# LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON ECONOMY AND GENDER AND ECONOMIC EQUALITY Ms Leanne Castley MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair), Mr Johnathan Davis MLA

# **Submission Cover sheet**

Inquiry into the future of the working week

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# Future of the working week submission

A feasible case for action to improve gender equality, wellbeing and population health

Standing Committee on Economy and Gender and Economic Equality

### **AUTHORS**

This submission has been prepared by Professor Lyndall Strazdins, Dr Ginny Sargent, Helen Skeat and Amelia Yazidjoglou from the ANU National Centre for Epidemiology and Population Health.<sup>1</sup>

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We acknowledge the Traditional Owners on whose land we walk, work and live and their continuing connection to land, sea and community. We pay our respects to their Elders both past and present.

<sup>&</sup>lt;sup>1</sup> Refer to Appendix with Biographies for more information

# Support

We commend and support the ACT Legislative Assembly Inquiry into the future of the working week, and offer the following submission with suggestions for a highly engaged, co-design process to developing feasible, acceptable, sustainable, and effective approaches to addressing long working hours and the inequities in work-time and wellbeing that arise.

## **Summary**

Work time is central to the economic, physical, social and mental wellbeing of Canberrans. Having enough work is important to wellbeing, and working too much can impair it. Our own research shows that in contemporary Australia, around 38 hours a week is an optimal average (Dinh, Strazdins and Welsh, 2017).

Long work hours affect many workers, with 40% of employed Australians working more than the legislated National Employment Standard (NES) 38 hours, and just under one in ten employed men working more than 60 hours a week (pre-pandemic average of 9-10%; ABS 2021, 2020).

The true impact economically and socially is much wider, because when one person works long hours, their partner is pushed to cut back their hours; an equity, wellbeing and human capital loss (Cha, 2013; Landivar, 2015).

Over the past 15 years our research has investigated wellbeing consequences of excess workhours, especially in families. We have documented the impact of long hours and the workfamily conflicts they generate on children, men, women and older worker wellbeing (Cooklin et al, 2016; Dinh et al, 2017; Doan et al in press; Doan et al, 2022).

The current work time arrangements are an artefact of the social conditions at the time they were developed (the early 1900's). They are currently creating inequities in employment opportunities and are causing significant harms to the population (Pega et al, 2021). Long hour jobs exclude large numbers of people who combine jobs with the care of children or elders (Doan et al, 2021).

Our submission supports the case for taking action to address inequities due to long work hours. The right action will help achieve the potential health, wellbeing and gender equality benefits of a working week where women and men can both work and care. We suggest an iterative, and evidence-based process.

We suggest a research and stakeholder partnership engagement approach to collaboratively identify and explore the feasibility and sustainability of approaches to addressing long work hours, including a four day working week option.

The aim is to identify optimal approaches to reducing long work hours, we believe starting with a capped 38-hour option (as per the NES) would deliver significant wellbeing and equity benefits that are likely to be feasible and widely acceptable.

#### Historical context to our current working week

In the 1907 Harvester Decision, Justice Higgins of the Arbitration Court decided that 7 shillings a day, or 42 shillings a week, was fair and reasonable wages for an unskilled labourer. This became the basis of the national minimum wage system in Australia. It was a 'living' or 'family' wage, set at a level that would allow an unskilled labourer to support a wife and three children, to feed, house, and clothe them if he worked between 44 to 50 hours a week (Nyland, 1986). By the 1920s it applied to over half of the Australian workforce. It became known as the 'basic wage'.

This decision on how long people worked and what income they earned was based on a labour market that was almost entirely male, on the assumption men spend long hours at a job while women spend long hours in the home. While its purpose was to ensure the basic income (and care) needs of families could be met, it set a standard for long full-time hours which is not compatible with both partners in a household sharing these roles.

## Current working week barriers to gender equality and population health

One hundred years later, the family wage has disappeared, and the majority of families have — and need — two earners. Despite women now being half of the workforce (47.7%)<sup>2</sup> the reality of a long hour full-time working week has hardly changed. Our research shows that such long hours are impossible to combine with care, placing long hour jobs out of the reach of most Australian women. They also constrain many Australian men from being the fathers they wish to be. The current long and short hour labour market is polarised by gender, and this polarisation is growing.

The Harvester Decision set the course of the Australian working week more than a century ago, and it is time to revisit it. We commend the Inquiry's review of this outdated working week standard.

### Key facts about work hours in Australia<sup>3</sup>

The legislated current weekly maximum is 38 hours as outlined in the National Employment Standards (NES). The NES apply to all employees covered by the national workplace relations system, regardless of any award, agreement or contract, but this standard does not reflect the hours Australians work and is routinely surpassed.

In 2021, two out of five (40%) employed Australians worked more than 38 hours. The majority of them are men, with one in ten employed men working more than 50 hours a week. In contrast, women predominate in the low hour and poor quality jobs. This disparity in working time underpins disparities in opportunity and income security: despite being, on average, better educated than men, women still earn 14 to 20% less. Our research shows that such long hours are impossible to combine with care, placing long hour jobs out of the reach of most Australian women. They also constrain many Australian men from being the fathers they wish to be.

<sup>&</sup>lt;sup>2</sup> https://www.wgea.gov.au/publications/gender-workplace-statistics-at-a-glance-2021

<sup>&</sup>lt;sup>3</sup> Refer to Key References and please contact the submission authors for more details and links to evidence from the peer-reviewed literature that support these statements.

# Evidence on long work hours and wellbeing<sup>4</sup>

Work-life balance has become a widespread social and health problem. Two thirds of premature deaths worldwide are from chronic diseases, and many of these could be prevented if people were more active and ate healthy food. Overweight has been listed as the fifth most serious risk for disease burdens and disability-adjusted life years (DALYs), and physical inactivity is the fourth leading risk for mortality and sickness. Lack of time is the number one reason Australians don't exercise sufficiently or eat healthy food.

The health harms of long work hours are well established. The World Health Organization (WHO) estimates that long work hours contribute to about 3.7% of the population—attributable fractions for deaths and 23 million disability adjusted lost years from ischemic heart disease and stroke (Pega et al., 2021).

Long full-time hours also have a direct impact on workforce sustainability and equality of participation. They erode health, contribute to chronic disease burdens and restrict opportunities for healthy lifestyles. Long workhours place pressure on families, resulting in a gender-linked exclusion of women from good jobs and men from family caregiving.

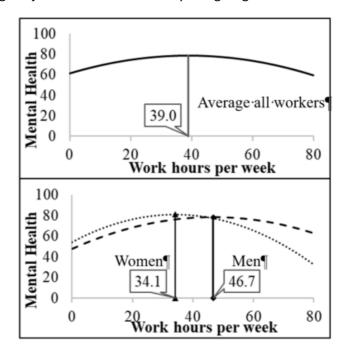


Figure 1
Work hour tipping points for mental health, all
Australian workers aged 25-64, and by men and women

(Dinh et al 2017, HILDA data)

<sup>&</sup>lt;sup>4</sup> Refer to Key References and please contact the submission authors for more details and links to evidence from the peer-reviewed literature that support these statements.

Our analysis of work-time and mental health shows, on average, mental health reduces when paid work hours exceed 39 hours (Figure 1). There is a large gender difference: 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 13 hours longer each week than a woman before he starts to experience issues with his mental health, is because relatively little of his time is devoted to unpaid care. These gender gaps in hours persist over the life course and continue to constrain women's earning capability into mature age (widening women's unequal opportunities for a financially secure retirement; Doan et al 2022).

Countries where shorter full-time hours are normative (e.g., Finland, Denmark, Norway) show greater gender equality in employment participation and the converse is also true (e.g., South Korea, Japan, Greece, Mexico). Iceland recently trialled a shorter working week to improve productivity and wellbeing, and early data indicates wellbeing benefits and a sustained shift towards work hour reduction in most workplaces. The Icelandic trials used a staged rollout of 1, 2, 3, and 4 hour reductions.

Our research indicates that long work hours are the major drivers of work and family conflict, and reducing work related strains and conflicts would improve mental health for mothers, fathers *and* children (Cooklin et al, 2016; Dinh et al, 2017).

Research also indicates that capping work-time at 38 hours could achieve significant reduction in harmful levels of (long) work hours and will in turn support more physical activity and healthy food preparation (e.g., Devine et al 2006; Doan et al, 2022).

Capping long full-time work hours in the ACT at 38 hours is a feasible, first step towards achieving working week reductions. This could be a catalyst for enabling time for men's to care and do unpaid work, and women's to enter employment and increase work hours. There is an strong economic argument to such a step, along with the social, economic and health benefits of equality of opportunity at work and home and wellbeing improvements across multiple domains.

# Addressing long work hours and improving wellbeing in the ACT

In response to the Inquiry, we recommend a staged approach to reducing long work hours in the ACT. The following approach is designed to ensure recommended changes to work hours are: feasible, acceptable, sustainable, and effective at addressing inequities in work-time and wellbeing. We recommend a partnership approach with relevant areas of ACT Government and interested Industries. We believe a trial would be especially fruitful (in terms of recruitment, retention, wellbeing and equity) in ICT, Nursing and Teaching.

This study will answer the following questions:

- 1. What is needed to limit the working week to 38 hours in the ACT?
- 2. What might be the benefits to wellbeing? Are there any costs?
- 3. What policy options would address excess hours?

Focussing first on addressing maximum weekly work hours, rather than days. Capping weekly work hours to the current 38-hour National Employment Standard could be the first step in a longer-term reform. A four day (38-hour maximum) week would be one model among several that could be trialled. We anticipate that a focus on reducing long hours to the maximum 38-hour week

will have direct improvements on the wellbeing of the ACT community, with benefits for mental health and healthy lifestyles, employment and income equality, recruitment and retention, volunteering, quality of time use, unpaid work and caring, and work-life balance.

Improving feasibility from the start by using a deliberative co-design approach and best-practice collaboration between the ACT Government, ACT businesses, and other ACT community members and utilising the research expertise available at the ANU. Evidence indicates that cost sharing of reduced work hours between Government, workplaces and workers, is more sustainable and effective. A staged plan, which identifies willingness, concerns and solution options could be developed and tested via stakeholder consultation.

Measuring acceptability and effectiveness through research and evaluation throughout the process. We believe research can support decisions on how to best reduce work hours so that employment is fairer, healthier and sustainable and positions the ACT as the Australian vanguard in equity health and liveability.

Figure 2: Proposed collaborative approach to piloting reduced working hours with three key workforces in the ACT: Trialling a variety of work hour reduction approaches.

#### Phase 1

Identify the evidence base: collate existing data and establish a baseline measure of current compliance to a maximum 38-hour week

Assess key stakeholder views on willingness, impact, costs and benefits of aligning and ensuring maximum hours do not exceed the 38-hour standard

#### Phase 2

Co-design parallel trials in 3 key workforces to test the feasibility, acceptability and effectiveness of shorter working weeks, including limits on working hours (e.g. 38 hrs, 34 hours, 4 days)

Quality improvement and action research to assess

- Implementation feasibility
- Acceptability & compliance
- · Economic costs & benefits
- · Wellbeing costs & benefits
- · Recruitment and retention
- · Caring & volunteering involvement/sharing

#### Phase 3

Rolling implementation (parallel and/or staged) of each trial in agreed workplaces

Phase 1-2 is the co-design and alliance building process (12 months). Phase 3 implements the outcomes of Phase 1-2 and consists of rolling trials in agreed workplaces, with quality improvement and action research to assess feasibility, acceptability, costs, compliance along with equity, caring involvement and wellbeing costs and benefits. This would be a longitudinal study to assess these costs and benefits and wellbeing impacts and be funded using a partnership model.

This submission has been prepared by Professor Lyndall Strazdins, Dr Ginny Sargent, Helen Skeat and Amelia Yazidjoglou. We have presented to the ACT Government Wellbeing Team and the Wellbeing Policy and Implementation Group.

#### **Author Biographies**

**Professor Lyndall Strazdins** 

Lyndall is world recognised as a leading thinker in work, family and health and in gender inequality, especially as it relates to time and work hours. Lyndall has authored or co-authored > 150 peer reviewed journal papers, commissioned reports, or discussion papers. She has been a lead or co-lead on competitive grants, consultancies and partnerships totalling \$7.8M, awarded an ARC Future Fellowship in 2011 and the EU Marie Skłodowska-Curie International Fellowship Seal of Excellence in 2017. Three of her papers have been ranked in the top published globally in the work and family field. Her current work centres on how time (and its lack) is a major contemporary determinant of health and social inequality. Lyndall's career has had at its heart social change for justice and wellbeing, and she has partnered closely with policy makers, NGO's and advocacy groups in many of her grants, papers and outputs.

#### **Doctor Ginny Sargent**

Ginny has extensive experience in population health research including on: the effect of work-time on health; survey design; designing, implementing, and evaluating preventive health strategies and health promotion interventions; the prevention of chronic diseases associated with obesity; and evaluation of government health promotion programs and policy. Ginny is leading the implementation of the PHXchange in the ANU National Centre for Epidemiology and Population Health. The PHXchange is seeking to ensure that quality research has impact in the community. Ginny and the PHXchange team work with a broad range of people and organisations, including the community, health service consumers, non-government organisations, and national and state governments.

#### **Helen Skeat**

Helen has over 20 years of experience in engaging communities to develop collaborative solutions for complex population health problems. She is recognised for her skills in working creatively with multiple stakeholders to design and evaluate effective and sustainable interventions. Helen is the Implementation Coordinator in the PHXchange, in the ANU National Centre for Epidemiology and Population Health. She has contributed to population health research including on time as a determinant of health. Helen is on secondment from the Population Health Division of ACT Health.

#### Amelia Yazidjoglou

Amelia has been involved in many population health research areas including: time as a social determinant of health, work hours and older workers' health, alternate work schedules, and electronic cigarettes. Amelia is a research assistant and PhD candidate at the ANU National Centre for Epidemiology and Population Health.





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