including:

- consideration of the quantum of public funds diverted from direct service provision to profit and its consequences for the quality of care;
- comparing the quality of care in for-profit and not-for-profit care; and
- examining the relationship between for-profit provision of care and the occurrence of 'care deserts' across Australia.

## **Australian Disability Enterprises**

1.29 The evidence put to the committee regarding substandard and exploitative working conditions at Australian Disability Enterprises was deeply concerning.

#### **Recommendation 14**

1.30 The Australian Greens recommend the Department of Social Services develop and implement a plan to phase out Australian Disability Enterprises and increase pathways and supports for disabled people to gain and maintain positions in open employment.

Senator Barbara Pocock Chair Greens Senator for South Australia

## Appendix 1

# Submissions, tabled documents and additional information

- 1 Australian Nursing and Midwifery Federation Victorian Branch
- **2** Productivity Commission
- 3 Australian Bureau of Statistics
- 4 National Foundation for Australian Women
- 5 Community and Public Sector Union
- **6** MS Australia
- 7 Centre for Disability Research and Policy, the University of Sydney
- 8 Ms Alannah Batho
- 9 Professor Peter Fairbrother and Dr Marcus Banks
- **10** Carers Australia
- 11 National Seniors Australia
  - Attachment 1
  - Attachment 2
  - Attachment 3
  - Attachment 4
  - Attachment 5
- 12 Business Council of Australia
- 13 Centre for Policy Development
- 14 Secretariat of National Aboriginal and Islander Child Care (SNAICC)
- 15 UNICEF Australia
- **16** The Parenthood
- 17 Workplace Gender Equality Agency
- 18 Australian Education Union
- 19 Social Policy Research Centre
  - Attachment 1
  - Attachment 2
- 20 Brave Foundation
- 21 Independent Education Union
- 22 Work + Family Policy Roundtable
- 23 Australian Services Union
  - 23.1 Supplementary to submission 23
- 24 Law Council of Australia
- 25 Australasian College for Emergency Medicine
- **26** National Disability Services
- 27 Carers NSW
- 28 Academy of the Social Sciences in Australia

- 29 Minderoo Foundation
- 30 Melbourne Disability Institute
- 31 Ms Amanda Selvarajah
- 32 Lived Experience Australia
- 33 Department of Education
- 34 Professor Alison Preston
- 35 Associate Professor Knox, Professor Bohle, Professor Warhurst, and Dr Wright
- 36 Early Childhood Australia
- 37 Shop, Distributive and Allied Employees' Association (SDA)
- 38 The Salvation Army
- 39 National Tertiary Education Union
- 40 Community Child Care Association
- 41 Australian Industry Group (Ai Group)
  - Attachment 1
  - Attachment 2
- 42 Diversity Council Australia
  - Attachment 1
  - Attachment 2
  - Attachment 3
  - Attachment 4
- 43 Women in Super
- 44 Chief Executive Women
- 45 Dr Dinesh Palipana
- 46 Western Australian Council of Social Service
  - Attachment 1
- 47 New South Wales Nurses and Midwives' Association
- 48 Associate Professor Elise Klein
- 49 Queensland Nurses and Midwives' Union
- 50 Global Institute for Women's Leadership
- 51 Anglicare Australia
- 52 Dementia Australia
- 53 Brotherhood of St. Laurence
- 54 Dr Yvette Maker
- 55 The Front Project
- 56 Arafmi Ltd
- 57 Circle Green Community Legal
- 58 Australian Research Alliance for Children and Youth
- 59 Dr Tania King et al.
- 60 Dr Tania King and Ludmila Fleitas Alfonzo
- 61 Australian Autism Alliance
- **62** JFA Purple Orange
- 63 Dr Janet Ramsay

- 64 The Australia Institute
- 65 Professor Emeritus David Peetz
- 66 Bourke & District Children's Services
- 67 Dr Christopher Bailie et al
- 68 Retail and Fast Food Workers Union
- 69 Community Child Care Association, Community Early Learning Australia and Early Learning Association Australia
- 70 Continence Foundation of Australia
- 71 Centre for Excellence in Child and Family Welfare
- 72 Centre for Future Work at the Australia Institute
- 73 Autism Aspergers Advocacy Australia
- 74 Familycare
- 75 Children and Young People with Disability Australia
- 76 Darwin Community Legal Service
  - Attachment 1
  - Attachment 2
- 77 Dr Christopher Bailie
- 78 Ms Georgia Naylor
- 79 National Council of Single Mothers and their Children
- 80 JobWatch
- 81 South-East Monash Legal Service Inc
- 82 Professor Marilyn Lake
- 83 Australian Council of Trade Unions
- 84 Australian Nursing and Midwifery Federation
- 85 Carers Tasmania
- 86 CancerAid
- 87 Ms Virginia Tapscott
- 88 Per Capita Australia
- 89 Dr Meredith Kiraly
- 90 Australian Federation of Disability Organisations (AFDO)
- 91 Victorian Council of Social Service
- 92 G8 Education Limited
- 93 Australian Academy of the Humanities
- 94 Joint submission from Working Women's Centre SA Working Women Queensland and N.T. Working Women's Centre
- 95 Dr Leonora Risse
- 96 Mable Technologies
- 97 Joint Submission from Group of Working Parents and Individuals with Care Responsibilities
- 98 4 Day Week Australia
- 99 Australian Chamber of Commerce and Industry
- **100** Equality Rights Alliance
- 101 Australian Breastfeeding Association

- 102 Health Employees Superannuation Trust Australia
- 103 LGBTIQ Health Australia
- **104** Inclusion Australia
- 105 Council of Single Mothers and their Children
- 106 Goodstart Early Learning
- 107 Australian Council of Social Service
- 108 Comcare
- 109 Mental Health Carers Australia
- 110 Antipoverty Centre
- 111 Ms El Gibbs
- **112** Name Withheld
- **113** Name Withheld
- **114** Name Withheld
- **115** Ms Kip Fuller
- 116 Ms Jessica Elliot
- 117 Ms Carole Wiles
- 118 Ms Jannette Jones
- 119 Department of Social Services and Services Australia
- **120** Soroptimist International
- **121** Name Withheld
- **122** Professor Lyndall Strazdins
- 123 Centre for Work and Wellbeing
- 124 Uniting Country South Australia
- **125** Dr Amelia Wenger

#### Tabled Documents

- Opening statement National Seniors Australia, Professor John McCallum, Chief Executive Officer, tabled at a public hearing in Canberra on 16 September 2022.
- Opening statement The Centre for Policy Development, Ms Annabel Brown, Deputy Chief Executive Officer and Ms Jacki Hayes, Early Childhood Development Program Director, tabled at a public hearing in Melbourne on 20 September 2022.
- 3 Opening statement Professor Sara Charlesworth, RMIT University, Australian Work + Family Policy Roundtable Member, tabled at a public hearing in Melbourne on 20 September 2022.
- 4 Opening statement Australian Institute of Employment Rights, Mr James Fleming, tabled at a public hearing in Melbourne on 20 September 2022.
- 5 Opening statement SDA, Mr Gerard Dwyer, National Secretary and Ms Katie Biddlestone, National Women's Officer, tabled at a public hearing in Melbourne on 20 September 2022.

- Opening statement CPSU, Ms Rebecca Fawcett, Director, Legal and Industrial Unit and Mr Osmond Chiu, Senior Policy and Research Officer, tabled at a public hearing in Melbourne on 20 September 2022.
- 7 Opening statement Health Services Union, Ms Louise de Plater, National Industrial Officer, tabled at a public hearing in Melbourne on 20 September 2022.
- Opening statement Secretariat of National Aboriginal and Islander Childcare, Ms Miranda Edwards, National Workforce Adviser, Early Years and Mr John Burton, Director, Social Policy and Research, tabled at a public hearing in Melbourne on 20 September 2022.
- 9 Opening statement Australian Council of Social Service, Dr Peter Davidson, Principal Advisor and Mr Rob Sturrock, Senior Advisor, tabled at a public hearing in Sydney on 21 September 2022.
- 10 Opening statement Australian Childcare Alliance, Mr Paul Mondo, President, tabled at a public hearing in Sydney on 21 September 2022.
- Opening statement Community Early Learning Australia, Ms Michele Carnegie, Chief Executive Officer, tabled at a public hearing in Sydney on 21 September 2022.
- Opening statement Workplace Gender Equality Agency, Dr Janin Bredehoeft, Research and Analytics Executive Manager, tabled at a public hearing in Sydney on 21 September 2022.
- Opening statement Professor Marian Baird AO and Associate Professor Myra Hamilton, tabled at a public hearing in Sydney on 21 September 2022.
- Opening statement Dr Megan Blaxland, Social Policy Research Centre, University of New South Wales, tabled at a public hearing in Sydney on 21 September 2022.
- Opening statement Associate Professor Elizabeth Hill, Co-convenor, Australian Work + Family Policy Roundtable, tabled at a public hearing in Canberra on 7 October 2022.
- Opening statement Associate Professor Myra Hamilton, Member, Australian Work + Family Policy Roundtable, tabled at a public hearing in Canberra on 7 October 2022.
- Opening statement Dr Matt Withers, Member, Australian Work + Family Policy Roundtable, tabled at a public hearing in Canberra on 7 October 2022.
- Opening statement Centre for Women's Economic Safety, Ms Rebecca Glenn, Founder and Chief Executive Officer, tabled at public hearing in Brisbane on 31 October 2022.
- 19 Opening statement Gladstone Community Linking Agency, Jennifer Marsh, Managing Director, tabled at a public hearing in Brisbane on 31 October 2022.
- Opening statement Basic Rights Queensland, Ms Fiona Hunt, Chief Executive Officer, tabled at a public hearing in Brisbane on 31 October 2022.

- Opening statement Graduate Women QLD Inc, Dr Mary Crawford, President, tabled at a public hearing in Brisbane 31 October 2022.
- Opening statement Momentum Mental Health, Mrs Deborah Bailey, Chief Executive Officer, tabled at a public hearing in Brisbane on 31 October 2022.
- Opening statement Queensland Nurses and Midwives Union, tabled at a public hearing in Brisbane on 31 October 2022.
- 24 Opening statement Bankwest Curtin Economics Centre, Professor Alan Duncan, Director, tabled at a public hearing in Perth on 14 November 2022.
- Opening statement Albany Youth Support Association, tabled at a public hearing in Albany on 15 November 2022.
- Opening statement Mr Dennis Wellington, Mayor of Albany, tabled at a public hearing in Albany on 15 November 2022.
- Opening statement Carers SA, Mr David Militz, Chief Executive Officer, tabled at a public hearing in Adelaide on 6 December 2022.
- Opening statement National Council of Single Mothers and their Children, Dr Elspeth McInnes, Advisor, tabled at a public hearing in Adelaide on 6 December 2022.
- 29 Opening statement Australian Nursing and Midwifery Federation, Ms Annie Butler, Federal Secretary, tabled at a public hearing in Adelaide on 6 December 2022.
- Opening statement ALDI Australia, Mr Viktor Jakupec, Managing Director, Regency Park, tabled at a public hearing in Adelaide on 6 December 2022.
- 31 Opening statement South Australian Council of Social Service, Mr Ross Womersley, Chief Executive Officer, tabled at a public hearing in Adelaide on 6 December 2022.
- 32 Summary paper South Australian Council of Social Service, Mr Ross Womersley, Chief Executive Officer, tabled at a public hearing in Adelaide on 6 December 2022.
- Opening statement The Working Women's Centre SA, Abbey Kendall, Director and Principal Solicitor, and Caitlin Feehan, Lawyer, tabled at a public hearing in Adelaide on 6 December 2022.
- Opening statement Office for Women, Ms Telitha Schroedl,
  Director, Evidence, Women's Economic Policy and Ms Shelby Schofield,
  Chief Economist and Acting Assistant Secretary, Women's Economic Policy
  Branch, tabled at a public hearing in Canberra on 8 December 2022.
- Opening statement 4 Day Week Australia, Ms Alyssa Shaw, Campaign Coordinator and Mr Adrian McMahon, Campaign Co-Director, tabled at a public hearing in Canberra on 8 December 2022.
- Opening statement Nordic Policy Centre, Professor Andrew Scott, Convenor, tabled at a public hearing in Canberra on 8 December 2022.

- Opening statement Bunnings Group Limited, Mr Damian Zahra, Chief People Officer and Mr Justin Young, Head of Employee Relations and Insights, tabled at a public hearing in Canberra on 8 December 2022.
- Opening statement McDonald's Australia, Mr Cameron Newlands, Vice President of Operations, tabled at public hearing in Sydney on 20 December 2022.
- 39 Opening statement Amazon Australia, Mr Ryan Smith, Senior Manager Public Policy, tabled at a public hearing in Sydney on 30 January 2023.

## Additional Information

- Additional information provided by Professor John McCallum, Chief Executive Officer, National Seniors Australia, appearing at a public hearing in Canberra on 16 September 2022, received 15 September 2022.
- 2 Report from Regional Development Australia Loddon Mallee, 'Creating viable childcare services in rural areas', September 2022.
- Report prepared by Regional Development Victoria for the Loddon Mallee RDA Committee, Loddon Campaspe Regional Partnership and Mallee Regional Partnership, 'Enabling Early Childhood Education & Childcare in Rural Areas', 25 June 2022.
- Information from Professor Marie Bismark, Centre for Policy Health, University of Melbourne, from the book 'Experiences of Health Workers in the COVID-19 Pandemic'.
- 5 Report from Goodstart Early Learning, 'Addressing the early learning childhood workforce crisis', 31 October 2022.
- 6 Report from Melbourne Apprenticeship Disability Network, 'Review DAAWS to Strengthen Australian Apprenticeships for people with disability' received 1 November 2022.
- Additional information provided by the Queensland Nurses and Midwives' Union in relation to a public hearing in Brisbane on 31 October 2022, received 2 November 2022.

#### Answer to Question on Notice

- Answers to questions taken on notice by Professor Sara Charlesworth at a public hearing on 20 September 2022; answers received 25 September 2022.
- 2 Answers to questions taken on notice by Professor Sara Charlesworth at a public hearing on 20 September 2022; answers received 25 September 2022.
- 3 Answers to questions taken on notice by Professor Sara Charlesworth at a public hearing on 20 September 2022; answers received 25 September 2022.
- 4 Answers to questions taken on notice by the Department of Employment and Workplace Relations at a public hearing on 16 September 2022; answers received 29 September 2022.
- 5 Answers to questions taken on notice by the Australian Services Union at a public hearing on 20 September 2022; answers received 3 October 2022.

- Answers to questions taken on notice by the Department of Employment and Workplace Relations at public hearing on 16 September 2022; answers received 4 October 2022.
- Answers to questions taken on notice by the Centre for Policy Development at a public hearing on 20 September 2022; answers received 4 October 2022.
- Answers to questions taken on notice by the Health Services Union at a public hearing on 20 September 2022; answers received 4 October 2022.
- 9 Answers to questions taken on notice by UNICEF at a public hearing on 21 September 2022; answers received 4 October 2022.
- Answers to questions taken on notice by Ai Group, at a public hearing on 21 September 2022; answers received 5 October 2022.
- Answers to questions taken on notice by the Department of Employment and Workplace Relations at public hearing on 16 September 2022; answers received 7 October 2022.
- Answers to questions taken on notice by the Department of Education at public hearing on 16 September 2022; answers received 6 October 2022.
- Answers to a questions taken on notice by Dr Megan Blaxland at public hearing on 21 September 2022; answers received 10 October 2022.
- Answers to questions taken on notice by the Workplace Gender Equality Agency at a public hearing on 21 September 2022; answers received 11 October 2022.
- Answers to questions taken on notice by Dr Matt Withers at a public hearing on 7 October 2022; answers received 11 October 2022.
- Answers to questions taken on notice by Professor Miranda Stewart at a public hearing on 7 October 2022; answers received 24 October 2022.
- Answers to written questions on notice by the Treasury on 10 October 2022; answers received on 27 October 2022.
- Answers to written questions on notice by the Department of Education on 13 October 2022; answers received on 31 October 2022.
- Answers to questions taken on notice by the Australian Council of Trade Unions at a public hearing on 31 October 2022; answers received on 14 November 2022.
- Answers to questions taken on notice by Goodstart Early Learning at a public hearing on 31 October 2022; answers received on 15 November 2022.
- Answers to questions taken on notice by Activ Albany at a public hearing on 15 November 2022; answers received on 29 November 2022.
- Answers to questions taken on notice by Activ Albany at a public hearing on 15 November 2022; answers received on 29 November 2022.
- Answers to questions taken on notice by Arafmi at a public hearing on 31 October 2022; answers received on 30 November 2022.
- Answers to questions taken on notice by Arafmi at a public hearing on 31 October 2022; answers received on 30 November 2022.

- Answers to written questions on notice by Aldi Australia on 8 December 2022; answers received on 19 December 2022.
- Answers to written questions taken on notice by McDonald's Australia on 8 December 2022; answers received on 19 December 2022.
- Answers to written questions taken on notice by Woolworths Group Australia on 8 December 2022; answers received on 19 December 2022.
- Answers to written questions taken on notice by Coles Group Limited on 8 December 2022; answers received on 19 December 2022.
- Answers to written questions taken on notice by Bunnings Group on 8 December 2022; answers received on 19 December 2022.
- Answers to questions taken on notice by The Treasury at a public hearing on 8 December 2022; answers received 22 December 2022.
- Answers to questions taken on notice by Australian Nursing & Midwifery Federation at a public hearing on 6 December 2022; answers received 20 December 2022.
- Answers to questions taken on notice by Professor Andrew Scott at a public hearing on 8 December 2022; answers received 4 January 2023.
- Answers to questions taken on notice by Department of Social Services at a public hearing on 8 December 2022; answers received 6 January 2023.
- Answers to questions on notice by Services Australia at a public hearing on 8 December 2022; answers received 16 January 2023.
- Answers to written questions on notice by Woolworths Group on 8 December 2022; answers received on 19 December 2022 and 13 January 2023.
- Answers to written questions on notice by McDonald's Australia on 8 December 2022; answers received on 19 December 2022 and 10 January 2023.
- Answers to written questions on notice by Fair Work Commission on 8 December 2022; answers received on 30 January 2023.
- Answers to written questions on notice by Amazon Commercial Services Pty Ltd on 8 December 2022; answers received on 30 January 2023.
- Answers to questions on notice by Amazon Commercial Services Pty Ltd at a public hearing on 30 January 2023; answers received 6 February 2023.
- 40 Answers to questions on notice by Coles Group Limited at a public hearing on 30 January 2023; answers received 6 February 2023.
- Answers to written questions on notice by Woolworths Group on 13 February 2023; answers received on 20 February 2023.

## Correspondence

1 Correspondence from Mr Martin Hehir, Deputy Secretary, Workplace Relations Group, Department of Employment and Workplace Relations to the committee, received 15 September 2022.

# Appendix 2 Public hearings and witnesses

Friday, 16 September 2022 Committee Room 2S1 Parliament House Canberra

#### Department of Employment and Workplace Relations

- Ms Carmel O'Regan, Assistant Secretary, Targeted Employment Policy Branch
- Ms Jodie Wearne, Assistant Secretary, Workforce Strategies Branch
- Ms Lace Wang, Assistant Secretary, Safety Net Branch
- Ms Jennifer Wettinger, Assistant Secretary, Economics and International Labour Branch

#### Department of Education

- Ms Michele Arcaro, Assistant Secretary, Child Care Markets and Reform Branch
- Ms Jacinda Still, Assistant Secretary, Workforce Quality and Preschool Branch, Early Childhood and Youth Group
- Mr Tristan Reed, First Assistant Secretary, Child Care Division, Early Childhood and Youth Group
- Ms Anne Twyman, First Assistant Secretary, Early Learning Programs and Youth Division, Early Childhood and Youth Group

#### National Seniors Australia

Professor John McCallum, Chief Executive Officer

#### Early Childhood Australia

Ms Samantha Page, Chief Executive Officer

#### Aged and Community Care Providers Association

- Mr Tim Hicks, General Manager, Policy and Advocacy (via videoconference)
- Ms Claire Bailey, Manager, Employment Relations (via videoconference)

#### Carers Australia

- Ms Alison Brook, Chief Executive Officer
- Mrs Kelly Gourlay, National Director, Policy and Strategy
- Mrs Sue Elderton, Director, Aged Care Policy
- Diana McMurty, Lived Experience Carer (via videoconference)

#### National Ethnic Disability Alliance

• Mr Dwayne Cranfield, Chief Executive Officer (via videoconference)

## Council of Small Business Organisations Australia

• Ms Alexi Boyd, Chief Executive Officer (via videoconference)

Tuesday, 20 September 2022 Edinburgh Room Stamford Plaza Melbourne

### Australian Institute of Employment Rights

• Mr James Fleming

Ms Suvi Kaskimaki, Private capacity

Mr Tommy Tornberg, Private capacity

Ms Belinda Hirovonen, Private capacity

#### Australian Services Union

• Ms Emeline Gaske, Assistant National Secretary

#### Australian Services Union

• Ms Wendy Phillips, ASU Member

#### **CPSU**

- Ms Rebecca Fawcett, Director, Legal and Industrial Unit
- Mr Osmond Chui, Senior Policy and Research Officer (via videoconference)

#### SDA

- Mr Gerard Dwyer, National Secretary
- Ms Katie Biddlestone, National Women's Officer

#### Health Services Union

• Ms Louise de Plater, National Industrial Officer

#### Carers Victoria

- Ms Judith Abbott, Chief Executive Officer
- Mr Michael Stanley, Senior Manager- Community Engagement, Partnership and Business Development

#### Secretariat of National Aboriginal and Islander Child Care

• Ms Miranda Edwards, National Workforce Advisor, Early Years

Mr John Burton, Private capacity

#### The Centre for Policy Development

• Ms Annabel Brown, Deputy Chief Executive Officer

## The Centre for Policy Development

• Ms Jacki Hayes, Early Childhood Development Program Director

Professor Sara Charlesworth, Private capacity

#### The Parenthood

• Ms Georgie Dent, Executive Director

Wednesday, 21 September 2022 Smith Room Wesley Conference Centre Sydney

#### Australian Council of Social Service

- Dr Peter Davidson, Principal Advisor
- Mr Rob Sturrock, Senior Advisor: Community Services
- Dr Simone Casey, Senior Advisor: Employment

#### Diversity Council Australia

- Ms Lisa Annese, Chief Executive Officer
- Ms Cathy Brown, Communications and Advocacy Director

#### Australian Childcare Alliance

• Mr Paul Mondo, President (via teleconference)

#### Community Early Learning Australia

• Ms Michele Carnegie, Chief Executive Officer (via teleconference)

#### Australian Human Rights Commission

• Dr Ben Gauntlett, Disability Discrimination Commissioner

#### People with Disability Australia

• Ms Clare Gibellini, PWDA Board Member (via teleconference)

#### First Peoples Disability Network Australia

• Mr Damian Griffis, Chief Executive Officer

#### Community Mental Health Australia

• Mr Bill Gye OAM, Chief Executive Officer

#### Professor Marian Baird AO, Private capacity

 Professor Marian Baird AO, USYD Women, Work and Policy Research Group Member (via teleconference) Dr Megan Blaxland, Private capacity

Dr Cathy Thomson, Private capacity

Associate Professor Myra Hamilton, Private capacity

#### UNICEF Australia

• Mr Elliot Stein, Head of Government and External Engagement

#### Sax Institute

Professor Sally Redman AO, Chief Executive Officer

#### Australian Industry Group

- Mr Brent Ferguson, Head of Workplace Relations Policy
- Ms Nicola Street, Director of Workplace Relations Policy, Diversity, Equity & Inclusion

#### Chief Executive Women

• Ms Pauline Vamos, CEW Board Member

#### Workplace Gender Equality Agency

• Dr Janin Bredehoeft, Research, Education & Analytics Manager

Friday, 7 October 2022 Committee Room 2S3 Parliament House Canberra

#### *Work + Family Policy Roundtable (Via Videoconference)*

- Associate Professor Elizabeth Hill, Co-convenor
- Associate Professor Meg Smith, Member
- Associate Professor Kate Huppatz, Member
- Professor Lyn Craig, Member
- Associate Professor Wendy Boyd, Member
- Professor Miranda Stewart, Member
- Professor Alison Preston, Member
- Emeritus Professor Bettina Cass AO, Member
- Associate Professor Myra Hamilton, Member
- Dr Matt Withers, Member
- Associate Professor Natasha Cortis, Member
- Emeritus Professor Deborah Brennan AM, Member

Monday, 31 October 2022 Chancellor Room 2 & 3 Hotel Grand Chancellor 23 Leichhardt Street Brisbane

#### Goodstart Early Learning

- Ms Kelly Millar, National Social Policy Manager
- Mr John Cherry, Head of Advocacy

#### Soroptimist International

- Dr Donnell Davis, Director South East Asia Pacific and Programme Convenor
- Ms Luz Bernadette Myles, Director South East Asia Pacific Brisbane Club

#### Basic Rights Queensland

- Ms Fiona Hunt, Director
- Mrs Eloise Dalton, Solicitor

#### Centre for Women's Economic Safety (via teleconference)

• Ms Rebecca Glenn, Founder and Chief Executive Officer

#### Arafmi Ltd

• Ms Irene Clelland, Chief Executive Officer

#### People Power Services Ltd

• Mr Pacifique Gakindi, Founding Member and Chief Executive Officer

#### Gladstone Community Linking Agency Inc. (via teleconference)

• Ms Jennifer Marsh, Chief Executive Officer and Managing Director

#### Queensland Nurses and Midwives' Union

- Ms Elizabeth Mohle, Secretary
- Dr Belinda Barnett, Research and Policy Officer
- Mr Kevin Crank, Industrial Officer

#### Australian Council of Trade Unions (via teleconference)

Ms Erin Keogh, Assistant Campaigns Director

#### Graduate Women Queensland Inc

Dr Mary Crawford, President

#### Momentum Mental Health

• Mrs Deborah Bailey, Chief Executive Officer

Professor Ian Hickie AM (via teleconference), Private capacity

#### Orygen

• Professor Patrick McGorry AO, Executive Director

Monday, 14 November 2022 Stirling Room Parmelia Hilton Perth 14 Mill St Perth

Western Australian Council of Social Service

- Ms Rachel Siewert, Deputy Chief Executive Officer
- Mr Chris Twomey, Leader, Policy and Research

#### Carers WA

- Mr Sean Gardyne, Program Manager
- Mrs Carissa Gautam, Systemic Policy Officer

#### Carers NSW (via teleconference)

- Ms Sarah Judd-Lam, Executive Manager, Policy, Development and Research
- Dr Lukas Hofstätter, Research and Development Officer

#### Bankwest Curtin Economics Centre, Curtin University

• Professor Alan Duncan, Director

Professor Alison Preston, Private capacity

#### Uniting WA

• Mrs Jennifer Park, Co-Chief Executive Officer

#### Equality Rights Alliance (via teleconference)

• Ms Helen Dalley-Fisher, Convenor

#### atWork Australia

• Mr Hugh Reilly, Executive General Manager

#### The Neurological Council of Western Australia

• Ms Etta Palumbo, Chief Executive Officer

#### Community Skills WA

Mrs Caroline Thompson, Executive Director

Tuesday, 15 November 2022 Town Hall Auditorium Albany Town Hall 217 York St Albany

#### City of Albany

- Mr Dennis Wellington, Mayor
- Mr Andrew Sharpe, Chief Executive Officer
- Mrs Elizabeth Harding, Manager of People and Culture

#### Wanslea Albany

- Ms Jolene Olde, Great Southern Manager
- Ms Jody Trappitt, Family Support Worker
- Mrs Sally Ford, Senior Early Childhood Practitioner
- Mrs Amanda Baxter, Inclusion Professional

#### Albany Community Foundation

- Mrs Sarah Moir, Board Member
- Ms Bianca Eloise, Board Member

#### Albany Community Care Centre

• Mr Sam Allen, Executive Manager (via teleconference)

#### Albany Community Hospice

- Ms Fiona Jane, Clinical Hospice Manager
- Ms Hannah Leslie, Chair, Board of Management

#### Albany Youth Support Association

• Mr Ian Clarke APM, Chief Executive Officer

#### Activ Albany

- Mr Michael van Oudtshoorn, Executive Manager, Advocacy, Marketing and Fundraising
- Mr Darren McNab, Head of Service Delivery

#### Great Southern Community Mental Health Service

- Ms Kate Hambleton, Acting Regional Manager
- Mr Matthew Wells, Regional Mental Health Manager
- Ms Geraldine Ennis, Regional Director
- Dr Kelly Ridley, Acting Clinical Director

Tuesday, 6 December 2022 Old Chamber Parliament of South Australia North Terrace Adelaide

Thrive by Five, Minderoo Foundation

• The Hon Jay Weatherill AO, Director

#### Carers SA

- Mr David Militz, Chief Executive Officer
- Ms Marianne Lewis, Manager, Strategic Policy

#### JFA Purple Orange

- Mr Robbi Williams, Chief Executive Officer
- Ms Mikaila Crotty, Team Leader Policy and Projects
- Ms Selena Maddeford, Policy and Research Leader

#### The Working Women's Centre SA

- · Abbey Kendall, Director and Principal Solicitor
- Caitlin Feehan, Lawyer

#### South Australian Council of Social Service

• Mr Ross Womersley, Chief Executive Officer

#### Uniting Country South Australia and United Country Housing

• Dr Harry Randhawa, Chief Executive Officer

#### National Council of Single Mothers and their Children

- Ms Terese Edwards, Chief Executive Officer (via teleconference)
- Dr Elspeth McInnes, Advisor (via teleconference)

Professor Kay Cook (via teleconference), Private capacity

#### Australian Nursing and Midwifery Federation

- Ms Annie Butler, Federal Secretary (via teleconference)
- Ms Laura Miller, Industrial Officer (via teleconference)

#### ALDI Australia

• Mr Viktor Jakupec, Managing Director, Regency Park

Thursday, 8 December 2022
Main Committee Room
Parliament House
Canberra

Bubup Wilam Aboriginal Child and Family Care Inc (via videoconference)

• Ms Lisa Thorpe, Chief Executive Officer

Yappera Children's Service Co-Operative Ltd (via videoconference)

• Ms Stacey Brown, Chief Executive Officer

#### Department of Social Services

- Mr Matt Flavel, Deputy Secretary, Social Security
- Ms Debbie Mitchell, Deputy Secretary, Disability and Carers
- Mr Ryan Bulman, Group Manager, Disability, Employment and Carers
- Ms Jo Evans, Group Manager, Participation and Family Payments
- Ms Agnieszka Nelson, Branch Manager, Families and Payment Support

#### Services Australia

- Mr Tony Piazza, General Manager, Families and Children
- Ms Ailsa Borwick, General Manager, Payment Accuracy and Older Australians

#### The Treasury

- Mr Brendan McKenna, First Assistant Secretary, Labour Market, Environment, Industry and Infrastructure Division
- Mr Nathan Deutscher, a/g Assistant Secretary, Structural Analysis Branch, Macroeconomic Analysis and Policy Division
- Ms Alex Heath, First Assistant Secretary, Jobs Summit and Employment White Paper Taskforce
- Ms Edwina Dohle, a/g Assistant Secretary, Women's Economic Security Social Services Branch, Social Policy Division

#### *Productivity Commission (via videoconference)*

- Mr Michael Brennen, Chair, Productivity Commission
- Ms Rosalyn Bell, a/g Head of Office
- Mr Patrick Jomini, Assistant Commissioner

Professor Lyndall Strazdins, Private capacity

#### Bunnings Group Limited

- Mr Damian Zahra, Chief People Officer
- Mr Justin Young, Head of Employee Relations and Insights

#### Office for Women, Department of Prime Minister and Cabinet

• Ms Telitha Schroedl, Director, Evidence, Women's Economic Policy

 Ms Shelby Schofield, Chief Economist and Acting Assistant Secretary, Women's Economic Policy Branch

#### 4 Day Week Australia (via videoconference)

- Ms Alyssa Shaw, Australian Campaign Coordinator
- Mr Adrian McMahon, Campaign Co-Director

#### The Australia Institute, Nordic Policy Centre

• Professor Andrew Scott, Convenor

Tuesday, 20 December 2022 Willara Room The Grace Hotel 77 York Street Sydney

#### McDonald's Australia

- Mr Cameron Newlands, Vice President of Operations
- Ms Emma Napoli Hala, Chief People Officer

#### Woolworths Group

- Mrs Jane Toone, Director, Talent, Inclusion and People Capabilities
- Mr Marcin Firek, Director, People Risk, Reward and Compliance
- Mr Mark Van Den Bosch, General Manager, Process Transformation Supermarkets

Monday, 30 January 2023 Stamford Plaza Hotel Sydney Airport Cnr Robey & O'Riordan Street Mascot Sydney

Amazon Commercial Services Pty Ltd (Amazon Australia)

- Mr Ryan Smith, Senior Manager, Public Policy
- Mrs Mirinda (Mindy) Espidio-Garcia, Director, Operations

#### Coles Group Limited (via teleconference)

 Ms Vittoria Bon, Government and Industry Relations Manager, Corporate & Indigenous Affairs