



Legislative Assembly for the Australian Capital Territory

Standing Committee on Economy and
Gender and Economic Equality

Inquiry into the future of the working week

Legislative Assembly for the Australian Capital Territory
Standing Committee on Economy and Gender and Economy Equality

Approved for publication

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About the committee

Establishing resolution

The Assembly established the Standing Committee on Economy and Gender and Economic Equality on 2 December 2020.

The Committee is responsible for the following areas:

- Chief Minister's responsibilities
- Economic development and diversification
- Tourism
- Industrial relations and workplace safety
- Social impacts and outcomes of economic policies including gender considerations (excluding Office for Women)
- Minister of State responsibilities (excluding Justice and Community Safety Directorate reporting areas)
- Business and better regulation
- Arts

You can read the full establishing resolution [on our website](#).

Committee members

Ms Leanne Castley MLA, Chair

Ms Suzanne Orr MLA, Deputy Chair

Mr Johnathan Davis MLA

Secretariat

Ms Sophie Milne, Committee Secretary

Ms Miona Ikeda, Acting Committee Secretary

Ms Kate Mickelson, Assistant Committee Secretary (from 14 August 2023)

Mr Consul O'Reilly, Assistant Committee Secretary (until 7 August 2023)

Mr Adam Walker, Assistant Committee Secretary

Ms Batool Abbas, Administrative Assistant

Ms Emma Warren, Graduate Administrative Assistant (until 18 August 2023)

Contact us

Mail	Standing Committee on Economy and Gender and Economic Equality Legislative Assembly for the Australian Capital Territory GPO Box 1020 CANBERRA ACT 2601
Phone	(02) 6205 0435
Email	LACommitteeEGEE@parliament.act.gov.au
Website	parliament.act.gov.au/parliamentary-business/in-committees

About this inquiry

Under Standing Order 216, a standing committee can self-initiate an inquiry into any subject area it is given responsibility for by the establishing resolution. The Standing Committee on Economy and Gender and Economic Equality (the Committee) resolved to conduct an inquiry into the future of the working week on 4 May 2021.

The Committee informed the Assembly of its intention to conduct this inquiry on 13 May 2021.

Terms of Reference

To inquire into and report, on:

- a) defining and configuring the concept of a four-day work week;
- b) the advantages of a four-day work week;
- c) the disadvantages of a four-day work week;
- d) options, issues and challenges for transition to and implementation of a four-day work week across different sectors and industries;
- e) considerations of implementing the four-day work week in the context of enterprise bargaining and current industrial law considerations;
- f) how the four-day work week compares with flexible work arrangements or other alternative working arrangements;
- g) best practice four-day work week policy approaches and responses being undertaken in other jurisdictions; and
- h) any other related matters.

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Acronyms

Acronym	Long form
ACT	Australian Capital Territory
ACTCOSS	ACT Council of Social Service
ACTPS	ACT Public Service
AEU	Australian Education Union, ACT Branch
ANMF	Australian Nursing and Midwifery Federation
ANU	Australian National University
APS	Australian Public Service
Carmichael Centre	Carmichael Centre at the Centre for Future Work
CFMEU ACT	Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch
CPSU	Community and Public Sector Union
the Committee	the Standing Committee on Economy and Gender and Economic Equality
Cth	Commonwealth
MLA	Member of the Legislative Assembly
NES	National Employment Standards
QTON	Question Taken on Notice
UK	United Kingdom

Findings

Finding 1

The Committee finds that a range of flexible work arrangements such as working from home, flexible start and finish times etc are compatible with a four-day work week and one does not preclude the other.

Finding 2

The Committee finds there is strong support among the ACT community for a four-day work week.

Finding 3

The Committee finds a strong expectation that there is no loss of pay or conditions as part of any shift to a four-day work week model.

Finding 4

The Committee finds that one of the more commonly cited disadvantages of a four-day work week is that workers will experience a loss of pay and/or conditions and notes evidence from trials challenges this perception.

Finding 5

The Committee finds that out of the compression and reduction models, the reduction model of the four-day work week has the greatest support.

Finding 6

The Committee finds employers consider the disadvantages of a four-day work week to be greater than employees do.

Finding 7

The Committee finds a loss of worker and business productivity is one of the more commonly cited disadvantages of a four-day work week and notes that evidence from trials challenges this perception.

Finding 8

The Committee finds support in the community and evidence in the trials that a four-day work week can improve worker and business productivity.

Finding 9

The Committee finds that increased costs to business is one of the more commonly cited disadvantages of a four-day work week and notes that evidence from trials challenges this perception.

Finding 10

The Committee finds support in the community and evidence in the trials that a four-day work week can improve staff retention.

Finding 11

The Committee finds strong support from trials for a four-day work to improve work life balance.

Finding 12

The Committee finds strong support in the community and evidence from trials for the four-day work week to address work related stress and burnout.

Finding 13

The Committee finds strong support in the community and evidence from trials for a four-day work week to provide more time for caring responsibilities.

Finding 14

The Committee finds that the four-day work week is applicable to both office-based and non-office-based professions, noting that non-office-based professions will require greater consideration to support their transition to a four-day work week.

Finding 15

The Committee finds that the difficulty of implementing a four-day work week across all employment sectors is one of the more commonly cited disadvantages of the four-day work week and notes that evidence from trials and evidence provided to the Committee from various representative groups challenges this perception.

Finding 16

The Committee finds that a shift to a four-day work week has the potential to address excessive working hours and improve worker wellbeing.

Finding 17

The Committee finds the difficulty of implementing a four-day work week for casual, part time and other workers employed full time on rostering arrangements is one of the more commonly cited disadvantages of the four-day work week and notes that evidence from trials and evidence provided to the Committee from various representative groups challenges this perception.

Finding 18

The Committee finds that current industrial law considerations would require changes at a Commonwealth level if the entirety of the ACT were to transition to a four-day work week.

Finding 19

The Committee finds that the ACT Government, through its employment arrangements and enterprise bargaining process, can transition the ACTPS to a four-day work week independent of changes to law at a Commonwealth level.

Finding 20

The Committee finds that private sector business is able, under current legal settings or through its employment arrangements and enterprise bargaining process, to transition their workforces to a four-day work week at the discretion of the business.

Finding 21

The Committee finds that further trials across more business types and employment sectors are needed to fully test and understand the adjustments required to transition the wider economy to a four-day work week.

Finding 22

The Committee finds that the ACT public service with its broad range of employment sectors and arrangements is well placed to undertake a trial of the four-day work week.

Finding 23

The Committee finds that for a trial or transition to a four-day work week to be best practice, thorough planning, reporting and evaluation prior to, during and after commencement of a four-day work week should be undertaken.

Finding 24

The Committee finds that for a trial or transition to a four-day work week to be best practice the planning, reporting and evaluation should be done in conjunction with experts in four-day work week policy and transitions and expert industrial representatives.

Finding 25

The Committee finds that any lessons from an ACT Public Service trial should be released publicly to inform the growing evidence base of the four-day work week in practice.

Recommendations

Recommendation 1

The Committee recommends that the ACT Government note the findings of the Report into the future of the working week.

Recommendation 2

The Committee recommends the ACT Government convene a working group, including but not limited to ACTPS Executive representatives and employee representatives, to develop a roadmap to inform a future trial within the ACTPS of a reduction model of the four-day work week with no loss of pay or conditions for ACTPS employees and that trial areas incorporate administrative and frontline business units and employees on full time and non-full time employment arrangements.

Recommendation 3

The Committee recommends the ACT Government develop a pilot program with any necessary support structures for private sector employers who would like to voluntarily trial a four-day work week, with this pilot program drawing on the UK pilot program as the preferred model.

1. About the inquiry

Conduct of the inquiry

- 1.1. On 4 May 2021, the Committee resolved to conduct an inquiry which would explore the concept of a four-day work week and whether this would be a suitable model for the future of work in the Australian Capital Territory. The inquiry was titled 'the future of the working week'.
- 1.2. On 16 June 2021 the Committee released a discussion paper titled 'Discussion Paper: Future of the working week' which covered the history of and contemporary research into work time reduction.¹
- 1.3. The Committee resolved on 8 March 2022 to conduct a survey as part of the inquiry. The survey became live on 3 August 2022, and the results are discussed below.
- 1.4. On 3 May 2022 the Assembly passed a resolution calling upon the Committee to consider investigating the working conditions of casual and contract workers (a group also referred to as insecure workers) in the ACT,² and the Committee resolved to consider the issue as part of this inquiry.³
- 1.5. The Committee received 34 submissions to the inquiry which were published on the inquiry webpage and are listed in [Appendix A](#).
- 1.6. Four public hearings were held throughout the duration of the inquiry. These occurred on 5 April, 27 April, 3 May and 25 May 2023. The Committee heard evidence from witnesses listed in [Appendix B](#). Transcripts and video recordings of the hearings are available on the Legislative Assembly [website](#).
- 1.7. The Committee had six Questions Taken on Notice (QTONs) from the public hearings. The details of these are listed in [Appendix C](#).
- 1.8. The Committee resolved to adopt three Exhibits as part of the inquiry. Exhibit 1 includes a summary of survey responses conducted as part of the inquiry, Exhibit 2 provides the Autonomy report, 'The results are in: The UK's Four-Day Week Pilot' and Exhibit 3 provides the Swinburne University of Technology report 'Emerging Four Day Work Week Trends in Australia'. All are available on the [Committee's website](#).

Committee survey

- 1.9. As part of this inquiry, the Committee conducted a survey of the opinions of Canberrans towards alternative options to the standard five-day working week.
- 1.10. The survey, which used the survey platform Survey Monkey, was open from July to December 2022 and received 1,155 responses. It was promoted on the Legislative

¹ Standing Committee on Economy and Gender and Economic Equality, *Discussion paper: Future of the working week*, June 2021.

² *Minutes of Proceedings No 46*, 3 May 2022, pp 604–606.

³ *Minutes of Proceedings No 49*, 1 June 2022, p 653.

Assembly's various social media pages, as well as by Committee Members through their own social media.

- 1.11. The survey questioned respondents' attitudes towards a four-day work week, associated changes to pay and conditions, and other flexible work arrangements. It also collected demographic data such as age and income bracket, but did not collect any identifying information from respondents. It consisted of a mix of multiple choice and free text answers.
- 1.12. Of the respondents who answered the survey:
- 64 percent were female;
 - most were aged 25-34 (36 percent) or 35-44 (28 percent);
 - 54 percent had no caring responsibilities;
 - 78 percent worked full-time;
 - 80 percent worked Monday-Friday office hours;
 - 77 percent had access to flexible working arrangements;
 - 26 percent worked in public administration and safety; and
 - 20 percent made \$2,000–\$2,999 per week.

Findings summary

- 1.13. The key findings from the survey were:
- the vast majority of respondents rated themselves as very supportive of a four-day work week (86 percent);
 - the majority of respondents supported no change to take home pay and conditions if a four-day work week was adopted (78 percent);
 - just over a third of respondents (39.91 percent) indicated they preferred a model of a four-day work week which involved fewer hours worked during the week, as opposed to a compressed four-day work week (22.86 percent). Just under a third of respondents (37.23 percent) stated they would be happy with either option; and
 - almost all respondents (93.42 percent) preferred flexible working arrangements being offered in conjunction with a four-day work week.⁴

⁴ Exhibit 1, p 2.

2. Introduction to the four-day work week

Legislative History

- 2.1. The establishment of the standard five-day eight-hour working week was the product of continual reductions to working hours from a 70-hour peak in the 19th century.⁵
- 2.2. In 1788 when the first convicts arrived in Australia there was little protection around working conditions, with labourers expected to work Monday to Friday, sunrise to sunset. Part of Saturday and all of Sunday were reserved for rest and church attendance.⁶
- 2.3. The first recorded Australian industrial action regarding working conditions occurred in 1791, when Sydney convicts demanded changes to ration arrangements.⁷
- 2.4. Australian unions were first formed between 1830 and 1833 and faced significant opposition from employers and the government. It was the shortage on the labour market produced by the end of free convict labour and the significant number of men participating in the goldrush which saw unions obtain more bargaining power.⁸
- 2.5. Clear representation of this newfound campaigning force was the achievement in 1856 by Melbourne stonemasons of the eight-hour day, following the successful reformation of the Operative Masons' Society union.⁹ The union negotiated with employers and the government and secured agreements for a reduction in working hours and days without a loss of pay.¹⁰
- 2.6. In 1948, almost a century after the Operative Masons' Society union's success, the Commonwealth Arbitration Court guaranteed the eight-hour day and five-day week to workers at a federal level, with the passing of the *Commonwealth Conciliation and Arbitration Act 1948* (Cth), allowing for alterations to standard working hours.¹¹
- 2.7. Annual leave was introduced throughout the 20th century and was increased in the 1970s to four weeks a year. The introduction of paid sick leave in 1935 and an increased number of public holidays all assisted in reducing the number of days worked in a year.¹²
- 2.8. In 1980, as a solution to the economic crisis and high unemployment rates, the Metal Workers Union voted to support a reduction in the number of hours worked over five days with an agreement to reduce the legislated 40-hour week to 38 hours.¹³

⁵ Professor John Quiggin, *Submission 19*, p 3.

⁶ National Museum Australia, *Eight-hour Day*, 4 May 2023, [Eight-hour day | National Museum of Australia \(nma.gov.au\)](https://nma.gov.au/eight-hour-day) (accessed 26 May 2023).

⁷ National Museum Australia, *Eight-hour Day*, 4 May 2023, [Eight-hour day | National Museum of Australia \(nma.gov.au\)](https://nma.gov.au/eight-hour-day) (accessed 26 May 2023).

⁸ National Museum Australia, *Eight-hour Day*, 4 May 2023, [Eight-hour day | National Museum of Australia \(nma.gov.au\)](https://nma.gov.au/eight-hour-day) (accessed 26 May 2023).

⁹ Professor Quiggin, *Submission 19*, p 4.

¹⁰ National Museum Australia, *Eight-hour Day*, 4 May 2023, [Eight-hour day | National Museum of Australia \(nma.gov.au\)](https://nma.gov.au/eight-hour-day) (accessed 26 May 2023).

¹¹ National Museum Australia, *Eight-hour Day*, 4 May 2023, [Eight-hour day | National Museum of Australia \(nma.gov.au\)](https://nma.gov.au/eight-hour-day) (accessed 28 August 2023).

¹² Carmichael Centre at the Centre for Future Work, The Australia Institute, *Submission 23*, p 5.

¹³ Carmichael Centre at the Centre for Future Work, The Australia Institute, *Submission 23*, pp 5–6.

- 2.9. Further information on the history of work time reduction can be found in the Committee's discussion paper.¹⁴

Recent cultural trends

- 2.10. The COVID-19 pandemic necessitated a shift in working arrangements. To align with social distancing requirements, organisations allowed their employees to work from home when possible. Casual workers were hit hardest by job losses in the economic downturn of 2020, representing two-thirds of job losses over that year.¹⁵ As of June 2023, the job market in Australia had become very tight with unemployment sitting at 3.5 percent.¹⁶
- 2.11. These large, relatively sudden changes to working patterns led more people to re-evaluate the nature of, and relationship employees have to, work.¹⁷ A practice dubbed 'quiet quitting' emerged, where employees refused to put extra effort into their jobs, rather choosing to do only the bare minimum of what was required of them. A global economic trend called 'the Great Resignation' also began during the pandemic, where workers resigned *en masse* due to dissatisfaction with their jobs.¹⁸ Interestingly, this trend was slightly different in Australia, as workers were more likely to change jobs than to opt out of the labour force entirely.¹⁹
- 2.12. One submission summed up a feeling of overwork that is commonly expressed by today's workforce:

Many people I know, from across different generations, suffer from a level of mental and physical exhaustion due to a culture of long work hours where the focus is often 'how many hours have you worked this week' rather than 'how productive were you this week?'. For too long our work culture has rewarded people for their time spent at the job rather than their productivity. This practice harms our community and wastes time that could be spent enjoying or improving our lives and communities outside of work, disadvantaging both employees and employers.²⁰

- 2.13. In response to this discussion, which it must be noted began before 2020 but which was made more prominent by the pandemic, a growing number of organisations have experimented with shorter work weeks as a means of boosting productivity, reducing stress, and improving work-life balance. Iceland began a trial of reduced hours (from one to four fewer hours per week) in 2015 which eventually led to the wide adoption of a shorter

¹⁴ Standing Committee on Economy and Gender and Economic Equality, *Discussion paper: Future of the working week*, June 2021, p 4.

¹⁵ Australian Bureau of Statistics, *Casuals hardest hit by job losses in 2020*, 11 December 2020 (<https://www.abs.gov.au/media-centre/media-releases/casuals-hardest-hit-job-losses-2020>, accessed 5 August 2023).

¹⁶ ABS, *Unemployment rate at 3.5 per cent in June*, 20 July 2023 ([Unemployment rate at 3.5 per cent in June | Australian Bureau of Statistics \(abs.gov.au\)](https://www.abs.gov.au/Unemployment-rate-at-3.5-per-cent-in-June) accessed 28 August 2023).

¹⁷ Professor John Quiggin, *Submission 19*, p 3.

¹⁸ Professor John Quiggin, *Submission 19*, p 6.

¹⁹ Mick Tsikas, 'Australia is seeing a 'great reshuffle' not a 'great resignation' in workforce: Frydenberg', *The Conversation*, 6 February 2022 (<https://theconversation.com/australia-is-seeing-a-great-reshuffle-not-a-great-resignation-in-workforce-frydenberg-176516> accessed 27 July 2023).

²⁰ Jonah Morris, *Submission 25*, p 2.

working week across the country.²¹ What is believed to have been the first trial of a four-day work week in a private company was held in New Zealand in 2018,²² and since then trials have been held across the world including in the United Kingdom, Spain, the United Arab Emirates, and Japan.²³

²¹ Autonomy, *Going public: Iceland's journey to a shorter working week*, June 2021, p 7.

²² Perpetual Guardian et al, *White paper – The four-day week*, p 5.

²³ 4-Day Week Australia, *Submission 33*, p 3.

3. Defining the four-day work week

- 3.1. As detailed in [Chapter 2](#), the evolution and reformation of Australian working norms has slowly developed since the arrival of the first convicts in 1788.
- 3.2. Working hours fell from the start of the Industrial Revolution until the 1980s but have since levelled off. One study estimated that if the historical trend had continued, workers would currently be working approximately 33 to 34 hours per week.²⁴
- 3.3. Efforts to reduce the time spent at work by shortening the working week (without a commensurate loss in pay) have occupied union movements, employees, employers, academics, economists and others for over a century. The drivers for these efforts have been underpinned by the view that working fewer hours is an indicator of economic and social progress.²⁵
- 3.4. Recent years have seen the research base on working time reduction expand greatly. As stated in Exhibit 2, The results are in: The UK's Four-Day Week Pilot, in the United Kingdom alone, think tanks such as the New Economics Foundation, Women's Budget Group and the Institute for Public Policy Research have all produced research projects and policy briefings on the benefits and feasibility of shorter hours policies.

Defining the four-day work week

- 3.5. A four-day work week, as opposed to working part-time four days a week, would be considered working full time and could be implemented in these main ways:
 - reduced hours models, with both:
 - no reduction in productivity; or
 - some reduction in productivity;
 - compressed hours model; and
 - hybrid models.
- 3.6. For trials in the United States, Ireland, Australia, New Zealand, and the United Kingdom, the most popular form of work reduction was a four-day work week with a 20 percent reduction in working hours and no loss in pay.²⁶
- 3.7. Further to the models described above, there are different methods of application that can be used to achieve the same average hours in a four-day work week model, but over a different time period to a single week (for example, annualised, where operational requirements may dictate higher and lower levels of weekly hours at different times, but in any 12 month period the employees average the same hours, pay, and productivity).

²⁴ Ben Chapman, *Majority of UK workers support four-day working week, study finds*, Independent, 3 June 2019, <https://www.independent.co.uk/news/business/news/four-day-working-week-pay-transparency-yougov-poll-a8941891.html> (accessed 30 June 2023).

²⁵ Standing Committee on Economy and Gender and Economic Equality, *Discussion Paper: Future of the working week*, p 4.

²⁶ 4-Day Week Global, *Assessing global trials of reduced work time with no reduction in pay*, 2022, p 5.

- 3.8. There are a range of different schedules workplaces can use to allow for a reduced hours four-day week. These include:
- fifth day stoppage, where the company shuts down operations for one additional day;
 - staggered patterns, where staff take alternating days off – for example, staff may be divided with some taking Mondays off and others taking Fridays off;
 - decentralisation, where different departments operate on different work patterns, including some staff working five days with shorter hours;
 - annualised model, where staff work a 32-hour average working week; and
 - conditional framework, where staff entitlement to the four-day week is tied to ongoing performance monitoring.²⁷

Reduced hours

- 3.9. The advantages of a model with reduced hours and no loss of pay or productivity (commonly referred to as the 100:80:100 model) derive from the fact that in addition to providing the many employee benefits as are detailed in [Chapter 4](#) below, it includes an additional condition of no reduction in output for the employer when compared to a normal five-day work week.²⁸
- 3.10. Many submissions supported a reduction model, whereby a four-day work week is accompanied by no loss of conditions or pay, but were either silent on the issue of a productivity, or supported a version of the four-day work week that did not include such a condition (that is, no reduction in pay or conditions, and a 20 percent reduction in hours).²⁹
- 3.11. In evidence presented to the Committee at the 3 May 2023 hearing, Ms Eliza Littleton of the Carmichael Centre for Future Work at the Australia Institute recommended that a 32-hour work week with no loss of pay be the type of model considered and adopted for a four-day work week, and that it be implemented in a universal way across different sectors and different occupations, while allowing flexibility for workers to choose the hours and days that best suit them.³⁰
- 3.12. Conversely, the Committee heard evidence which suggests employers may not be supportive of this reduced-hours model, and that it may impose additional costs on certain industries and professions. Dr Bruce Arnold's submission, referring to the Committee's Discussion Paper, stated:
- ...it takes an unduly positive view of claims that a shorter working week will result in meaningful productivity improvements, in particular improvements sufficient to drive adoption by SMEs and larger employers of reduction rather than conventional mechanisms such as flextime, working-from-home and carers leave.

²⁷ 4-Day Week Global, *The Results are in The UK's Four-Day Week Pilot*, 2023, pp 20–22.

²⁸ 4 Day Week Campaign Ltd, *Submission 29*, p 1.

²⁹ See, for example: Cole Cooney, *Submission 9*, p 1; Alex Moisescu, *Submission 8*, p 1; Name withheld, *Submission 10*, p 2; Autonomy, *Submission 22*, p 2; Search Foundation, *Submission 31*, pp 4–5.

³⁰ Ms Eliza Littleton, Senior Economist, Carmichael Centre, Centre for Future Work, Australia Institute, *Committee Hansard*, 3 May 2023, p 59.

Those claims have not been systematically tested and – importantly – are at odds with perceptions among employers that workers would be allowed to reduce their workload by 20% without a corresponding 20% reduction in remuneration (or a proportionate subsidy from the national government).³¹

- 3.13. In addition, at the hearing on 25 May 2023, the Committee heard evidence from Mr Stephen Miners, Deputy Under Treasurer, who stated:

If we were to try and do it using a four-day week, you would need to roster things. But there is still the same amount of work to be done. So, if you are just cutting everyone's hours back, we would effectively have a 20 per cent reduction in output, unless we can pick it up through productivity.³²

Compressed hours

- 3.14. This model consists of the regular hours of a normal five-day working week being undertaken in a compressed timeframe of four days, and therefore with no reduction in pay or productivity. This option is already available to many employees under existing flexible working arrangements, but may be less beneficial for employees and employers than reduced hours.³³

- 3.15. Under existing ACT public service enterprise agreements there is already considerable scope in the flexibility of hours worked by employees, including through the use of Time off In Lieu (TOIL) and 'flex-time' arrangements. Indeed, as stated in the RiotAct on 25 June 2023:

A four-day working week for public servants is being seriously discussed in the latest round of negotiations over wages and conditions for the Australian Public Service. On the table is a proposal to provide APS employees with the option of working longer hours over four days of the week instead of the current 7.5 hours a day over five days.

They would have to total 37.5 hours a week but achieve that by working about 9.5 hours a day for four days between the hours of 7 am and 7 pm Monday to Friday. The Community and Public Sector Union is pushing for the flexibility to have the four-day week option form part of the next employment agreement for APS staff.³⁴

- 3.16. A significant volume of evidence received during this inquiry indicated that negative health, social and productivity outcomes may result from working such extended daily hours, and that these negative outcomes frequently outweigh any benefits.³⁵

³¹ Dr Bruce Baer Arnold, *Submission 5*, p 2.

³² Mr Stephen Miners, Chief Minister, Treasury and Economic Development Directorate, *Proof Committee Hansard*, 25 May 2023, p 111.

³³ See, for example: Community and Public Sector Union, *Submission 20*, p 2; ACT Government, *Submission 13*, p 2.

³⁴ Chris Johnson, [Four-day working week for APS under discussion in latest round of negotiations | Riotact \(the-riotact.com\)](#), *RiotAct*, 25 June 2023.

³⁵ See, for example: Mr Jack Kellam, Lead Editor, *Autonomy*, *Committee Hansard*, 3 May 2023, p 76; *Autonomy*, *Submission 22*, p 2; Professor John Quiggin, *Submission 19*, pp 5–8; Name withheld, *Submission 15*, p 1.

- 3.17. Autonomy, an independent research organisation, outlined in their submission and at their appearance at the 3 May 2023 hearing that a compression of hours counteracted the benefits of a reduced work week.³⁶ They stated that:

These put the benefits of a 'proper' four-day week to employees' wellbeing and productivity at serious risk. Longer, more intense working days risk exacerbating issues of burnout – heaping more stress onto an already depleted workforce – rather than offering the additional free time necessary to see benefits to wellbeing and productivity.³⁷

Hybrid models

- 3.18. Hybrid models consist of a four-day work week that are a hybrid between part and full-time work, compressed and reduced-hour models. A hybrid scenario could consist of the following:
- an employee works for four days a week with a maximum eight and a half hours daily or 34 hours total per week;
 - they are paid the equivalent of their full-time wage, per their current award or Enterprise Agreement;
 - they complete the equivalent work in four days, as is required of them in a full-time capacity (maintain 100 percent productivity); and
 - employees have flexibility around which days they work.³⁸

Survey feedback

- 3.19. In looking at which approach to pay and conditions respondents supported, the survey results showed that overwhelmingly respondents were in favour of a model where there was no change to take-home pay and conditions (78.27 percent). Only 2.42 percent supported an approach where there would be a reduction in both take-home pay and conditions based on a reduction of hours.³⁹ See figure 1 below:

³⁶ Mr Jack Kellam, Lead Editor, Autonomy, *Committee Hansard*, 3 May 2023, p 76; Autonomy, *Submission 22*, p 3.

³⁷ Autonomy, *Submission 22*, p 3.

³⁸ Laura Lambert, *Submission 3*, p 2.

³⁹ *Exhibit 1*, p 4.

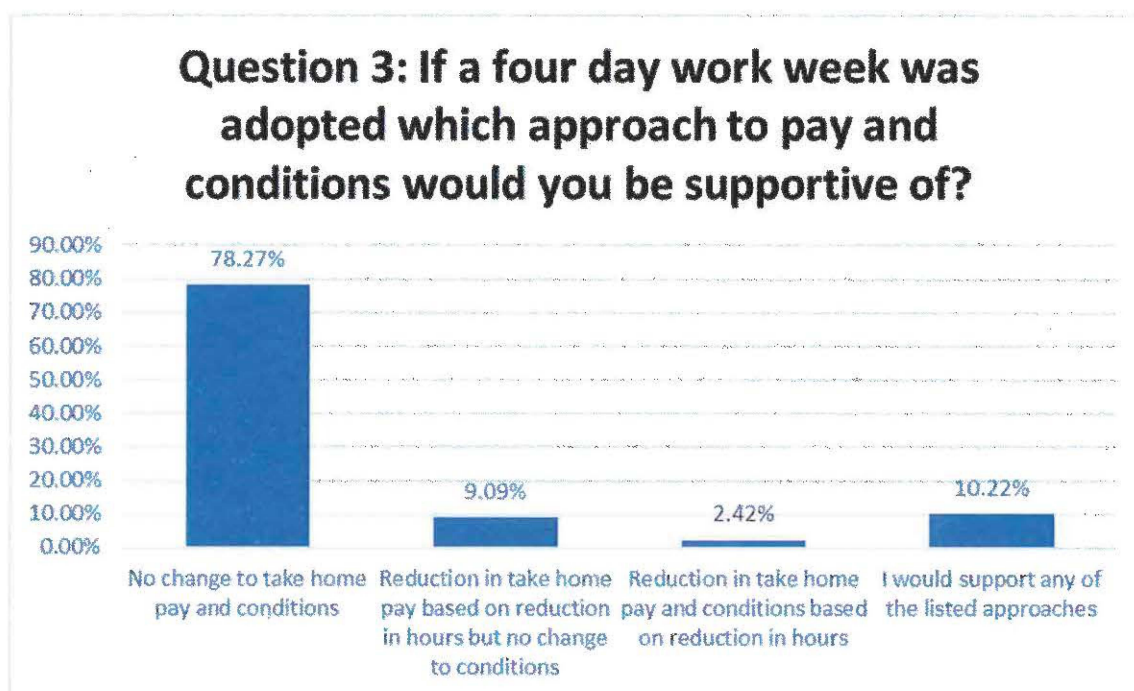


Figure 1: Question 3 responses [Source: Future of the Working Week Survey].

- 3.20. In assessing which model of a four-day work week was preferred, the largest numbers of respondents (39.91 percent) supported one which involved working both fewer days and fewer hours overall – that is, working normal hours, but only for four days a week.⁴⁰
- 3.21. Approximately 23 percent of respondents were in support of a compressed working week model that would see individuals work the same number of hours as previously, but over fewer days.⁴¹
- 3.22. Just over a third (37.23 percent) indicated support for either model.⁴²
- 3.23. In explaining their choices, respondents provided a multitude of reasons relating to the positives of having more free time, including:
- benefits for work-life balance;
 - increased time for rest, leisure, and life administration;
 - better mental and physical health;
 - increased productivity of workers;
 - more family time;
 - reduced childcare costs;
 - increased staff attraction and retention; and
 - more time to spend in the community.

⁴⁰ Exhibit 1, p 5.

⁴¹ Exhibit 1, p 5.

⁴² Exhibit 1, p 5.

- 3.24. Many respondents noted they would be happy to work longer days in a compressed working week for the same pay as a five-day week, given they felt like they already worked longer hours or already worked compressed hours:

I've worked compressed hours across 4 days and it's achievable if you don't work 3 days. It also lessens the cost of childcare, cause childcare sessions are charged for the whole 12-hour session irrespective of whether you use 12 hours.⁴³

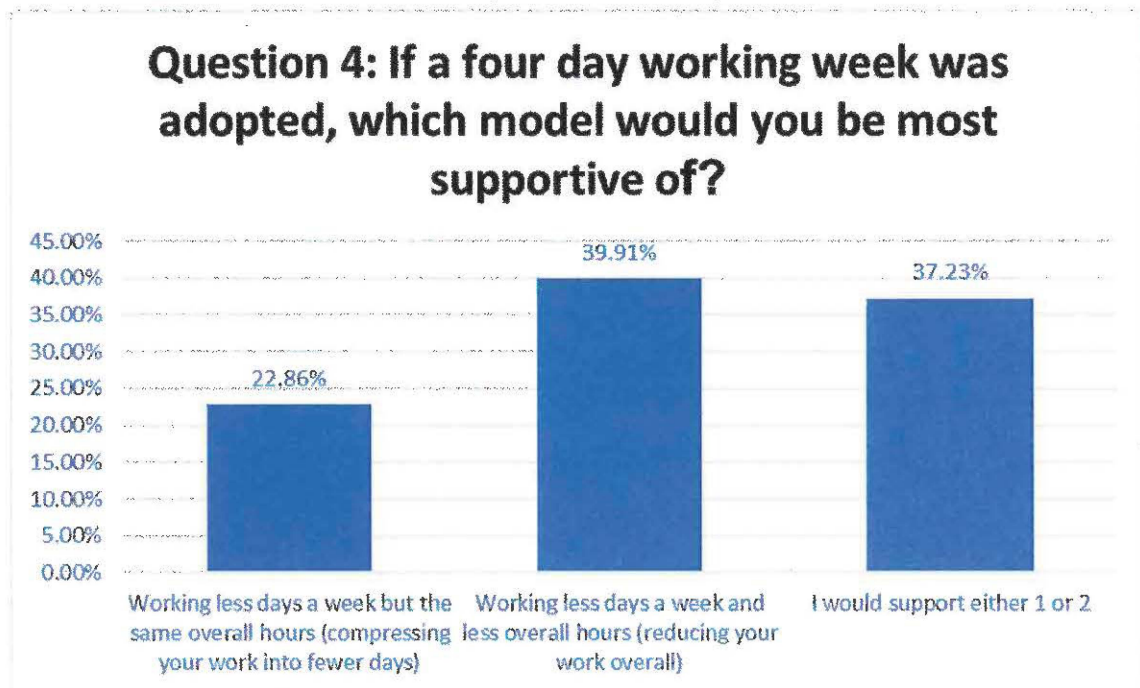


Figure 2: Question 4 responses [Source: Future of the Working Week Survey].

Comparisons with other alternative working arrangements

- 3.25. In respect of other options beyond a four-day working week, increased access to working from home, flex-time arrangements, TOIL, and a nine-day work fortnight all received high levels of support as part of ACT Labor's survey in response to this inquiry.⁴⁴
- 3.26. The survey conducted by the Committee asked respondents to indicate which flexible working arrangements they would support from the following options:
- work from home;
 - flex time;
 - hybrid (a mix of working from home and the office);
 - other (please specify); and
 - none of the above.

⁴³ Respondent no. 442, Future of the Working Week Survey.

⁴⁴ ACT Labor, *Submission 17*, p 3.

- 3.27. 'Work from home', 'flex time', and 'hybrid' all received high levels of support, (82.51 percent, 79.74 percent, 87.27 percent respectively) with only 2.5 percent of respondents indicating they wouldn't support any of the listed flexible work arrangements.⁴⁵

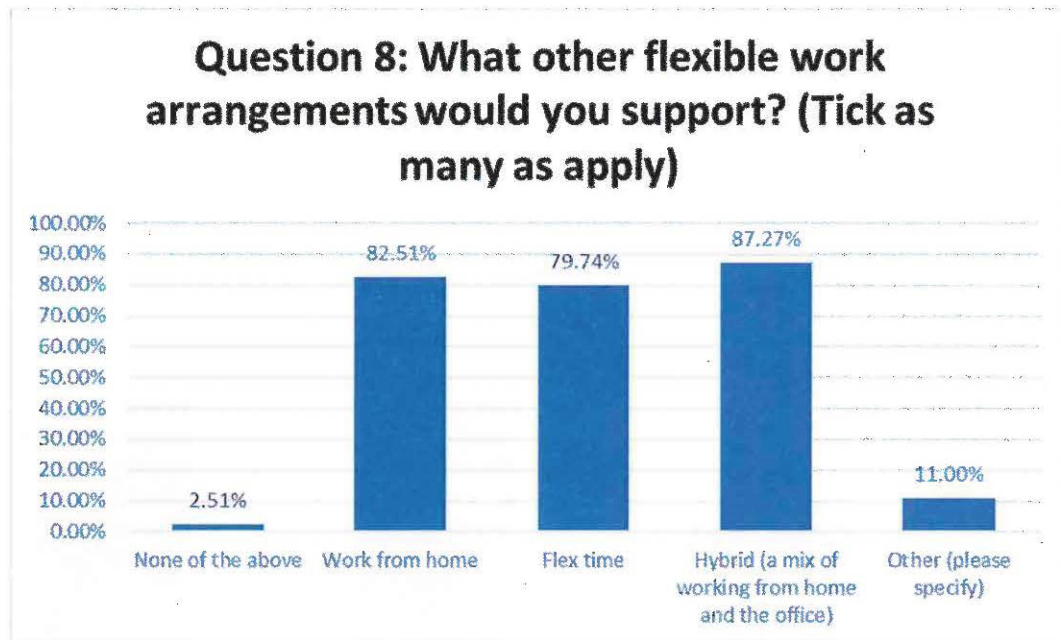


Figure 3: Question 8 responses [Source: Future of the Working Week Survey].

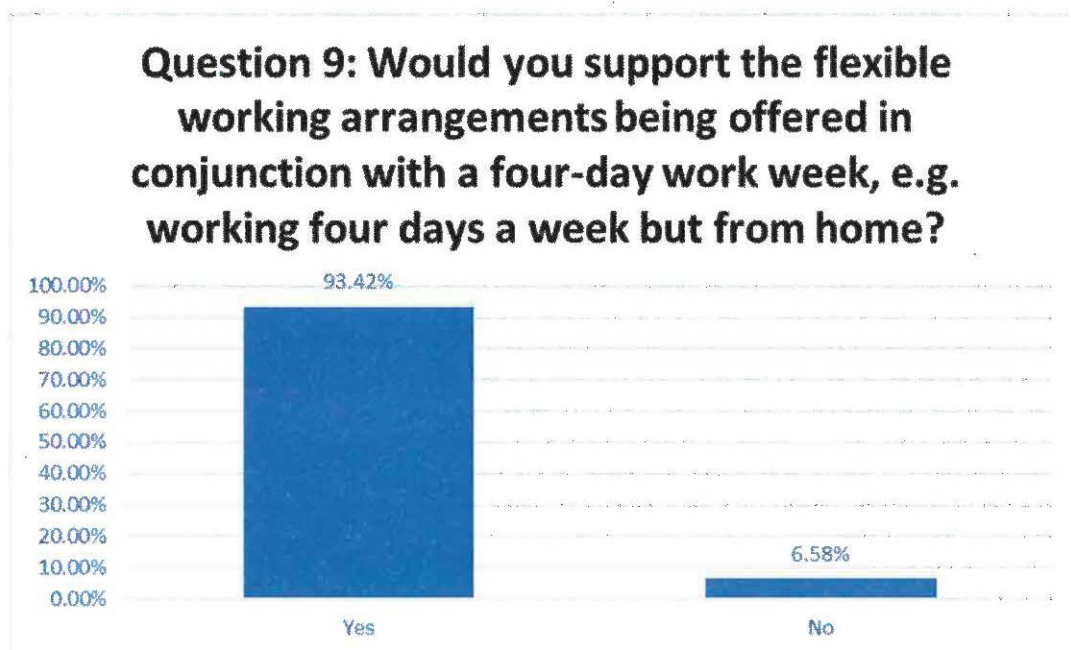


Figure 4: Question 9 responses [Future of the Working Week Survey].

⁴⁵ Exhibit 1, p 9.

- 3.28. Over 90 percent of respondents indicated they would support flexible work arrangements being offered in conjunction with a four-day work week.⁴⁶
- 3.29. Overall, there is wide support from the community for flexible working arrangements and for these arrangements to be offered along with four-day work week policies.⁴⁷ Four-day work week policies, if they were to be added to flexible working arrangements, could increase productivity and well-being along with increasing work life balance.⁴⁸
- 3.30. The ACT Government's submission outlined that ACT Public Service (ACTPS) workers have a range of flexible working arrangements available to them to facilitate work-life balance.⁴⁹ These arrangements include:
- a. Working the usual number of hours in a day, while varying the starting and finishing times.
 - b. The ability to take a few hours off during the day and make the time later in the day or on a different day.
 - c. Compressing standard working hours over a period to complete the hours over a shorter number of days. For example, a 35-hour week could be worked at a rate of 8.75 hours per day for four days instead of 7 hours per day for five days.⁵⁰
- 3.31. Likewise, the ACT Government offers 'leave of absence, part-time work, flexitime, and work from home' as other flexible arrangements for staff, but does not have an option for staff to reduce working time without a loss in pay.⁵¹
- 3.32. As stated by Professor Quiggin, after the peak of the COVID-19 pandemic, workers have found 'they could achieve better work balance through remote work, without any reduction in productivity' with the desire by managers and employers for workers to return to the office only 'partially successful'.⁵²
- 3.33. Professor Quiggin also noted that for those in workplaces that can facilitate work from home arrangements, workers were hesitant to lose some of the autonomy they have felt with the rise of these arrangements,⁵³ saying:
- Others have found working from home to be liberating, and are keen to preserve some of their new-found autonomy.⁵⁴
- 3.34. However, for those in professions like healthcare, work from home arrangements as a form of flexible work arrangement are not a viable option, with a need to be physically present

⁴⁶ Exhibit 1, p 9.

⁴⁷ Exhibit 1, p 9.

⁴⁸ See for example: ACT Government, *Submission 13*, p 2; Professor John Quiggin, *Submission 19*, p 9; 4 Day Week Campaign, *Submission 29*, p 2.

⁴⁹ ACT Government, *Submission 13*, p 2.

⁵⁰ ACT Government, *Submission 13*, p 2.

⁵¹ ACT Government, *Submission 13*, p 3.

⁵² Professor John Quiggin, *Submission 19*, pp 6–7.

⁵³ Professor John Quiggin, *Submission 19*, p 8.

⁵⁴ Professor John Quiggin, *Submission 19*, p 8.

to perform their jobs. Thus the four-day work week allows workers in professions like nursing, who are largely burnt out,⁵⁵ to increase their overall wellbeing.

- 3.35. Independent research organisation Autonomy noted that while flexible and remote work have assisted in reducing commute time and have enabled some to work more effectively, the lack of separation between home and work poses a threat of working increased hours.⁵⁶

- 3.36. Autonomy recommended that for lower working hours to be effective, four-day work week policies should be paired with a 'Right to Disconnect', which would grant workers the statutory right to not have to respond to communications sent outside of their contracted hours.⁵⁷ Autonomy noted that:

This will help to safeguard the additional free time gained by a shorter working week, and ensure benefits to wellbeing and productivity are maintained.⁵⁸

- 3.37. The ANU Law Reform and Social Justice Research Hub noted that adding four-day work week policies to existing flexible work arrangements could have a benefit of attracting talent. They outlined in their submission that:

In order to competitively attract talent in the future, the public service must improve its approach to flexible, rewarding work which enables young people and new graduates to thrive by ensuring an adequate work-life balance, improving workplace mental health, and adapting to the standards for workplace health and wellbeing set by innovators in the private sector.⁵⁹

- 3.38. Likewise, the submission from the 4 Day Week Campaign LTD argued that while flexible work arrangements in their current form assist in increasing job satisfaction, they do not create the increases in productivity and mental wellbeing that four-day week policies do.⁶⁰ They stated:

Flexible working benefits both employers and employees as it increases job satisfaction, recruitment and retention. However, current forms of flexible working do little to improve productivity and mental wellbeing like having a 32 hour, four-day working week with no loss of pay does.⁶¹

Committee Comment

- 3.39. The Committee found wide support for four-day work week policies to be included alongside flexible working arrangements offered at workplaces.

⁵⁵ Australian Nursing and Midwifery Federation, *Submission 24*, pp 1–2.

⁵⁶ Autonomy, *Submission 22*, p 4.

⁵⁷ Autonomy, *Submission 22*, p 4.

⁵⁸ Autonomy, *Submission 22*, p 4.

⁵⁹ Australian National University Law Reform and Social Justice Research Hub, *Submission 26*, p 3.

⁶⁰ 4 Day Week Campaign, *Submission 29*, p 2.

⁶¹ 4 Day Week Campaign, *Submission 29*, p 2.

- 3.40. The Committee finds that four-day work week policies allow workplaces that cannot access flexible working arrangements, such as working from home, to gain the benefits of reduced commute and work efficiency.

Finding 1

The Committee finds that a range of flexible work arrangements such as working from home, flexible start and finish times etc are compatible with a four-day work week and one does not preclude the other.

- 3.41. The Committee finds that a four-day work week is not just working part-time – workers do not want to lose pay and conditions. A shift to a four-day work week would involve a four-day work week being considered full time, with all the societal repercussions that that involves.

Finding 2

The Committee finds there is strong support among the ACT community for a four-day work week.

Finding 3

The Committee finds a strong expectation that there is no loss of pay or conditions as part of any shift to a four-day work week model.

Finding 4

The Committee finds that one of the more commonly cited disadvantages of a four-day work week is that workers will experience a loss of pay and/or conditions and notes evidence from trials challenges this perception.

Finding 5

The Committee finds that out of the compression and reduction models, the reduction model of the four-day work week has the greatest support.

4. Advantages and disadvantages

- 4.1. Research suggests that worktime reduction is a multi-dividend policy that can improve human wellbeing, organisational performance and environmental outcomes.⁶²
- 4.2. Evidence provided to the Committee was overwhelmingly supportive of a four-day work week, with submissions and evidence predominantly leaning toward a preference for a 20 percent reduction in work hours, with no loss of conditions or salary.⁶³ Due to the popularity of this model, the term 'four-day work week' will refer to a reduced hours model in this chapter.
- 4.3. Spain has trialled the reduced four-day work week to increase productivity, improve the mental health of workers and fight climate change.⁶⁴ Results from the New Zealand Unilever trial showed strong results against business targets, including revenue growth, with the vast majority of staff reporting feeling engaged, and absenteeism dropping 34 percent. Individual wellbeing also improved, with stress dropping 33 percent. Meanwhile, feelings of strength and vigour at work reportedly increased by 15 percent, and work/life conflict reportedly fell 67 percent.⁶⁵
- 4.4. However, not all stakeholders viewed the four-day work week as advantageous. Evidence received by the Committee suggested that employers found greater disadvantages to the four-day work week than employees.⁶⁶
- 4.5. The survey conducted by the Committee asked respondents to choose the level of disadvantage a four-day work week would have for each of the following:
 - reduced productivity;
 - cost to business;
 - less time for interacting with colleagues;
 - too difficult to organise within business; and
 - too difficult to manage clients working five-day weeks.

⁶² 4 Day Week Global, *The Four Day Week: Assessing global trials of reduced work time with no reduction in pay: Evidence from Ireland*, p 5.

⁶³ See, for example: Cole Cooney, *Submission 9*, p 1; Alex Moisescu, *Submission 8*, p 1; Name withheld, *Submission 10*, p 2; Autonomy, *Submission 22*, p 2; Search Foundation, *Submission 31*, pp 4–5; 4 Day week Australia, *Submission 33*, p 2.

⁶⁴ Name withheld, *Submission 10*, p 3.

⁶⁵ Unilever, *Unilever Australia & New Zealand expands four-day work week trial following encouraging results*, 2 November 2022 (<https://www.unilever.com.au/news/press-releases/2022/unilever-australia-new-zealand-expands-fourday-work-week-trial-following-encouraging-results/> accessed 29 June 2023).

⁶⁶ See, for example: Respondent no. 418, *Future of the Working Week Survey; Exhibit 1*, p 8.

- 4.6. The highest-rated disadvantage was seen as the cost to business (39.84 percent) and the second was 'too difficult to manage clients working five-day weeks' (39.65 percent).

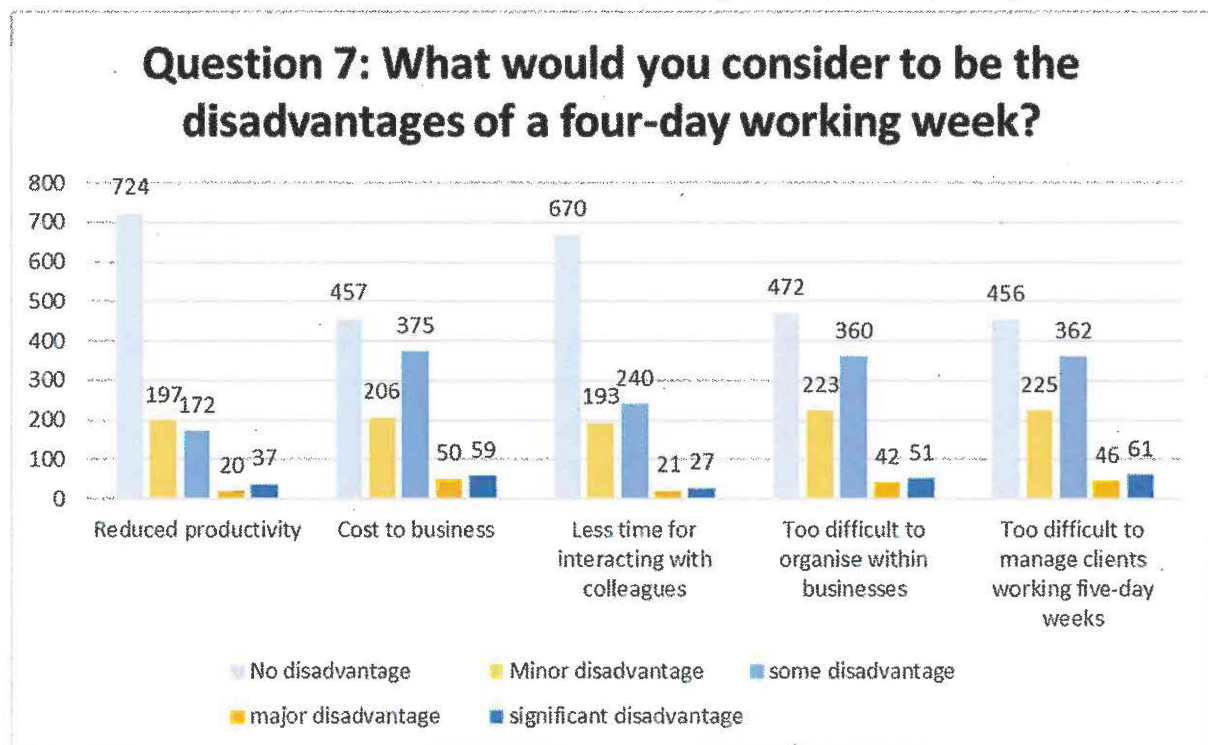


Figure 6: Question 7 Responses

- 4.7. Unfortunately, the Committee did not receive any submissions from business owners or operators, and therefore the views of this important group of stakeholders are not well represented in the evidence. Some survey respondents did note the difficulty small businesses would encounter, with one saying 'a small business cannot compress five workdays into four'.⁶⁷ The same respondent, in answer to a free-text question, noted potential disadvantages to business owners' bottom lines:

More pressure on small businesses to make the same amount of money in four days instead of five (or six) and still pay the staff the same wages. It's fine for the public servants and I am sure they are all for it, but the private sector will suffer greatly.⁶⁸

- 4.8. The Committee notes that both 'reduced productivity' and 'less time for interacting with colleagues' had a majority of respondents (62.96 percent and 58.21 percent respectively) indicate they were not a disadvantage. However, as the responses are anonymised, it cannot be known what proportions of these responses were from employees and from employers.⁶⁹
- 4.9. It is understandable that employers and business owners are more concerned than employees about the potential negative effects that a shift to a four-day work week would

⁶⁷ Respondent no. 418, Future of the Working Week Survey.

⁶⁸ Respondent no. 418, Future of the Working Week Survey.

⁶⁹ Exhibit 1, p 8.

bring. If productivity is not maintained, the cost to business of 20 percent of their workers' salaries engendering no return is a considerable financial disincentive.

Finding 6

The Committee finds employers consider the disadvantages of a four-day work week to be greater than employees do.

Productivity

- 4.10. When assessing the potential impact of a four-day work week, the productivity of the worker is usually the first concern that springs to mind. Evidence received by the Committee reflected that the impacts of a four-day work week on this would be variable. Some jobs would experience a commensurate 20 percent drop in productivity, many have reportedly been able to maintain 100 percent productivity, and still others have reported increased productivity.⁷⁰
- 4.11. A company which had this last experience was Microsoft. In Japan, the organisation trialled a four-day work week by giving its 2,300-person workforce five Fridays off in a row. Ultimately it was found that a shortened work week led to more efficient meetings, happier workers and boosted productivity by 40 percent.⁷¹
- 4.12. A large-scale trial in the UK, conscious of the difficulty inherent in comparing the productivity of organisations across different organisations, chose to track revenue as an indicator of company performance and found that the organisations in the six-month trial largely maintained their revenue levels compared to a similar pre-trial six-month period.⁷²
- 4.13. Interestingly, findings from recent Australian four-day work week trials state that 70 percent of participating companies reported an increase in productivity and 30 percent reported that it stayed the same. There were no reports of a drop in productivity.⁷³ Time-reduction strategies such as deprioritising non-essential work and reducing meetings were some of the strategies used to achieve this outcome.⁷⁴
- 4.14. Responses to the Committee's survey revealed other more subtle effects which could account for this increased productivity. Many respondents posited that a four-day work week would result in less procrastination and 'presenteeism' (being at work but not doing anything productive). They said that workers would be more resilient and suffer less from burnout, and that they would no longer have to perform personal tasks during work hours.

⁷⁰ See, for example: Mr Stephen Miners, Deputy Under Treasurer, Treasury, Chief Minister, Treasury and Economic Development Directorate, *Proof Committee Hansard*, 25 May 2023, p 117; ACT Government, *Submission 13*, pp 3–8; Dr Bruce Baer Arnold, *Submission 5*, pp 4–5.

⁷¹ Kari Paul, '[Microsoft Japan tested a four-day work week and productivity jumped by 40% | Microsoft | The Guardian](#)', *The Guardian*, 5 November 2019 (accessed 12 July 2023).

⁷² *Exhibit 2*, p 28–29.

⁷³ *Exhibit 3*, p 5.

⁷⁴ *Exhibit 3*, p 14.

They believed that workers would be more inspired to meet organisational goals – all outcomes which benefit the employee as well as the employer.⁷⁵

*Various participants have described the effects of the trial as resulting in them 'bringing craft to how [they] attend work', and prioritising efficiency in the workplace, as well as subsequently approaching Monday's 'calmer, ... buzzing', and ready to work.'*⁷⁶

- 4.15. While some workers had been able to find efficiency in their workflows to allow for a four-day work week, not all tasks can be performed in less time while still maintaining quality output. For example, Dr Camilla Jozwik, a neurologist at Calvary Bruce Public Hospital and ACT Neurology Centre, told the Committee during the public hearing on 27 April 2023 that a 100:80:100 model might not be possible in across all areas of the public hospital system, pointing out that doctors 'cannot see patients quicker.'⁷⁷
- 4.16. The ACT Government's submission also considered this issue:
- Workplaces would need to determine on a case-by-case basis whether the reduced number of workers available across the working week is sufficient to manage the required workloads without endangering the work health and safety of workers.⁷⁸
- 4.17. The submission also noted that, while there may be productivity increases in some areas of the workforce, these increases may not be sustained or sufficient to maintain a four-day work week in the long-term:
- [W]hile productivity may increase, it may not increase sufficiently or with enough longevity to fund this model in the longer term. In addition, in many frontline areas staffing will necessarily have to be increased to ensure adequate roster cover and service delivery is maintained.⁷⁹
- 4.18. This raises an interesting point of the maintenance of productivity levels over the long term. The Committee notes that for many workers who participated in trials of a 100:80:100 model, the four-day work week was conditional on no loss of productivity.⁸⁰ One can envision that this encouraged workers to put in maximum effort in order to not lose their extra day off. Would this effort be maintained once a four-day work week became policy?

⁷⁵ Respondents no. 5, 223, 318, 408, 642, and others, Future of the Working Week Survey.

⁷⁶ Australian Nursing and Midwifery Federation, *Submission 24*, p 6.

⁷⁷ Dr Camilla Jozwik, Neurologist, Calvary Bruce Public Hospital and ACT Neurology Centre, *Committee Hansard*, 27 April 2023, p 55.

⁷⁸ ACT Government, *Submission 13*, p 3.

⁷⁹ ACT Government, *Submission 13*, p 8.

⁸⁰ See, for example: *Exhibit 2*, p 22; *Exhibit 3*, p 5.

4.19. In order to begin to answer this question, one might look at other changes to work culture which occurred during the pandemic. During the public hearing on 25 May 2023, Mr Stephen Miners, Deputy Under-Treasurer, likened the four-day work week to the working from home arrangements in place during the COVID-19 pandemic: while some areas ‘actually had an increase in productivity’,⁸¹ adverse effects were apparent in other areas:

We had other processes that really needed to be face to face, and their productivity fell through the floor. Things you think might be quite simple can have different effects. Even in one organisation, it can have different impacts on different parts of that organisation.⁸²

4.20. Although many industry representatives heard by the Committee had a positive view of the potential of the four-day work week, some were more cautious. The ACT Council of Social Service (ACTCOSS) noted that reduced hours in the caring sector would directly result in reduced capacity which could not be compensated for without additional funding.⁸³ The ACT Law Society outlined strong concerns about loss of productivity in their submission, citing difficulties which would be caused by any reduction in capacity of the judicial system, and in the increase in cost to clients that a move to a four-day work week would entail.⁸⁴ However, they did acknowledge that there was no fundamental impediment to the legal profession transitioning to a four-day work week, providing that improvements such as better document management and work sharing were also implemented.⁸⁵

4.21. While the Committee acknowledges that some specific industries (mainly front-line services) would experience a loss of worker and business productivity if a four-day work week were implemented, the majority of evidence shows that productivity can be maintained or increased across the economy at large. Across organisations and perhaps across industries, there is scope for productivity gains in one sector to balance out losses in another, for an overall gain or at least maintenance of the quality and quantity of goods and services produced under a longer week.

4.22. One witness described the experience of working a four-day week as follows:

I suppose it is about having the mental energy. When you are there on those four days, you are really there. When you are at work for five days, sometimes you spend Monday morning settling in, and you spend Friday afternoon sliding off, sometimes. I noticed it in my behaviour; when I switched to four days, I rocked up and I was right into it. I continue right until the end of the Thursday. For me it is Monday to Thursday. I certainly have not seen a decrease in productivity. I have the same number of projects, if not more, as my colleagues who are in the same

⁸¹ Mr Stephen Miners, Deputy Under Treasurer, Treasury, Chief Minister, Treasury and Economic Development Directorate, *Proof Committee Hansard*, 25 May 2023, p 117.

⁸² Mr Stephen Miners, Deputy Under Treasurer, Treasury, Chief Minister, Treasury and Economic Development Directorate, *Proof Committee Hansard*, 25 May 2023, p 117.

⁸³ ACT Council of Social Service, *Submission 34*, p 2.

⁸⁴ ACT Law Society, *Submission 32*, p 3.

⁸⁵ Mr Thomas Fischer, Employment Law Committee member, ACT Law Society, *Committee Hansard*, 5 April 2023, p 12.

job. There was never any conversation about, “You’ve gone to four days, so we’re going to do X, Y and Z.” I maintained my workload. So I really have not seen that.⁸⁶

Finding 7

The Committee finds a loss of worker and business productivity is one of the more commonly cited disadvantages of a four-day work week and notes that evidence from trials challenges this perception.

Finding 8

The Committee finds support in the community and evidence in the trials that a four-day work week can improve worker and business productivity.

Costs to the bottom line

- 4.23. Another commonly cited disadvantage to the four-day work week is cost. As discussed, not all workers can maintain their work performance across reduced hours, some industries would require an increased staff presence in order to maintain their service capacity.⁸⁷
- 4.24. The Australian Nursing and Midwifery Federation (ANMF) noted in their submission that to maintain the level of service currently being provided ‘a significant boost in recruitment numbers’ would be required to meet the initial demands of a four-day work week.⁸⁸
- 4.25. Likewise, when asked during the public hearing on 5 April 2023 about what a four-day work week would look like for those in community sector organisations, Dr Gemma Killen, Acting Chief Executive Officer, ACTCOSS, reflected that to maintain current service provision, employment must be maintained at its current level with increased funding necessary:⁸⁹

But we have a large part of the sector that delivers services that cannot be reduced. That will be a significant concern for us—that we would then need to increase the staff footprint for many organisations, and that would require more funding and more work to get people into the sector, which we already struggle to do.⁹⁰

- 4.26. Mr Patrick Judge, Branch Secretary for the Australian Education Union ACT Branch (AEU) said that education providers would experience increased costs due to increased staffing requirements.⁹¹ When asked whether it would be possible for teachers to move to a shortened week immediately, Mr Judge noted that additional resourcing would be necessary for a shortened working week to be effective.⁹²

⁸⁶ Ms Rose Mackie, *Committee Hansard*, 27 April 2023, p 52.

⁸⁷ See, for example: Rod Pitcher, *Submission 18*, p 2; Australian National University Law Reform and Social Justice Research Hub, *Submission 26*, pp 7–8; Dr Gemma Killen, Acting Chief Executive Officer, ACT Council of Social Service, *Committee Hansard*, 5 April 2023, p 35; ACT Government, *Submission 13*, p 6.

⁸⁸ Australian Nursing and Midwifery Federation, *Submission 24*, p 11.

⁸⁹ Dr Gemma Killen, Acting Chief Executive Officer, ACT Council of Social Service, *Committee Hansard*, 5 April 2023, p 35.

⁹⁰ Dr Gemma Killen, Acting Chief Executive Officer, ACT Council of Social Service, *Committee Hansard*, 5 April 2023, p 35.

⁹¹ Mr Patrick Judge, Branch Secretary, Australian Education Union ACT Branch, *Committee Hansard*, 5 April 2023, p 23.

⁹² Mr Patrick Judge, Branch Secretary, Australian Education Union (ACT Branch), *Committee Hansard*, 5 April 2023, p 23.

- 4.27. The ACT Government's submission outlined the view that the adoption of the 100:80:100 model would have financial implications across the ACT Public Service (ACTPS), particularly for the service industry, due to the increased staffing needs that would arise from a 20 percent reduction in working time.⁹³

If this model is implemented, there would be significant financial implications due to the need for essential and other services staffing to be increased to maintain service operating hours. It is expected the total wage costs in the ACTPS will increase and there would be significant financial cost in operationalising the model across the ACTPS.⁹⁴

- 4.28. The Committee accepts that an increased staffing requirement would impose initial costs on businesses. However, evidence suggests that the benefits of implementing a four-day work week could involve significant cost savings which could offset these initial costs.
- 4.29. For example, a four-day work week is very attractive to employees and could increase staff retention, saving money on recruiting as well as keeping workplace knowledge within organisations and industries. The AEU noted in their submission that moving to a four-day work week could increase workplace attraction within the education industry and make the 'ACT stand out as an employer of choice' when teachers compare jurisdictions.⁹⁵
- 4.30. Currently, according to the ANMF, healthcare workers report 'overwhelmingly high levels of stress and burnout.' They noted that a permanent work time reduction scheme would be useful to assist in increasing 'overall life satisfaction, health, leisure' and would also assist in increasing connectedness to community and reducing stress levels.⁹⁶ This, they believed, would largely relieve high levels of stress within the sector, attracting more workers and persuading more to stay.⁹⁷

Not only would a transition to a 4-day or 32-hour working week be a useful attraction and retention tool moving forward, but it would also make clear that the Government genuinely values the work undertaken by nurses and midwives.⁹⁸

- 4.31. Likewise, the ANMF noted that while there would be 'substantial initial cost to the implementation of a trial' due to the need for more staff, there was potential for consequential savings.⁹⁹ They stated that:

However, on balance, given trials demonstrated the ability of workplaces to maintain productivity despite reduced working time, it is most likely that aside from initial costs, it is likely there may be few other expenses, as well as

⁹³ ACT Government, *Submission 13*, p 6.

⁹⁴ ACT Government, *Submission 13*, p 6.

⁹⁵ Australian Education Union (ACT Branch), *Submission 27*, p 13.

⁹⁶ Australian Nursing and Midwifery Federation, *Submission 24*, p 6.

⁹⁷ Mr Mathew Daniel, Secretary, Australian Nursing and Midwifery Federation, *Committee Hansard*, 5 April 2023, p 30.

⁹⁸ Australian Nursing and Midwifery Federation, *Submission 24*, p 2.

⁹⁹ Australian Nursing and Midwifery Federation, *Submission 24*, p 11.

consequential savings (including those associated with greater retention), following the adoption of a worktime reduction model.¹⁰⁰

- 4.32. According to the ANU Law Reform and Social Justice Research Hub, a 2014 study found that the average cost to replace a full-time nurse in the ACT was \$68,621.¹⁰¹
- 4.33. Cost savings for businesses could also be found in:
- reduced need for office space, including utilities and furnishings;
 - less staff turnover;¹⁰²
 - fewer incidents of workplace compensation;¹⁰³
 - fewer workplace errors or accidents.¹⁰⁴
- 4.34. Furthermore, the submission from 4 Day Work Week Australia also suggested that some industries could see an increase in revenue thanks to a wide-ranging shift to a four-day work week, as workers would spend more in the hospitality, entertainment, retail, and tourism sectors thanks to their increased leisure time.¹⁰⁵

Finding 9

The Committee finds that increased costs to business is one of the more commonly cited disadvantages of a four-day work week and notes that evidence from trials challenges this perception.

Recruitment and retention

- 4.35. The ACT Government's submission noted significant skills shortages which may impact the ability to recruit additional workers, especially in occupations such as nursing and teaching, and that the ACTPS had had 'longstanding problems recruiting and attracting these groups of workers.' It further noted a four-day working week with competitive pay would likely be an effective mechanism to attract and retain available workers.¹⁰⁶
- 4.36. The Swinburne University of Technology preview report 'Emerging Four Day Work Week Trends in Australia' found:

When we enquired about the original motivation for implementing a 4DWW, *preventing burnout and offering employees a better work-life balance* were the most common responses, closely followed by attempts to...*improve recruitment...and...staff retention and (reduced) absenteeism rates*.¹⁰⁷

¹⁰⁰ Australian Nursing and Midwifery Federation, *Submission 24*, p 11.

¹⁰¹ Australian National University Law Reform and Social Justice Research Hub, *Submission 26*, p 7.

¹⁰² 4 Day Work Week Australia, *Submission 33*, p 5-6.

¹⁰³ Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch, *Submission 28*, p 6.

¹⁰⁴ Mr Mathew Daniel, Secretary, Australian Nursing and Midwifery Federation, *Committee Hansard*, 5 April 2023, p 28.

¹⁰⁵ 4 Day Work Week Australia, *Submission 33*, p 7.

¹⁰⁶ ACT Government *Submission 13*, p 4.

¹⁰⁷ *Exhibit 3*, p 5.

and

From an employer perspective, the biggest benefit we found from operating a 4DWW was an increased ability to not only retain existing staff, but to also become more attractive to future talent.¹⁰⁸

and

From an employer perspective, the key benefits companies have realised since switching to a 4DWW have been improved staff recruitment and retention...¹⁰⁹

- 4.37. The Australian National University Law Reform and Social Justice Research Hub's submission observed:

Supporting employee wellbeing, happiness at work, and fulfilment are key to enabling the ACTPS to retain its best talent. The four-day work week model may thus be a way in which talent can not only be attracted to a career in the ACTPS, but also retained.¹¹⁰

Finding 10

The Committee finds support in the community and evidence in the trials that a four-day work week can improve staff retention.

Worker wellbeing and work-life balance

- 4.38. The evidence before the Committee showed that the effects of a four-day work week on employee wellbeing have been found to be overwhelmingly positive. Evidence from overseas trials consistently demonstrated that working fewer hours was beneficial to staff wellbeing and work-life balance.¹¹¹ Many respondents to the Committee's survey also outlined the benefits that an extra day of free time could bring them. A four-day work week was cited as an opportunity to complete 'life administration' tasks and reduce stress and exhaustion:

A four-day working week gives time back to people, which can reduce work-induced stress and reduce levels of anxiety and depression, loss of sleep, poor diets, and exercise habits.¹¹²

- 4.39. As well as resting and engaging in leisure activities, studies of the four-day work week have shown that workers engage in health and wellbeing activities, such as attending medical appointments or exercising, on their day off.¹¹³ Autonomy's trial in the UK tracked factors

¹⁰⁸ Exhibit 3, p 8.

¹⁰⁹ Exhibit 3, p 2.

¹¹⁰ Australian National University Law Reform and Social Justice Research Hub, *Submission 26*, p 4.

¹¹¹ ACT Council of Social Service, *Submission 34*, p 2.

¹¹² Respondent no. 840, Future of the Working Week Survey.

¹¹³ Exhibit 3, p 10.

such as sleep difficulties, work-family conflict and life satisfaction, and reported large increases in emotional, mental and physical wellbeing amongst the participants.¹¹⁴

- 4.40. A respondent to the Committee's survey also suggested that the benefits of an extra day's rest could extend to children:

Students would be less exhausted, and this could help emotional regulation and therefore behaviour. It's certainly worth a try.¹¹⁵

- 4.41. The Swinburne University of Technology preview report 'Emerging Four Day Work Week Trends in Australia' directly correlated increased worker wellbeing to benefits to employers by way of reduced absenteeism:

The third key benefit by employers, was a significant reduction in sick days. There are obviously many benefits with having healthier, more engaged staff, and recent research found that absenteeism rates could be costing the Australian economy as much as AU\$24 billion in lost productivity each year.¹¹⁶

- 4.42. The Committee found that trials have adequately demonstrated that a four-day work week increases worker wellbeing by providing employees with a better work-life balance.

Finding 11

The Committee finds strong support from trials for a four-day work to improve work life balance.

Work related stress and burnout

- 4.43. In addition to the other demonstrated benefits of working shorter hours, there was also a substantial body of evidence provided to the Committee which suggested improved workplace health and safety benefits through reductions in workplace-related accidents, sickness and other work absences.¹¹⁷
- 4.44. Several submitters and witnesses identified work-related stress as a pressing issue in a number of frontline service delivery industries.¹¹⁸ The ANMF highlighted during the public hearing on 5 April 2023 that such stress can be due the nature of caring professions:

Over two consecutive years, we have conducted a psychosocial wellbeing survey of our members. Up to two thirds, and in some cases more, of our members—nurses and midwives—are experiencing moderate to high levels of distress. They

¹¹⁴ Exhibit 2, pp 36–41.

¹¹⁵ Respondent no. 674, Future of the Working Week Survey.

¹¹⁶ Exhibit 3, p 8.

¹¹⁷ See, for example: Select Committee on Work and Care, The Senate, *Final Report*, pp 136–137; Exhibit 3, p 8.

¹¹⁸ See, for example: ANMF, *Submissions 24*, p 7; Australian Education Union ACT Branch, *Submission 27*, p 13; ACTCOSS, *Submission 34*, p 2.

put that down to the demands of the work. With the caring professions, there is that sort of moral distress that you are exposed to constantly.¹¹⁹

- 4.45. The AEU noted in their submission that their sector was also disproportionately impacted by work-related stress:

We know from rates of workers compensation claims in the ACTPS that education workers are disproportionately impacted by psychosocial injury. These injuries happen as a result of traumatic events at work, but also as a result of psychosocial hazards such as job demands, low job control, poor support, and inadequate reward and recognition.¹²⁰

- 4.46. The ANMF supported consideration of the 100:80:100 model as a means to address employee health and safety:

At the macro level, what we would see is that things that are affecting our members—mostly burnout and stress—would, to a large extent, be relieved in some manner by going to a four-day working week.¹²¹

- 4.47. This benefit of the four-day work week was supported by evidence from trials. For example, Ms Alyssa Shaw from 4 Day Week Australia told the Committee at the hearing on 25 May 2023 that in a recent Australian trial almost two-thirds of workers reported a reduction in burnout and stress.¹²² Autonomy reported that results from the UK trial showed a reduction in burnout among even more participants at 71 percent.¹²³

Finding 12

The Committee finds strong support in the community and evidence from trials for the four-day work week to address work related stress and burnout.

Employees with caring responsibilities or personal chronic illnesses

- 4.48. Several submitters to the inquiry described how the four-day work week could benefit carers, whether they work professionally in the industry or in their own personal network as well as people with chronic health conditions.¹²⁴
- 4.49. ACTCOSS noted in their submission that the professional caring sector was struggling with capacity, and that the demand for their services was growing.¹²⁵
- 4.50. Many of the survey respondents noted that they were unable to work a five-day week while caring for family members. One such response observed:

¹¹⁹ Mr Mathew Daniel, Secretary, Australian Nursing and Midwifery Federation, *Committee Hansard*, 5 April 2023, p 26.

¹²⁰ Australian Education Union (ACT Branch), *Submission 27*, p 13.

¹²¹ Mr Mathew Daniel, Secretary, Australian Nursing and Midwifery Federation, *Committee Hansard*, 5 April 2023, p 26.

¹²² Ms Alyssa Shaw, Co-Director, 4 Day Week Australia, *Proof Committee Hansard*, 25 May 2023, p 98.

¹²³ *Exhibit 2*, p 36.

¹²⁴ See, for example: Carmichael Centre, *Submission 23*, pp 11–13; Australian National University Centre for Epidemiology and Population Health, *Submission 21*, p 3.

¹²⁵ ACT Council of Social Service, *Submission 34*, p 1.

I care for one child with a chronic illness and one parent with dementia and cannot work full time outside the home. When working 3 days a week I always struggle to keep up with developments, deadlines and meetings that occur on non-workdays. This problem would be halved if the work week for everyone was only 4 days.¹²⁶

- 4.51. Some survey respondents with health problems also noted their inability to work a five-day week, and the extra financial burden this placed on them:

I have chronic illnesses/disability and find a 4day week gives me the work/life balance required to manage my health without losing pay. I have worked part time previously and managed a full-time workload with reduced hours, however the pay cut is not sustainable particularly when added medical costs need to be accounted for. I now work fulltime but my symptoms are more present, use of sick leave is higher, and I know I don't need to spend the extra hours at work. I have also seen how my colleagues who have parenting/carers duties need to carefully manage their time and it seems ridiculous that we're all working full time on paper for the pay, while managing our workload in less than the stipulated hours.¹²⁷

Another respondent said:

I have a disability. Four days for me possibly equals five days for others (in terms of effort). But I can't afford to go down to four days. A four-day week would give me more energy, time and vitality for my relationships namely dad and partner. It would add years to my life. And those years would be appreciably better.¹²⁸

- 4.52. Several submitters noted that caring duties have typically been seen as part of the domestic sphere which has traditionally been undervalued and relegated to women to do, often for low or no pay.¹²⁹
- 4.53. The benefit of allowing workers of all genders more time away from work is seen by some as a valuable opportunity for men to increase their participation in domestic and caring labour, providing more of a balance between the genders. As Justina Remedi stated to the Committee at the hearing on 27 April 2023:

So far, we have been talking about how it benefits women, and helping them to balance their life, but a reduced work week can actually help men to take on more of those responsibilities, and not just help women to balance them more. With the current work hours, there is a large gap between men and women's work hours. That gap encourages women to take on more of the housekeeping roles, so

¹²⁶ Respondent no. 937, Future of the Working Week Survey.

¹²⁷ Respondent no. 937, Future of the Working Week Survey.

¹²⁸ Respondent no. 376, Future of the Working Week Survey.

¹²⁹ See, for example: SEARCH Foundation, *Submission 31*, pp 6–7; 4 Day Week Australia, *Submission 33*, p 7; Australian National University Centre for Epidemiology and Population Health, *Submission 21*, p 3.

women are more likely to take on these part-time roles; they are more likely to take flexible work, but that just enables them to do more housework.¹³⁰

Finding 13

The Committee finds strong support in the community and evidence from trials for a four-day work week to provide more time for caring responsibilities.

¹³⁰ Justina Remedi, *Committee Hansard*, 27 April 2023, pp 51–52.

5. Implementing a four-day work week

- 5.1. While this inquiry received a lot of useful evidence from trials of the four-day work week, it is the belief of many that the concept needs more testing across a wider range of industries and employees.¹³¹
- 5.2. When considering the implementation of a four-day work week across different sectors, it is useful to categorise the type of work being performed into two general groups.
- 5.3. The first category is office-based work, which encompasses what is commonly referred to as 'knowledge work'. In these jobs, the worker's main capital is knowledge and analytical thinking, therefore the product or service being delivered does not depend on the worker's physical presence. Examples include administrative work, accounting, and graphic design.
- 5.4. The second category is non-office-based work, which is primary physical in nature. The product or service being delivered is directly tied to the physical presence of the worker. Examples include hairdressing, truck driving, and dentistry.
- 5.5. Due to their fundamental differences in nature, a four-day work week with reduced hours and no loss of pay in conditions can be seen as more easily applied to office-based work than to non-office-based work.
- 5.6. Office-based jobs share many characteristics which make it easier to accommodate flexible working types. Many office workers are salaried, their work is not affected by environmental conditions such as weather, and they have a reasonable amount of control over their schedules. These factors may make it easier for them to reduce their working hours.
- 5.7. Many of the time-reduction strategies which have been used in trials to date can be more easily applied to office-based work. Strategies highlighted in the UK trial report were:
 - time blocking;
 - reduction of meetings;
 - work hours structured around individual's circadian rhythm;
 - cross-training staff; and
 - reducing unnecessary emails.¹³²
- 5.8. This is in contrast to non-office-based work, which as a category is a lot more varied in nature and also encompasses more service-oriented, frontline and reactive jobs.
- 5.9. The contrast between application to office-based and non-office-based work can be illustrated by the following comments by witnesses at the public hearings. At the hearing

¹³¹ See, for example: Professor John Quiggan, *Submission 19*, p 12; Australian National University Centre for Epidemiology and Population Health, *Submission 21*, p 6; Carmichael Centre, *Submission 23*, p 16; Australian Nursing and Midwifery Federation, *Submission 24*, p 14.

¹³² *Exhibit 3*, p 14.

on 5 April 2023, Mr Thomas Fischer, Employment Law Committee member, ACT Law Society, told the Committee:

There is no fundamental impediment in being a lawyer or a legal professional that says you cannot work a reduced number of hours.¹³³

However, Dr Camilla Jozwik pointed out that there is no feasible way for doctors to see the same number of patients in less time.¹³⁴

5.10. The Chief Minister, Mr Andrew Barr MLA, observed during the hearing on 25 May 2023:

I think the examples that have been touched upon in trials elsewhere have largely involved salary workers who have a reasonably flexible level of working arrangements across a week.¹³⁵

5.11. This observation was borne out by the evidence received by the Committee showing that a slight majority of participants in work hour reductions trials have been office-based workers, as can be seen in the below table:

Work Category	Number	Percentage
Office-based	62	50.4%
Non-office-based	50	40.7%
Unknown	11	8.9%
Total:	123	100%

5.12. An explanation of the calculations presented in the table can be found at [Appendix D](#).

Considerations for non-office-based work

5.13. At the hearing on 25 May 2023, in his evidence to the Committee, the Chief Minister, Mr Andrew Barr MLA, stated:

Where additional costs could potentially be incurred would be in relation to, for example, shift work and areas where the government requires a minimum staffing level to provide a service 24/7.¹³⁶

5.14. Regarding strategies for worktime reduction in the Iceland trial, the Australian Nursing and Midwifery Federation (ANMF) said in their submission:

The ANMF recognises a number of synergies with these strategies and their adaptability to the healthcare workplace context.¹³⁷

¹³³ Mr Thomas Fischer, Employment Law Committee member ACT Law Society, *Committee Hansard*, 5 April 2023, p 12.

¹³⁴ Dr Camilla Jozwik, Neurologist, Calvary Bruce public hospital and ACT Neurology Centre, *Committee Hansard*, 27 April 2023, p 55.

¹³⁵ Mr Andrew Barr MLA, Chief Minister, *Proof Committee Hansard*, 25 May 2023, p 105.

¹³⁶ Mr Andrew Barr MLA, Chief Minister, *Proof Committee Hansard*, 25 May 2023, p 105.

¹³⁷ Australian Nursing and Midwifery Federation, *Submission 24*, p 4.

- 5.15. Time reduction strategies which could apply to any type of workplace include:
- having a set time and agenda for meetings;
 - individualised work plans;
 - teamwork for accountability and support; and
 - flexible policies.¹³⁸
- 5.16. Some witnesses from non-office-based sectors noted inefficiencies they had identified in their industries which could be changed. For example, the Australian Education Union, ACT Branch (AEU) submission stated that teachers spend over 13 hours of lesson-planning per week, and suggested that a central bank of lesson plans be developed to reduce this time commitment.¹³⁹ The Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch (CFMEU ACT) argued that upgrading the ACT Public Service (ACTPS) rostering system from paper-based to a computer-based system would create valuable efficiencies.¹⁴⁰
- 5.17. For some companies, a culture change may also be required to successfully implement a four-day work week. Mr Joe Ryle, Director, 4 Day Week Campaign, said at the hearing on 3 May 2023:
- What we have always said is that the four-day working week is not just about working fewer hours; it is also about working differently. That tends to be about moving towards an output-focused way of working, rather than just hours worked. There is the classic culture in the UK of bums on seats for the sake of it and: “These are the hours you work and you have got to be there.” It looks as though the conversation is moving—especially around the four-day working week—to being more about output-focused working. That is about asking, “What is your organisation trying to achieve in a working week, or a month or the year?” and really focusing on that.¹⁴¹
- 5.18. The need for re-prioritisation in a workplace was also raised in submissions. The AEU noted that current education theory has a constructive view of knowledge and skill acquisition, and that teaching quality would not be diminished by a reduction of classroom time,¹⁴² while the CFMEU ACT said that management practices in their industries were often adversarial and conflict-generating, and a change to a more co-operative managerial approach was required to improve working conditions.¹⁴³
- 5.19. In their submission, ACT Council of Social Service (ACTCOSS) said that the move to a four-day work week would require a shift in focus from production at all costs towards ameliorating conditions for workers and community in general:

¹³⁸ Coulthard Barns et al., *Guideline for an Outcome-Based Trial – Raising productivity and Engagement*, 2019, pp 18, 23, 27, 30, 34.

¹³⁹ Australian Education Union (ACT Branch), *Submission 27*, pp 11–13.

¹⁴⁰ Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch, *Submission 28*, p 7.

¹⁴¹ Mr Joe Ryle, Director, 4 Day Week Campaign, *Committee Hansard*, 3 May 2023, p 90.

¹⁴² Australian Education Union (ACT Branch), *Submission 27*, p 11.

¹⁴³ Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch, *Submission 28*, p 7.

If implemented properly, a shift to a four-day working week would reflect a commitment to improved gender equity outcomes, awareness of the need for flexible working conditions and the value of community wellbeing.¹⁴⁴

- 5.20. The ANMF in their submission observed that a four-day work week would be in line with the ACT Government's stated ambition of innovative industrial relations.¹⁴⁵ The Chief Minister appeared to concur, saying at the hearing on 25 May 2023:

We are not all just units of production producing certain output. I think that is pertinent in the consideration of both the hours of work but then what that work actually entails and what that working life experience is.¹⁴⁶

- 5.21. In their submission, 4 Day Work Week Australia argued:

[S]ectors like hospitality, retail, construction, manufacturing, care and education cannot reduce their 'opening' hours, and require employees to be physically present to do their jobs. The sad irony is that while the implementation of a four-day week in these sectors is more complicated, it is these workers most in need of reduced hours: they are overworked, stressed, burnt out, not able to enjoy the flexibility of remote work, and many are quitting.¹⁴⁷

Finding 14

The Committee finds that the four-day work week is applicable to both office-based and non-office-based professions, noting that non-office-based professions will require greater consideration to support their transition to a four-day work week.

Other considerations

- 5.22. Some further issues which would require special consideration in the implementation of a four-day work week are discussed below.

Legal requirements

- 5.23. The ACT Law Society noted in their submission that several legal processes are bound by timelines set out in legislation:

Practically, a host of attendant legislative and regulatory changes would be required - foremost, changes to the statutory time limits embedded in many processes. Where "calendar days" are utilised (such as in the Fair Work Act 2009), time is both of the essence and disregards the personal circumstances of both clients and practitioners. As part of any such move, a general review of time limits in legislation would need to be implemented, and adjustments made to ensure

¹⁴⁴ ACT Council of Social Service, *Submission 34*, p 1.

¹⁴⁵ Australian Nursing and Midwifery Federation, *Submission 24*, p 6–7.

¹⁴⁶ Mr Andrew Barr MLA, Chief Minister, *Proof Committee Hansard*, 25 May 2023, p 112.

¹⁴⁷ 4 Day Week Australia, *Submission 33*, p 8.

that access to important processes are not further restricted by way of unintended consequence.¹⁴⁸

- 5.24. The ACT Law Society said that a move to a four-day work week would raise a 'wide range of concerns'. They believed that 'any reduction of the capacity of the Territory's courts and administrative tribunals to deliver services raises significant concerns for the Society given the existing time and resourcing constraints keenly felt by these services already.'¹⁴⁹ Their submission said:

For example, we note that efficiency increases may not translate to Registry operations where a baseline number of staff and particular delegations are necessary across a broad span of hours to provide continuous services. Reducing registry operations from 5 days to 4, would necessarily reduce the ability of the public to access these services, and would limit practitioners' ability to rapidly file and respond to matters that are not accessible via elodgement (such as Fair Work matters).

Reductions in sitting days, alternative dispute resolution proceedings and other justice system features are also unlikely to be capable of being compensated for by efficiency increases, and seem likely to simply increase the waiting time experienced by clients, absent a significant injection of resources into the sector.¹⁵⁰

- 5.25. Further impacts on the legal system of the implementation of a four-day work week are discussed later in this chapter.

Rostering

- 5.26. Another specific consideration is rostering, especially in workplaces which operate 24 hours per day and/or seven days a week, or have episodes of peaks and troughs in workloads, as in an example given by the CFMEU ACT:

In horticulture, city presentation or roads, for example are often season, light and weather dependent, meaning that there are parts of the year where a high intensity of work is required, and other parts of the year where work must be performed within tight windows when operations are possible.¹⁵¹

- 5.27. Submitters also raised concerns that a four-day work week could have the unintended consequence of pressuring staff or increasing the number of insecure staff used by organisations to 'cover the gaps'.¹⁵²

- 5.28. The CFMEU explained the use of insecure workers as such:

¹⁴⁸ ACT Law Society, *Submission 32*, p 3.

¹⁴⁹ ACT Law Society, *Submission 32*, p 2–3.

¹⁵⁰ ACT Law Society, *Submission 32*, p 3.

¹⁵¹ Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch, *Submission 28*, p 6.

¹⁵² See, for example: Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch, *Submission 28*, p 8; ACT Council of Social Service, *Submission 34*, p 2.

However, the deregulation of the labour market from the 90s onwards has also produced an underclass of workers perceived as “unskilled” or “replaceable”, initially often casual or the “daily hire” rate in the relevant award, but increasingly farmed out to labour hire operations. These workers work wildly variable hours, from a few a week to 60 or 70 in line with permanent workers. They average at around 30, but are less likely to be paid correctly, or receive penalty rates, and are more likely to experience discrimination and wage theft. This ancillary workforce is clustered in cleaning, traffic control and general labouring, and is perceived as a cheap alternative to squeezing additional hours out of the permanent workforce.

These workers represent the alternative employer approach to a more regulated hours environment – utilising a larger number precarious workers to extract the required number of hours without penalty rates, and with chaotic rostering or hiring practices serving to discipline the workforce rather than meeting their needs.¹⁵³

5.29. The Community and Public Sector Union (CPSU) said in their submission:

Progress on greater flexibility for workers must go hand in hand with secure staffing commitments to ensure there are no unintended consequences for current services.¹⁵⁴

5.30. The CFMEU ACT said in their submission:

In other areas like building management, limiting the hours during which services are provided is likely to have knock on effects in the areas supported. Often trades staff in these areas are maintaining and repairing the facilities relied on by other front line staff – health professionals and teachers, for example. The work is also highly reactive and often urgent – with the services disrupted or stopped entirely until an area is made functional or safe.¹⁵⁵

5.31. The Autonomy report, ‘The results are in: The UK’s Four-Day Week Pilot’, presents a range of options which all types of organisations can use to structure their four-day work weeks, including:

- fifth day stoppage;
- staff taking alternating days off;
- different departments working on different work patterns;
- staff working an average 32-hour week across a year; and
- staff entitlement to a four-day work week being tied to ongoing performance monitoring.¹⁵⁶

¹⁵³ CFMEU, Submission 28, p 5.

¹⁵⁴ Community and Public Sector Union, *Submission 20*, p 2.

¹⁵⁵ Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch, *Submission 28*, p 7.

¹⁵⁶ *Exhibit 2*, pp 20–22.

Cost

- 5.32. The financial impact of a four-day work week is an important consideration of any shift to a four-day work week. Workplaces would need to determine on a case-by-case basis whether the reduced number of workers available across the working week is sufficient to manage the required workloads without endangering the work health and safety of workers. Not all workplaces are able to squeeze extra productivity out of their staff, as argued at the hearing by Mr Stephen Miners, Deputy Under Treasurer:

When I look at my staff, I do not see 20 per cent of their time spent sitting around—in fact, I see nothing like that.¹⁵⁷

- 5.33. If they determine that they are not able to maintain productivity with a shorter work week, they will need to recruit additional staff to make up the shortfall, and this will present an increased business cost. This raises the question of who should bear the cost, between the business or government, and taxpayer or customer, or some combination of the above.
- 5.34. For example, the billing models used for practitioners in the legal profession are largely time based, with ‘any attempt to reduce hours while maintaining income’ said to result in significant cost increases to clients.¹⁵⁸
- 5.35. Although many reports have stressed the cost benefit to organisations who implement a four-day work week, as discussed in [Chapter 4](#), this benefit cannot be expected to apply across all sectors, as observed by the Chief Minister at the hearing:

There could, in some instances, be no costs and in others, obviously, they would be potentially considerable. So we would need to assess that across the diversity of our employment base.¹⁵⁹

Difficulties of implementation in service and care sectors

- 5.36. As mentioned in [Chapter 4](#), several concerns were raised regarding how the four-day work week would be implemented in services and care sectors outside of the ACT Government’s remit. Concerns over potential exacerbated pressure on already vulnerable sectors were evident.¹⁶⁰
- 5.37. The ACT Government provides numerous essential and other supports to the Canberra community, some of which are accessible five days a week, while other essential services are available 24 hours a day, every day. Implementation factors involved in reducing

¹⁵⁷ Mr Stephen Miners, Deputy Under Treasurer, Treasury, Chief Minister, Treasury and Economic Development Directorate, *Proof Committee Hansard*, 25 May 2023, p 111.

¹⁵⁸ ACT Law Society, *Submission 32*, p 3.

¹⁵⁹ Mr Andrew Barr MLA, Chief Minister, *Proof Committee Hansard*, 25 May 2023, p 105.

¹⁶⁰ See, for example: Australian National University Law Reform and Social Justice Research Hub, *Submission 26*, pp 6–7; Dr Gemma Killen, Acting Chief Executive Officer, ACT Council of Social Service, *Committee Hansard*, 5 April 2023, pp 35–37; Dr Camilla Jozwik, Neurologist, Calvary Bruce Public Hospital and ACT Neurology Centre, *Committee Hansard*, 27 April 2023, p 55; Australian Nursing and Midwifery Federation, *Submission 24*, pp 11–12; ACT Council of Social Service, *Submission 34*, p 2.

working days by 20 percent for the ACTPS workforce in these areas would require consideration of service delivery arrangements.¹⁶¹

- 5.38. Essential or frontline services that are staffed by 24/7 shift workers, such as hospitals or other emergency services, would require additional workers to be rostered to work to supplement work time reductions.¹⁶²
- 5.39. Some workplaces (such as schools) operate on a five day a week model. Community expectations, curriculum requirements, and parental care considerations would need to be balanced with scheduling and staffing requirements across the Education Directorate if schools reduced their operational hours or changed their staffing complement across different days.¹⁶³
- 5.40. The submission from CPSU stated that any reassessment of working conditions must consider workplaces in the ACT that do not fit the traditional five-day week:

Any reassessment of the working week needs to consider the divergent impacts on the ACT Government workforce. Many services provided by ACT Government do not fit a traditional five-day office-based work week. Education, healthcare, environment, law enforcement and community safety do not cease because the work week is over. These are services that will need to be delivered beyond four days per week. Consideration also needs to be given to how this will affect part-time employees who make up 26.4% of the ACTPS workforce, who are predominantly women. This can make any consideration of a four-day work week far more complex than many advocates envisage.¹⁶⁴

- 5.41. During the hearing on 5 April 2023, Ms Brooke Muscat, President of the CPSU, identified some of the issues that may face a four-day work week trial in respect of these types of service delivery industries:

There are also limits to how much more can be done in less time in education, health care, law enforcement and community safety. It is unclear how the commonly trialled 100:80:100 model—that is, 100 percent of the pay for 80 percent of the time—could be achieved in those operational roles. That is why we think a trial is really important, to look at how that could be implemented and to take into account those operational impacts. The perception that a four-day work trial is not something for frontline workers is something that I think needs to be dispelled.¹⁶⁵

...

Where we think it may not necessarily lend itself neatly to a four-day work week—but, again, the trial might be able to work this stuff through—would be in those operational areas where you have that 24/7 operation, whether it be, for

¹⁶¹ ACT Government, *Submission 13*, p 3.

¹⁶² ACT Government, *Submission 13*, p 3.

¹⁶³ ACT Government, *Submission 13*, p 3.

¹⁶⁴ Community and Public Sector Union, *Submission 20*, p 2.

¹⁶⁵ Ms Brooke Muscat, National President, Community and Public Sector Union, *Committee Hansard*, 5 April 2023, p 2.

example, a correctional officer or a teaching assistant. Healthcare workers, in particular, have those 24/7 roster cycles and there is a lot of pressure on them.¹⁶⁶

- 5.42. Some respondents to the Committee's survey noted the potential impact on delivery of and access to government services of a four-day work week if adopted, with one writing:

[P]ublic servants exist to deliver programs and services to the community. Any reduction in hours generally, and contact hours specifically, will adversely affect service provision.¹⁶⁷

- 5.43. Ms Wilson, Executive Branch Manager, ACTPS Centre for Leadership and Development, noted that there is a community expectation that government services be available five days, seven days, or even 24/7 a week.¹⁶⁸ The Chief Minister stated at the 25 May 2023 public hearing that he accepted 'there will be productivity in many areas, but it is not going to cover the full implication' of how productivity will vary across the workforce.¹⁶⁹
- 5.44. Transitioning frontline public servants to a four-day work week might require managing community expectations about the availability of services, as suggested by the ACT Government at the hearing.¹⁷⁰ For example, Access Canberra shopfronts could be closed for an extra day a week. In the case of services which cannot be reduced, such as hospitals and emergency services, extra staff would be required to make up for the reduction in work hours, and this, of course, would generate an extra cost.¹⁷¹
- 5.45. The Committee asked ACTCOSS at the 5 April 2023 public hearing what areas would be able to reduce their working time in their current state.¹⁷² ACTCOSS believed that there would be significant adverse effects in the disability sector. They questioned how continuity of care would be maintained if workers moved to a four-day work week.¹⁷³

Someone with a disability cannot reduce the number of times they need assistance to bathe, go to the toilet, dress and things like that. So we cannot reduce the amount of staff or the amount of time that staff spend assisting with those kinds of tasks. We would have to have enough staff to continue to maintain the same amount of service delivery.¹⁷⁴

- 5.46. Along with concerns over maintaining service delivery, ACTCOSS outlined the potential challenges a reduction in the working week would have for employees living with a disability. Their submission indicated concerns that employers would treat reduced work

¹⁶⁶ Ms Brooke Muscat, National President, Community and Public Sector Union, *Committee Hansard*, 5 April 2023, p 3.

¹⁶⁷ Respondent no. 1146, Future of the Working Week Survey.

¹⁶⁸ Ms Janet Wilson, Executive Branch Manager, ACTPS Centre for Leadership and Innovation, Chief Minister, Treasury and Economic Development Directorate, *Proof Committee Hansard*, 25 May 2023, p 106.

¹⁶⁹ Mr Andrew Barr MLA, Chief Minister, *Proof Committee Hansard*, 25 May 2023, p 118.

¹⁷⁰ Ms Janet Wilson, Minister, Treasury and Economic Development Directorate, *Proof Committee Hansard*, 25 May 2023, p 107; Mr Andrew Barr MLA, Chief Minister, *Proof Committee Hansard*, 25 May 2023, p 110.

¹⁷¹ Ms Janet Wilson, Chief Minister, Treasury and Economic Development Directorate, *Proof Committee Hansard*, 25 May 2023, pp 106–107.

¹⁷² Dr Jozwick, Calvary Bruce public hospital and ACT Neurology Centre, *Committee Hansard*, 5 April 2023, p 35.

¹⁷³ Dr Gemma Killen, Acting Chief Executive Officer, ACT Council of Social Service, *Committee Hansard*, 5 April 2023, p 35.

¹⁷⁴ Dr Gemma Killen, Acting Chief Executive Officer, ACT Council of Social Service, *Committee Hansard*, 5 April 2023, pp 35–36.

hours as the only available adjustment for those seeking flexible working adjustments.¹⁷⁵
They stated:

Whilst there may be positive impacts for people seeking time reduction as a workplace adjustment, there still needs to be allowances for alternative forms of workplace adjustment.¹⁷⁶

- 5.47. ACTCOSS highlighted that if a trial was to occur within the ACTPS this could have serious flow on effects on community service providers outside of the ACT Government's remit due to staff attraction issues if the reduction of the working week were not applied outside of the ACTPS.¹⁷⁷

We already struggle to attract staff from ACT public service and the federal public service because our pay conditions, leave conditions and things like that. So, if there were a further divide created where you could get paid more to work fewer hours in the public service and paid less to work longer hours in the community sector, it would definitely increase difficulty in attracting staff.¹⁷⁸

- 5.48. While the Committee acknowledges concerns of how the four-day work week would be implemented for workplaces that operate on a five-day week schedule, there is evidence to suggest that increased time does not always result in increased outcomes.

- 5.49. Autonomy suggested that a dominant 'burnout culture', in which it is believed that workers who work more work better, was beginning to see a social shift.¹⁷⁹

The central idea, shortening working hours for no loss in pay, might once have clashed with the received wisdom of dominant burnout culture – that working more = working better but following the success of pilot schemes around the world, overwhelmingly positive research, and societal shifts driven by Covid, working time reduction appears an increasingly 'common sense' approach to the world of work. Frustrated by poor work-life balance, and more accustomed to the flexible working patterns brought about by the pandemic, for many the four-day week has only become a more popular and enticing prospect.¹⁸⁰

- 5.50. In their submission to the Committee, the AEU argued that decreasing teaching time would not have negative impacts on 'learning and student outcomes', with many Organisation for Economic Co-operation and Development countries having fewer hours of teaching and performing better than Australia.¹⁸¹ Further afield, the United States (US) was presented as an example of the positive effects a four-day work week could have on academic outcome.
They stated:

¹⁷⁵ ACT Council of Social Service, *Submission 34*, p 2.

¹⁷⁶ ACT Council of Social Service, *Submission 34*, p 2.

¹⁷⁷ Dr Gemma Killen, Acting Chief Executive Officer, ACT Council of Social Service, *Committee Hansard*, 5 April 2023, pp 36-37.

¹⁷⁸ Dr Gemma Killen, Acting Chief Executive Officer, ACT Council of Social Service, *Committee Hansard*, 5 April 2023, pp 36-37.

¹⁷⁹ *Exhibit 2*, p 9.

¹⁸⁰ *Exhibit 2*, p 9.

¹⁸¹ Australian Education Union (ACT Branch), *Submission 27*, pp 8-9.

The United States offers many examples of reduced school weeks that we can learn from. As of 2018-19 school year in the United States had more than 1,600 schools in 650 districts using a four-day school schedule. This article gives a summary of many reviews of this arrangement in diverse settings and shows that the four-day school weeks saw generally minimal to no effect on academic outcomes. Research such as this article demonstrates minimal or positive relationship between reducing the time in a school week an academic achievement.¹⁸²

- 5.51. The AEU noted in their submission that examples like the United States ‘demonstrate what teachers know’, this being that good student outcomes occur because of better time in the classroom as opposed to more time in the classroom.¹⁸³
- 5.52. While it appears that the four-day work week may have negative implications for the service industry, evidence received by the Committee suggests that this may be balanced by the benefits discussed in [Chapter 4](#), specifically attraction and retention of staff.
- 5.53. As suggested by Justina Remedi at the 27 April 2023 public hearing, there may be no need to hire a significant number of new staff, with those working part-time filling the gap and becoming full time.¹⁸⁴ She stated:

As I mentioned before, those working part time could fill the gap by taking up more full-time roles. In fact, in France, the purpose of the 35-hour work week was to create job sharing, and to reduce unemployment. I think unemployment was at 15 per cent, so that is why they reduced the work week. You do not necessarily have a three-day weekend for everyone, but people work around the week, and everyone works for four days. In that way, you have more opportunities for people to fill those gaps in the reduced work days.¹⁸⁵
- 5.54. In the ANMF submission to the inquiry, while it was outlined that staff numbers would need to be increased, a reduction in working time would be an incentive for employees to join the health care sector and would act as a strong retention tool.¹⁸⁶
- 5.55. The Committee finds that due to the ability to shift part-time workers onto full-time contracts and the staff attraction and retention resulting from the four-day week’s implementation, the effects a reduction in working time would have on the service and care industry could be positive for staff wellbeing, and staff attraction and retention.

¹⁸² Australian Education Union, *Submission 27*, p 10.

¹⁸³ Australian Education Union, *Submission 27*, p 10.

¹⁸⁴ Justina Remedi, *Committee Hansard*, 27 April 2023, p 54.

¹⁸⁵ Justina Remedi, *Committee Hansard*, 27 April 2023, p 54.

¹⁸⁶ Australian Nursing and Midwifery Federation, *Submission 24*, p 11.

Finding 15

The Committee finds that the difficulty of implementing a four-day work week across all employment sectors is one of the more commonly cited disadvantages of the four-day work week and notes that evidence from trials and evidence provided to the Committee from various representative groups challenges this perception.

Perpetuation of overtime

5.56. The Committee received evidence that a number of employees are consistently working beyond the legislated 38-hour week. Many presented concerns about the effect a reduction to the legislated working hours would have on exacerbating overtime.¹⁸⁷

5.57. The CFMEU ACT outlined this as a 'key concern'.¹⁸⁸ They said that:

There is a concern that simply reducing the number of hours that people are required to be on deck will increase the use of overtime or on-call rosters, which are already a really significant bone of contention in a lot of places. That has been raised as an issue.¹⁸⁹

5.58. The submission from the Australian National University (ANU) Centre for Epidemiology and Population Health noted that 40 percent of employed Australians work more than the National Employment Standards (NES) 38-hours, with 'just under one in ten employed men working more than 60-hours a week'.¹⁹⁰ They suggested that:

Capping weekly work hours to the current 38-hour National Employment Standard could be the first step in a longer-term reform.¹⁹¹

5.59. As presented by the ACT Law Society at the 5 April 2023 hearing, the legal profession has a 'significant issue' with overwork, with the normal working week for those in certain kinds of law like criminal law reaching 60 hours a week.¹⁹² Mr Thomas Fischer, Employment Law Committee Member, noted that:

Those things are unlikely to change, because the ordinary hours of work have shifted. So, in order to implement a four-day week in the legal profession, there would need to be not only regulatory change around the way that the current

¹⁸⁷ See, for example: Australian National University Centre for Epidemiology and Population Health, *Submission 21*, pp 2–6; Mr Thomas Fischer, Legal Officer, Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch, *Committee Hansard*, 5 April 2023, pp 45; Dr Lyndall Strazdin, Professor, National Centre for Epidemiology and Population Health Australian National University, *Proof Committee Hansard*, 3 May 2023, p 60; Carmichael Centre, Centre for work, The Australian Institute, *Submission 23*, p 13; Australian Education Union (ACT Branch), *Submission 27*, pp 11–12; Dr Bruce Baer Arnold, *Submission 5*, p 2.

¹⁸⁸ Mr Thomas Fischer, Legal Officer, Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch, *Committee Hansard*, 5 April 2023, p 45.

¹⁸⁹ Mr Thomas Fischer, Legal Officer, Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch, *Committee Hansard*, 5 April 2023, p 45.

¹⁹⁰ Australian National University Centre for Epidemiology and Population Health, *Submission 21*, p 2.

¹⁹¹ Australian National University Centre for Epidemiology and Population Health, *Submission 21*, p 5.

¹⁹² Mr Thomas Fischer, Employment Law Committee member, ACT Law Society, *Committee Hansard*, 5 April 2023, p 10.

justice system works but also probably cultural change amongst the population more broadly about what the expectations are of legal professionals.¹⁹³

- 5.60. Professor Lyndall Strazdins of the National Centre for Epidemiology and Population Health at ANU told the Committee that a project in the construction industry was attempting to reduce the average 64 hours a week to 50 hours a week.¹⁹⁴ She stated that:

There are massive health problems and massive turnover problems. I am with the industry culture taskforce to bring back hours to 50 hours a week. There are so many reasons why that is difficult, even to 50 hours a week. First of all, there are contracts that drive the hours. There are a lot of other pieces to the long hours. You cannot simply say, "We will stop. We will work a lower number of hours," without changing those other pieces.¹⁹⁵

- 5.61. The AEU noted that nearly all teachers and principals (97 percent) worked more than their paid weekly 36.75 hours, including on 'the weekends, at evenings and during periods of leave or stand down'. They stated that a reduction in workload 'by at least 20 percent' would be required to maintain 'the current work-to-paid-hours ratio'.¹⁹⁶

The AEU has spoken to many teachers who are employed part time for three or four days per week, but whose actual working hours easily fill and usually exceed the paid hours of a full-time employee. This is additional evidence that simply reducing hours at work does not automatically reduce actual working hours.¹⁹⁷

- 5.62. The increase in overtime hours by already stretched workers would be a serious unintended negative consequence of any implementation of a four-day work week. However, if the issue is taken into consideration with concerns for people in casual and part-time work, there is possibility that this latter group may be able to cover the extra work required, as discussed in the next section.

Effects on casual and part-time workers

- 5.63. Evidence suggested that those in insecure working arrangements might not receive the same benefits of increased wages or reduced hours that full-time workers would receive with the implementation of the four-day work week.¹⁹⁸
- 5.64. In its submission to the inquiry, the ACT Labor party noted that while it does not have a formal policy position on the matter, a survey of ACT Labor members and affiliates

¹⁹³ Mr Thomas Fischer, Employment Law Committee member, ACT Law Society, *Committee Hansard*, 5 April 2023, p 10.

¹⁹⁴ Professor Lyndall Strazdins, National Centre for Epidemiology and Population Health, Australian National University, *Committee Hansard*, 3 May 2023, p 60.

¹⁹⁵ Professor Lyndall Strazdins, National Centre for Epidemiology and Population Health, Australian National University, *Committee Hansard*, 3 May 2023, p 60.

¹⁹⁶ Australian Education Union (ACT Branch), *Submission 27*, pp 11–12.

¹⁹⁷ Australian Education Union (ACT Branch), *Submission 27*, p 12.

¹⁹⁸ See, for example: ACT Labor, *Submission 17*, pp 2–3; Australian Education Union (ACT Branch), *Submission 27*, p 4; Dr Bruce Baer Arnold, *Submission 5*, p 3; Community and Public Sector Union, *Submission 20*, p 2.

reflected concerns over the flow-on effects a need for more staff to counteract the loss of one day's work would have on insecure workers.¹⁹⁹

As a casual worker who is currently working a standard 5 day work week - I'd be worried a shift to a 4 day work week would be accompanied by a reduction in hours and therefore pay for me, I think this is the main issue with implementing it - salaried workers are fine but not everyone is on a salary, and a lot of casual workers might not even notice the difference at all if they're not working in an office environment.²⁰⁰

- 5.65. The submission from the AEU noted concerns over the potential increase in inequality a four-day week could create if only implemented for those in higher paying employment.²⁰¹ They stated that:

The main shortcoming of this proposal is that it may serve to widen inequality between higher paid and lower paid workers in the ACT. Canberra is already a city with unacceptable levels of socio-economic inequality, and such advantages given only to one segment of its population may serve to widen this. Workers who are in lower-paid and less secure jobs in sectors such as retail, services and hospitality, or private aged- and child-care would not enjoy the benefits of this arrangement.²⁰²

- 5.66. In its submission to the Committee, Autonomy presented their belief that the four-day work week did not need to exclude insecure workers:

*A four-day week does not have to exclude part-time workers, or those who already work less than a standard 40-hour week. In any move to a four-day week, these workers should be offered either a further reduction in working time for no loss in pay, or to keep their existing working hours, but with a twenty percent pay increase.*²⁰³

- 5.67. The Committee heard concern from submitters that there were currently still too many employees in insecure work. CPSU noted in their submission the successes of the ACT Government's Insecure Work Taskforce but highlighted the need for more work to convert the almost quarter of ACTPS staff still on casual (6.8 percent) and temporary (16.7 percent) contracts into full-time employees.²⁰⁴
- 5.68. During the hearing on 27 April 2023, it was outlined that those in insecure working arrangements could see the application of any new arrangements including the proposed

¹⁹⁹ ACT Labor, *Submission 17*, p 2.

²⁰⁰ ACT Labor, *Submission 17*, p 6.

²⁰¹ Australian Education Union (ACT Branch), *Submission 27*, p 4.

²⁰² Australian Education Union (ACT Branch), *Submission 27*, p 4.

²⁰³ Autonomy, *Submission 22*, p 2.

²⁰⁴ Community and Public Sector Union, *Submission 20*, p 2.

model applied in a pro-rata manner, through additional compensation.²⁰⁵ For example, in its submission to the inquiry, the ACT Government noted:

If all workers have their salaries adjusted to reflect a four-day working week, there may also need to be consideration of whether the casual rates of pay need to be increased and adjusted to reflect hourly rates of pay that will have been increased under the new model.²⁰⁶

5.69. While the Committee received evidence of concern over the effects a four-day work week could have on those in insecure work, evidence suggested that there may also be benefits for those in these working arrangements.

5.70. The AEU submission to the Committee noted that they did 'not believe that a four-day work week would necessarily increase job insecurity in the ACTPS' due to the *Secure Workforce Conversion Policy* compelling Directorates to review employee positions to increase job security.²⁰⁷ They further stated that, within the Education space:

The Education Directorate employs relatively few casuals and temporary teacher relative to other jurisdictions, in part because of the policy discussed above, and in part because of the teacher shortage. THE AEU-EDU Teacher Shortage Taskforce reported that as at July 27 of this year, there were 65 teacher vacancies in the system, including 22 permanent positions and 43 temporary positions ranging from three months to 12 months of engagement. Additionally, the Taskforce investigated the number of casual employees available for relief teaching and found that while there is a large pool 'on the books', many do not actively seek work in schools.²⁰⁸

5.71. Further, the ACT Government's submission acknowledged that contemporary work practices were transitioning away from models of employment reliant on time-based attendance and periods worked (sometimes referred to as 'presentee-ism') in favour of an outcome-focused model.²⁰⁹

5.72. Likewise, as previously discussed, the four-day work week could move those with caring responsibilities out of casual and part-time working arrangements due to the increase in time outside of work. The benefits of the extra time were noted by those with a disability, chronic illnesses and carer responsibilities:

I think there is a lot of time spent in 'busywork' and meetings that could have been an email. On the whole I would prefer fewer work hours in the week, on only 4 days. I have just instigated this myself as a federal [government] part-time contractor, with my manager's support. I may do several fewer hours over the week and see a slight drop in income, but for me having a 'clear' day midweek will help a lot, as I'm also a carer, and have chronic illness myself, and am[sic] run

²⁰⁵ Ms Rose Mackie, *Committee Hansard*, 27 April 2023, p 49.

²⁰⁶ ACT Government, *Submission 13*, p 5.

²⁰⁷ Australian Education Union (ACT Branch), *Submission 27*, p 16.

²⁰⁸ Australian Education Union (ACT Branch), *Submission 27*, p 16.

²⁰⁹ ACT Government, *Submission 13*, p 5.

ragged. I'm hoping it will help me have time to see friends more and do some activities I enjoy, instead of just endless weeks of chores, appointments, caring duties and work all the time (ie 7 days a week).²¹⁰

- 5.73. Likewise, in their submission to the Committee the SEARCH Foundation outlined that shortened hours could assist in increasing gender equity and equality, with more women able to work full-time hours while managing caring responsibilities.²¹¹ They stated:

A four-day work week with no loss of pay also promotes gender equity and equality. The gender wage gap is significantly amplified after a woman has a child, due to an inequitable division of labour in parenting. The four-day work week will reduce the "motherhood penalty", reduce the gender wage gap and support working mothers to have an extra eight hours to spend with their children while remaining on level footing with other workers.²¹²

- 5.74. Further, 4 Day Week Campaign LTD noted in their submission that:

As women are unequally responsible for childcare responsibilities, they often have to reduce the hours they work once they have children. Moving everyone to a four-day week with no loss of pay would mean that as both men and women are working less, there would be more equal distribution of childcare responsibilities. This would mean that employers would have the opportunity to ensure that women who work for them don't have to choose between taking on leadership positions or having children.²¹³

- 5.75. The Committee found that while there were concerns over the implementation of the four-day work week for insecure workers, reduced working time could eliminate barriers for those with caring responsibilities or with disabilities, who cannot work the currently legislated 38-hour week. This raises the potential for this group of employees to 'fill in the gaps' created by full-time salaried workers changing to a four-day work week.

Finding 16

The Committee finds that a shift to a four-day work week has the potential to address excessive working hours and improve worker wellbeing.

Finding 17

The Committee finds the difficulty of implementing a four-day work week for casual, part time and other workers employed full time on rostering arrangements is one of the more commonly cited disadvantages of the four-day work week and notes that evidence from trials and evidence provided to the Committee from various representative groups challenges this perception.

²¹⁰ Respondent no. 189, Future of the Working Week Survey.

²¹¹ SEARCH Foundation, *Submission 31*, p 6.

²¹² SEARCH Foundation, *Submission 31*, p 6.

²¹³ 4 Day Week Campaign LTD, *Submission 29*, p 2.

Legislative arrangements

- 5.76. The *Fair Work Act 2009* (Cth) outlines Australia's current workplace relation laws and provides terms and conditions of employment, along with the rights and responsibilities of employees, employers, and organisations in relation to employment.²¹⁴
- 5.77. The *Fair Work Act 2009* (Cth) includes National Employment Standards which outline the application process and eligibility requirements for applying for flexible working arrangements. These arrangements are case-by-case with discussion between employers and workers essential.²¹⁵
- 5.78. Flexible working arrangements may include changes to workers':
- hours of work (shifts in start and finish times);
 - patterns of work (split shifts or job sharing); or
 - locations of work (working from home).²¹⁶
- 5.79. A wide range of workplaces now offer these flexible working arrangements in the form of hybrid working set-ups.²¹⁷
- 5.80. Time off in lieu, where workers receive time off instead of receiving overtime payments, and a nine-day fortnight, where staffers can work their contracted hours over fewer days, are some of the other available flexible working arrangements.²¹⁸
- 5.81. The ACTPS has continued to make hybrid working conditions available even after the cessation of pandemic protections. Staff have leave of absence, part-time work, flexitime, and work from home arrangements available to assist in work time reductions.²¹⁹
- 5.82. The minimum standards which apply to all employees are defined by the National Employment Standards. These underpin what can be included in industry awards (the awards) and enterprise agreements.²²⁰ They state that a full-time employee cannot work more than 38 hours per week, unless any additional hours requested or required by the employer are reasonable.²²¹
- 5.83. The minimum number of hours that can be considered full time employment are defined in the awards. For example, the award for clerks defines a full-time worker as
- (a) an employee who is engaged to work 38 ordinary hours per week; or

²¹⁴ *Fair Work Act 2009*, Part 1 Division 3.

²¹⁵ *Fair Work Act 2009*, Part 2-2 Division 4.

²¹⁶ Fair Work Ombudsman, *Flexible Working Arrangements* (<https://www.fairwork.gov.au/employment-conditions/flexibility-in-the-workplace/flexible-working-arrangements>, accessed 26 May 2023).

²¹⁷ BBC, *The Six Big Things We've Learned About Hybrid Work So Far*, 1 July 2022 (<https://www.bbc.com/worklife/article/20220628-the-six-big-things-weve-learned-about-hybrid-work-so-far>, accessed 2 June 2023).

²¹⁸ ACT Labor, *Submission 17*, p 3.

²¹⁹ ACT Government, *Submission 13*, p 3.

²²⁰ *Fair Work Act 2009* (Cth), s 59.

²²¹ *Fair Work Act 2009* (Cth), s 62.

- (b) an employee who is engaged to work the number of ordinary hours (fewer than 38) per week that is considered full-time at the workplace by the employer.²²²

The award for hairdressers defines a full-time worker as:

A full-time employee is an employee who is engaged to work an average of 38 ordinary hours per week over a period of no more than 4 weeks.²²³

Similarly, the award for real estate agents states:

A full-time employee is engaged to work an average of 38 ordinary hours per week.²²⁴

- 5.84. If the ACT were to legislate that employees who work a reduced-hour four-day week must be considered full-time employees, and be remunerated as such, it would be overruled by the national awards, pursuant to the Australian Constitution.²²⁵

109. Inconsistency of laws

When a law of a State is inconsistent with a law of the Commonwealth, the latter shall prevail, and the former shall, to the extent of the inconsistency, be invalid.²²⁶

- 5.85. The ACT Government noted in their submission that requests for changes to the awards require approval from the Fair Work Commission under the Modern Award Framework.²²⁷

Finding 18

The Committee finds that current industrial law considerations would require changes at a Commonwealth level if the entirety of the ACT were to transition to a four-day work week.

- 5.86. Despite their lack of legislative power in this area, the ACT Government could implement a four-day work week for public sector employees through enterprise agreements.²²⁸
- 5.87. Enterprise agreements set out employment conditions for specific business or businesses, and they allow the employer and employee to individualise their working arrangements beyond what is covered by the relevant industry award. As stated by the Fair Work Commission:

²²² Clerks – Private Sector Award 2020, clause 9.1.

²²³ Hair and Beauty Industry Award 2020, clause 9.

²²⁴ Real Estate Industry Award 2020, clause 9.

²²⁵ ACT Law Society, *Submission 32*, p 2.

²²⁶ Australian Constitution, section 109.

²²⁷ ACT Government, *Submission 13*, p 4.

²²⁸ Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch,, *Submission 28*, p 6.

If an [enterprise] agreement applies to an employee, the modern award does not apply even if it covers them.²²⁹

- 5.88. Amendments to an enterprise agreement require endorsement from the majority of covered employees and approval from the Fair Work Commission.²³⁰
- 5.89. The ACT Government would be able to implement a four-day work week with the 18 enterprise agreements²³¹ which cover its employees in the public sector. It could also require a four-day work week for contractual workers, as pointed out by the CFMEU ACT:

[The ACT Government has the power] to require terms affecting wages and conditions when contracting with private sector employers who supply goods or services to the ACT Government. This “power of the purse” is already utilised in projects like the Secure Local Jobs Certification program that seeks to drive cultural change in local industry.²³²

Finding 19

The Committee finds that the ACT Government, through its employment arrangements and enterprise bargaining process, can transition the ACTPS to a four-day work week independent of changes to law at a Commonwealth level.

- 5.90. Private businesses in the ACT also have the ability to implement a four-day work week at their discretion. Some awards enable the employer to determine the ‘ordinary hours’ worked in a full-time week, for example the clerks award in paragraph 5.84.²³³ Otherwise, like the ACT Government, they could negotiate with their employees to implement a four-day work week with an enterprise agreement.²³⁴

Finding 20

The Committee finds that private sector business is able, under current legal settings or through its employment arrangements and enterprise bargaining process, to transition their workforces to a four-day work week at the discretion of the business.

- 5.91. Whatever legal avenue is used, care must be taken by any organisation transitioning to a four-day work week that all the relevant legal instruments are considered, to ensure that ‘changes made to an inferior instrument are not negated by a yet unchanged superior instrument.’²³⁵

²²⁹ Fair Work Commission, *The difference between awards and agreements*. (<https://www.fwc.gov.au/agreements-awards/awards/difference-between-awards-and-agreements>, accessed 10 July 2023).

²³⁰ ACT Government, *Submissions 13*, p 4.

²³¹ ACT Government, *Submission 13*, p 4.

²³² Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch, *Submission 28*, p 6.

²³³ Clerks – Private Sector Award 2020, clause 9.1.

²³⁴ Fair Work Commission, *The difference between awards and agreements*. (<https://www.fwc.gov.au/agreements-awards/awards/difference-between-awards-and-agreements>, accessed 10 July 2023).

²³⁵ ACT Government, *Submission 13*, p 4.

*Being able to work at 80 per cent for 100 per cent pay requires some changes to our industrial instruments.*²³⁶

The ACT context

- 5.92. The Committee also questions what the effect of a four-day work week would be in the ACT context, particularly considering that a substantial part of the workforce resides in NSW, and that a large portion of the ACT's economy comes from the public service sector.²³⁷
- 5.93. The Committee notes, for example, recent news reports of the Australian Public Service's (APS's) decision to allow more working from home and the perceived impacts that that would have on businesses in the CBD who rely on commuters as their customer base.²³⁸

Committee comment

- 5.94. The Committee agrees with many of the submitters that further trials are required to test the implementation of a four-day work week across a wider range of industries, especially in the non-office-based employment types.²³⁹ This is an important step in assuaging the concerns of stakeholders and in determining the best practice methods for the many varying industries of the ACT.

Finding 21

The Committee finds that further trials across more business types and employment sectors are needed to fully test and understand the adjustments required to transition the wider economy to a four-day work week.

- 5.95. The ACT Government is in useful position to hold a trial of the four-day work week, as they are in a unique position of being an employer across such a large range of industries due to their combination of state and council level responsibilities.²⁴⁰ As explained by the CFMEU ACT:

The ACT Public Sector is a diverse operation. With a workforce that operates across core policy departments, schools, hospitals, regulatory bodies, social workers, roads, and parks, there is no possibility of a one-size fits all introduction of a four-day week. In particular, the impacts between white collar workforces engaged in policy, administrative, financial and business functions and workers in

²³⁶ Ms Janet Wilson, Executive Branch Manager, ACTPS Centre for Leadership and Innovation, Chief Minister, Treasury and Economic Development Directorate, *Proof Committee Hansard*, 25 May 2023, p 106.

²³⁷ Ms Leanne Castley MLA, Chair, Standing Committee on Economy, Gender and Economic Equality, *Proof Committee Hansard*, 25 May 2023, p 118.

²³⁸ Daniel Keane and Bethanie Alderson, [‘Work-from-home deal ‘groundbreaking’, but business groups warn of CBD ‘death knell’](#), ABC News, 13 July 2023.

²³⁹ See, for example: 4 Day Week Australia, *Submission 33*, p 8; ANMF ACT Branch, *Submissions 24*, p 15; Carmichael Centre for Future Work, The Australia Institute, *Submissions 23*, p 16.

²⁴⁰ Mr Andrew Barr MLA, Chief Minister, *Proof Committee Hansard*, 25 May 2023, p 105.

the service delivery functions – which encompasses the technical and trades capacity of the ACTPS – would be stark.²⁴¹

Finding 22

The Committee finds that the ACT public service with its broad range of employment sectors and arrangements is well placed to undertake a trial of the four-day work week.

²⁴¹ Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch, *Submission 28*, p 6.

6. Best practice for implementation of a four-day work week

- 6.1. Trials both overseas and locally have presented a range of practical tips for trialling a four-day or reduced work week, many of which could be used to inform a trial in the ACT, and more specifically within the ACT Public Service (ACTPS).

International experiences

- 6.2. A range of work time reduction trials have occurred around the world in countries such as Japan, New Zealand, Iceland and the United Kingdom (UK), experimenting with shorter working hours. As stated in Autonomy's submission to the Committee, these four-day work week trials have occurred across a range of workplaces and have found a range of benefits.²⁴² They said:

Microsoft, trialling shorter working hours in Japan, found that productivity increased by 40%. Perpetual Guardian in New Zealand, having trialled a four-day week, noticed that its employees had 'lower stress levels, higher levels of job satisfaction and an improved sense of work-life balance'. Meanwhile, in Iceland, public sector organisations from the national government and Reykjavik council, found that reducing working time across a range of workplaces – from police stations, to social services and some hospital departments – led to significant improvements in workers' wellbeing and productivity. Halfway through the world's largest trial of a four-day week in the UK, around nine-in-ten participating businesses are set to keep reduced hours when the pilot ends, with almost all citing productivity that has either maintained or improved.²⁴³

- 6.3. However, some believe that these trials have not been particularly rigorous, as expressed by Professor Quiggin in his submission to the inquiry, outlining that more trials like the one 4 Day Week Global undertook in the UK are needed to assess the effects a four-day work week would have on different industries.²⁴⁴
- 6.4. The 4 Day Week Global trial of 61 companies in the UK lasted 6 months and the results were published as a joint product of research teams at universities including Boston College and the University of Cambridge, and Autonomy.²⁴⁵
- 6.5. The 4 Day Week Global trial included an important design and preparation stage. This involved 'workshops, coaching, mentoring and peer support', along with discussion with those who had already implemented a four-day work week.²⁴⁶

²⁴² Autonomy, *Submission 22*, p 2.

²⁴³ Autonomy, *Submission 22*, p 2.

²⁴⁴ Professor John Quiggin, *Submission 19*, p 11.

²⁴⁵ *Exhibit 2*, pp 2, 5.

²⁴⁶ *Exhibit 2*, p 15.

- 6.6. Mr Joe Ryle, Director, 4 Day Week Campaign, outlined at the public hearing on 3 May 2023 that preparation phases were essential to share experience in making a shortened working week viable.²⁴⁷ He stated that:

It was a two- or three-month onboarding phase. They were essentially coming to workshops with consultants and experts that had already been involved in supporting lots of companies to move to a four-day working week. There was a real mix of information that they were getting from their sessions. Some of it was around ways to improve productivity, so the organisation would be thinking about how they were going to improve productivity before actually making the switch.²⁴⁸

- 6.7. Another theme to emerge from trials was the importance of data collection. Throughout the 4 Day Week Global trial, researchers looked at two forms of data: administrative data from companies on 'revenue, absenteeism, resignations, and new hires', and survey data from employees on 'work experience, well-being, family and personal life'.²⁴⁹
- 6.8. According to another report by Autonomy, much the same occurred at the two Icelandic trials conducted between 2015 and 2019 which assessed quantitative and qualitative data on how effectively working time was reduced, service provision and productivity levels and whether improvements were made to workers' wellbeing and work-life balance.²⁵⁰
- 6.9. Another clear lesson from 4 Day Week Global and Autonomy was to resist the idea that the implementation of a four-day work week must be rigid. Rather, each company involved should design a policy that is best tailored to their 'industry, organisational challenges, departmental structures and work culture' with data collection essential to inform which work reduction model is best suited. For example, a number of four-day work week models were developed throughout the UK's six-month trial including the classic Fridays off, 'staggered', 'decentralised', 'annualised', and 'conditional'.²⁵¹
- 6.10. Mr Ryle noted that the 4 Day Week Campaign found that consultation with staff assisted in smoothing the transition to a four-day work week, and that decisions made by management without employee consultation could lead to a range of problems.²⁵² He stated:

Bottom-up would be a thorough consultation with staff. That would definitely involve a staff survey going around beforehand so that all staff are talking about their hopes and their fears for moving to a four-day working week. In the best case scenario it would be line managers meeting with their team and having a proper conversation about it, to work through any issues that come up in the preparation period, and really trusting the staff in devising and working out how it is going to work best and how they are going to adapt to this new way of working.

²⁴⁷ Mr Joe Ryle, Director, 4 Day Week Campaign, *Committee Hansard*, 3 May 2023, pp 88–89.

²⁴⁸ Mr Joe Ryle, Director, 4 Day Week Campaign, *Committee Hansard*, 3 May 2023, pp 88–89.

²⁴⁹ *Exhibit 2*, pp 15–16.

²⁵⁰ Autonomy, *Going Public: Iceland's Journey to a Shorter Working Week*, June 2021, p 33.

²⁵¹ *Exhibit 2*, p 5.

²⁵² Mr Joe Ryle, Director, 4 Day Week Campaign, *Committee Hansard*, 3 May 2023, p 89.

That is what we mean by bottom-up. Top-down would be more like: management make the decision, it is implemented very quickly, with very little or no consultation, and it happens in that way. We have found that can tend to lead to problems.²⁵³

- 6.11. This need for consultation extends to external stakeholders, so that clients, the public, etc remain informed about changes to services and work hours and days, and that an organisation's community are assured that expected outputs will be continued.²⁵⁴
- 6.12. Perpetual Guardian in New Zealand conducted an eight-week trial involving all 240 staff and presented a White Paper subtitled *Guidelines for an outcome-based trial – raising productivity and engagement*, providing recommendations on how to best implement the four-day work week.²⁵⁵ They found that it was beneficial to enlighten clients to the changes to work patterns before any implementation.²⁵⁶ They noted:

The first thing we did before implementing the trial was give our clients a heads-up as to what was happening and give an assurance that they would continue to receive the high client service they've come to expect from us. We also did a lot of pre-planning to make sure there was always coverage during our standard business hours in terms of relationship managers and analysts.²⁵⁷

- 6.13. As previously discussed, most trials conducted around the world have been largely in office-based workplaces. Of the 61 companies taking part in the 4 Day Week Global and Autonomy trial in the UK, the largest group of participants were from the marketing and advertising sector, the second largest from professional services and the third from charities and non-profits.²⁵⁸
- 6.14. Iceland appears to be one of the only places worldwide to have included significant numbers of service industries as part of their trial. These included a police station, playschool, Assisted Living Centres and daytime training for people with special needs²⁵⁹ However, many of these workplaces reduced their work time by one to two hours a week rather than by a full day as proposed within this inquiry.²⁶⁰ Despite this, overall the Icelandic trial found that:

The overarching picture that emerges, however, is that the Icelandic trials strongly challenge the idea that a reduction in working hours will lower service provision.²⁶¹

- 6.15. The Committee also notes that the demographic of participants partaking in the 4 Day Week Global UK trial were 90 percent white and 62 percent women, and 68 percent had at

²⁵³ Mr Joe Ryle, Director, 4 Day Week Campaign, *Committee Hansard*, 3 May 2023, p 89.

²⁵⁴ Perpetual Guardian et al, *White Paper – The four-day week*, 2019, p 28.

²⁵⁵ Perpetual Guardian et al, *White Paper – The four-day week*, 2019, p 5.

²⁵⁶ Perpetual Guardian et al, *White Paper – The four-day week*, 2019, p 28.

²⁵⁷ Perpetual Guardian et al, *White Paper – The four-day week*, 2019, p 28.

²⁵⁸ *Exhibit 2*, p 17.

²⁵⁹ Autonomy, *Going Public: Iceland's Journey to a Shorter Working Week*, June 2021, pp 58–60.

²⁶⁰ Autonomy, *Going Public: Iceland's Journey to a Shorter Working Week*, June 2021, pp 58–60.

²⁶¹ Autonomy, *Going Public: Iceland's Journey to a Shorter Working Week*, June 2021, p 39.

least an undergraduate degree.²⁶² It is the belief of the Committee that there is a need to undertake a trial which is representative of the ACT's demographic to assess the effects a shortened working week would have on the whole population rather than a small segment.

Australian experiences

- 6.16. Swinburne University of Technology (the University) released a report in June 2023 that investigated four-day work week trends in Australia through a series of interviews with those who had already adopted these working arrangements.²⁶³
- 6.17. Overall, the University interviewed ten senior managers from ten different organisations who had adopted the 100:80:100 model. Six of those interviewed were small businesses, while the other four were medium-sized businesses some of which were 'client-facing companies'.²⁶⁴ The University's report found that those 'client-facing companies' working on a five-day week schedule could maintain their hours through the delegation of different teams' and individuals' days off and basing their day off on 'their role, their individual preferences, and the preferences of their colleagues'.²⁶⁵
- 6.18. The Chief Minister noted concerns that services may need to be reduced to ensure a reduction in working time could occur 'fairly across society' for those with varying working hours and conditions.²⁶⁶ However, as the University's report, 4 Day Week Global and Autonomy suggest²⁶⁷, four-day work week reductions can occur differently in different sectors.
- 6.19. During the 25 May 2023 public hearing, Mr Stephen Miners, Deputy Under Treasurer, outlined that shifting to a four-day work week would have 'very different' impacts across different sectors of the workforce.²⁶⁸

A trial in the ACT?

- 6.20. At the 25 May 2023 public hearing, Mr Adrian McMahon, Co-Director of the 4 Day Week Australia recommended in his opening statement that ACT Government conduct a trial, due to the limited evidence on the four-day work week in the Australian context. He stated:

[T]he concept of the four-day week in Australia is established, but it is still very much in its early days. Our recommendation to the ACT government would be to trial a four-day week. In particular, we recommend a trial with professions such as nursing or teaching. We understand that recruiting and retaining employees in these professions in the ACT has been identified as an area for consideration.²⁶⁹

²⁶² Exhibit 3, p 19.

²⁶³ Exhibit 3, p 4.

²⁶⁴ Exhibit 3, p 5.

²⁶⁵ Exhibit 3, p 7.

²⁶⁶ Mr Andrew Barr MLA, Chief Minister, *Proof Committee Hansard*, 25 May 2023, p 118.

²⁶⁷ Exhibit 3, p 7; Exhibit 2, p 5.

²⁶⁸ Mr Stephen Miners, Deputy Under Treasurer, Treasury, Chief Minister, Treasury and Economic Development Directorate, *Proof Committee Hansard*, 25 May 2023, p 117.

²⁶⁹ Mr Adrian McMahon, Co-Director, 4 Day Week Australia, *Proof Committee Hansard*, 25 May 2023, p 96.

- 6.21. SEARCH Foundation upheld these sentiments and noted that, due to the diversity of the ACT's workforce, a trial would be beneficial in gaining evidence relating to a diverse workforce including 'teachers, nurses, firefighters and white-collar workers'.²⁷⁰ The Committee notes that the ACTPS workforce is even more broad than this and includes, amongst others, fire and rescue officers, nursing and midwifery staff, rangers, dentists, bus operators, horticulturalists, social workers, and engineers.
- 6.22. Mr McMahon further noted that 4 Day Week Global relied on companies volunteering to be a part of its four-day work week trials. He stated:
- Largely, it involves the company to volunteer, to put their hand up and want to be involved. An element of leadership internally in those organisations has to exist for them to put their hand up.²⁷¹
- 6.23. As well as capturing a wide variety of industry types, an ACTPS trial would have the potential to include organisations which may not have otherwise volunteered to try a four-day work week.
- 6.24. Furthermore, as the ACTPS identifies as having a workforce that is more representative of the Canberra community than previous trials which have been conducted,²⁷² it could capture a more representative demographic make-up of ACT workers.
- 6.25. Women make up 50.6 percent of people living within the ACT, with 2 percent identifying as Aboriginal and/or Torres Strait Islander, 36.9 percent having both parents born overseas and 19.8 percent selecting that they had one long-term health condition.²⁷³ As of June 2022, 65.1 percent of the ACTPS workforce identified as female, 2 percent as Aboriginal and/or Torres Strait Islander, 23 percent as culturally and linguistically diverse, and 2.9 percent as having a disability.²⁷⁴
- 6.26. Ms Eliza Littleton, Senior Economist, Carmichael Centre, Centre for Future Work, Australia Institute, said that there was much to be gained by moving to a four-day work week:
- What we are talking about right now is a trial for the ACT government to roll out. Of course, there will be lots of evidence to gain from rolling out a trial. I would recommend that it is rolled out across a variety of sectors to test the limitations and what can be done and what can be gained from implementing this in different sectors.²⁷⁵
- 6.27. During the public hearing on 5 April 2023, the Community and Public Sector Union (CPSU) noted that if the ACTPS were to conduct a trial of the four-day work week, the findings and process should be shared to inform others outside of the trial's remit. They stated:

²⁷⁰ Christopher Warren, Committee member, SEARCH Foundation, *Committee Hansard*, 3 May 2023, p 71.

²⁷¹ Mr Adrian McMahon, Co-Director, 4 Day Week Australia, *Proof Committee Hansard*, 25 May 2023, p 97.

²⁷² ACT Government, *State of the Service Annual Report 2021-2022*, October 2022, p 53.

²⁷³ Australian Bureau of Statistics, *Australian Capital Territory, 2021*, [2021 Australian Capital Territory, Census All persons QuickStats | Australian Bureau of Statistics \(abs.gov.au\)](https://www.abs.gov.au/QuickStats/Australian Bureau of Statistics), (accessed 18 July 2023).

²⁷⁴ ACT Government, *State of the Service Annual Report 2021-2022*, October 2022, pp 53–64.

²⁷⁵ Ms Eliza Littleton, Carmichael Centre, Centre for Future Work, Australia Institute, *Committee Hansard*, 3 May 2023, pp 62–63.

From our perspective, that is why we think there needs to be a trial. It would be up to the government to roll out a trial and then tell us what they are learning from that particular trial.²⁷⁶

Committee Comment

- 6.28. The Committee believes that it is important that, should a trial occur, a range of workplaces including those outside of traditional white-collar work should be included.
- 6.29. The Committee is of the view that due to the diversity of workplaces in the ACTPS's jurisdiction, they are well placed to conduct a trial and would be able to collect data from workplaces that would not traditionally agree to participate in a four-day work week.
- 6.30. The Committee finds that consultation with employees and with workplaces that have already implemented reduced hours and consistent updates to the public and stakeholders are essential when developing and undertaking a trial.

Finding 23

The Committee finds that for a trial or transition to a four-day work week to be best practice, thorough planning, reporting and evaluation prior to, during and after commencement of a four-day work week should be undertaken.

Finding 24

The Committee finds that for a trial or transition to a four-day work week to be best practice the planning, reporting and evaluation should be done in conjunction with experts in four-day work week policy and transitions and expert industrial representatives.

Finding 25

The Committee finds that any lessons from an ACT Public Service trial should be released publicly to inform the growing evidence base of the four-day work week in practice.

²⁷⁶ Ms Brooke Muscat, National President, Community and Public Sector Union, *Committee Hansard*, 5 April 2023, p 3.

7. Committee comment

- 7.1. As momentum for the four-day work week continues to grow, now is an opportune time for the ACT Government to consider whether it could be right for the ACT.
- 7.2. If implemented in a way which prioritises equity for workers in all industries and employment types, a four-day work week has the potential to bring enormous benefits not only to individual workers but also to the population at large. As demonstrated by the evidence in this report, reduced work time can free people to prioritise their health and wellbeing as well as that of their families and communities. Some of the direct positives already demonstrated in trials are reduced healthcare needs and decreased family conflict. There are other benefits which could occur indirectly, such as increased gender equality in domestic duties and reduced carbon emissions. These aspects are not as well-evidenced but nonetheless merit consideration.
- 7.3. This focus on worker wellbeing could arguably be most beneficial to non-office industries, as they encompass not only essential workers such as ambulance officers and carers, who experience high levels of burn out and job dissatisfaction, but also lower paid and largely insecure workforces such as cleaners and retail workers.
- 7.4. The 4 Day Week Australia organisation indicated in its submission to the inquiry that amongst the benefits of a four-day week are the potential for positive triple bottom-line impacts – that is: social, environmental, and economic benefits.²⁷⁷ The Committee notes that the inter-dependence of these three elements is recognised by the ACT Government as fundamental when considering any new proposal.²⁷⁸

Recommendation 1

The Committee recommends that the ACT Government note the findings of the Report into the future of the working week.

- 7.5. The Committee wishes to stress that implementing a four-day work week on as large a scale as the ACT Government would require significant resourcing and preparation, and must include wide-scale stakeholder consultation. The evidence presented to the Committee in this inquiry underlined the importance of flexibility of approach in rostering, work practices, and changes for part-time and casual workers working alongside their full-time and salaried colleagues.
- 7.6. Consultation would ensure that the right model of the four-day work week is being implemented, enable measurement of the effects of a reduced work week on employees in different sectors, and facilitate a smoother onboarding process.²⁷⁹

²⁷⁷ 4 Day Week Australia, *Submission 33*, p 1

²⁷⁸ ACT Treasury, [A Sustainable Territory - Treasury \(act.gov.au\)](https://act.gov.au), accessed 30 August 2023.

²⁷⁹ See for example: *Exhibit 2*, p 16; Mr Joe Ryle, Director, 4 Day Week Campaign, *Committee Hansard*, 3 May 2023, pp 88-89.

- 7.7. Furthermore, a transition to a four-day work week would necessitate some degree of a culture shift in terms of community expectations of services, especially non-urgent government services, as it is impractical to expect, for example, Access Canberra to remain open five days per week without a significant increase in staffing costs while FTE employees are only working for four days. The Committee expects that positive and comprehensive messaging would be required to mitigate community concerns about access to and value for money of government services.

Recommendation 2

The Committee recommends the ACT Government convene a working group, including but not limited to ACTPS Executive representatives and employee representatives, to develop a roadmap to inform a future trial within the ACTPS of a reduction model of the four-day work week with no loss of pay or conditions for ACTPS employees and that trial areas incorporate administrative and frontline business units and employees on full time and non-full time employment arrangements.

- 7.8. The Committee expects that the economic effects of moving to a four-day work week will require the most careful modelling and monitoring of all the effects. Any potential government-run trial must include private enterprise and not-for-profit organisations, in order to measure the economic ramifications on non-government organisations. Without their inclusion in such a project, any long-term implementation of the four-day work could potentially create a two-tier system in which the public and private sphere operate under unequal conditions, which would not be conducive to the economic health of the Territory as a whole.
- 7.9. The Committee is of the view that non-office-based work industries stand to benefit from the advantages of a four-day work week discussed in [Chapter 4](#), including better work-life balance, increased staff attraction and retention, and better opportunities for workers with a disability. Although it may be more complicated to implement in such industries, due to large variety in their environments, work systems, and working conditions, the Committee believes that it is important that all work types be considered for a shift to a four-day work week.

Recommendation 3

The Committee recommends the ACT Government develop a pilot program with any necessary support structures for private sector employers who would like to voluntarily trial a four-day work week, with this pilot program drawing on the UK pilot program as the preferred model.

8. Conclusion

- 8.1. The Committee wishes to extend its appreciation to all inquiry participants for their engagement throughout the inquiry process and for the valuable contributions they made in assisting and informing the Committee's deliberations.
- 8.2. The Committee has made three recommendations in this report which support the idea of a working group to examine a four-day working week trial.



Ms Leanne Castley MLA
Chair

8 September 2023

Appendix A: Submissions

No.	Submission by	Received	Published
1	Confidential	15/07/2021	
2	Gail Langendorf	16/08/2021	24/08/2021
3	Laura Lambert	14/11/2021	07/12/2021
4	Russell Hearne	17/11/2021	07/12/2021
5	Dr Bruce Baer Arnold	05/07/2021	07/12/2021
6	Justina Remedi	27/11/2021	07/12/2021
7	Penny	18/08/2021	12/10/2021
8	Alex Moisescu	08/12/2021	17/03/2022
9	Cole Cooney	24/01/2022	15/02/2022
10	Name withheld from publication	25/01/2022	01/02/2022
11	Name withheld from publication	02/02/2022	15/02/2022
12	Veronica Walker	26/01/2022	15/02/2022
13	ACT Government	01/03/2022	08/03/2022
14	Rose Mackie	07/03/2022	17/03/2022
15	Name withheld from publication	17/03/2022	31/03/2022
16	Confidential	01/06/2022	
17	Act Labor	01/09/2022	15/09/2022
18	Rod Pitcher	02/09/2022	15/09/2022
19	Professor John Quiggin	13/10/2022	27/10/2022
20	Community and Public Sector Union	18/10/2022	27/10/2022
21	ANU Centre for Epidemiology and Population Health	25/10/2022	27/10/2022
22	Autonomy	27/10/2022	17/11/2022
23	Carmichael Centre – Centre for Future Work – The Australian Institute	28/10/2022	17/11/2022
24	Australian Nursing and Midwife Federation (ACT Branch)	28/10/2022	17/11/2022
25	Jonah Morris	28/10/2022	17/11/2022
26	ANU Law Reform and Social Justice Research Hub	28/10/2022	17/11/2022
27	Australian Education Union (ACT Branch)	28/10/2022	17/11/2022
28	Construction, Forestry, Maritime, Mining and Energy Union (ACT Divisional Branch)	28/10/2022	17/11/2022
29	4 Day Week Campaign LTD	28/10/2022	17/11/2022

30	Name withheld from publication	02/11/2022	17/11/2022
31	SEARCH Foundation	14/12/2022	16/02/2023
32	ACT Law Society	16/12/2022	16/02/2023
33	4 Day Week Australia	16/12/2022	16/02/2023
34	ACT Council of Social Service	13/02/2023	16/02/2023

Appendix B: Witnesses

Wednesday, 5 April 2023

Community and Public Sector Union

- Mr Christopher Warren, ACT Government Governing Councillor
- Ms Brooke Muscat, National President

ACT Law Society

- Mr Thomas Fischer, Employment Law Committee member

Australian Education Union (ACT Branch)

- Dr Bianca Hennessy, Research and Policy Officer
- Mr Patrick Judge, Branch Secretary

Australian Nursing and Midwifery Federation (ACT Branch)

- Mr Matthew Daniel, Secretary
- Mr Thomas Cullen, Legal officer

ACT Council of Social Service

- Dr Gemma Killen, Acting Chief Executive Officer
- Ms Avan Daruwalla, Policy Officer

Construction, Forestry, Maritime, Mining and Energy Union (ACT Divisional Branch)

- Mr Michael Hiscox, Assistant Secretary
- Mr Thomas Fischer, Legal Officer

Thursday, 27 April 2023

- Ms Rosie Mackie
- Ms Justina Remedi
- Dr Camilla Jozwik, Neurologist, Calvary Bruce Public Hospital and ACT Neurology Centre

Wednesday, 3 May 2023

- Professor John Quiggin

ANU National Centre for Epidemiology and Population Health

- Professor Lyndall Strazdins

ANU Law Reform and Social Justice Hub

- Ms Jae Briefies, Student Researcher
- Ms Rachel Ferguson, Student

Carmichael Centre - Centre for Future Work – The Australia Institute

- Ms Eliza Littleton, Senior Economist

SEARCH Foundation

- Mr Christopher Warren, Committee Member
- Mr Luke Whittington, Executive Officer

Autonomy

- Mr Jack Kellam, Lead Editor

4 Day Work Week Campaign (UK)

- Mr Joe Ryle, Director

Thursday, 25 May 2023

4 Day Week Australia

- Ms Alyssa Shaw, Co-Director
- Mr Adrian McMahon, Co-Director

ACT Government

- Mr Andrew Barr MLA, Chief Minister
- Mr Russ Campbell, Deputy Under Treasurer, Chief Minister, Treasury and Economic Development Directorate
- Mr Stephen Miners, Deputy Under Treasurer, Chief Minister, Treasury and Economic Development Directorate
- Ms Janet Wilson, Executive Branch Manager, ACTPS Centre for Leadership and Innovation, Chief Minister, Treasury and Economic Development Directorate

ACT Labor

- Mr Ash van Dijk, Secretary

Appendix C: Question Taken on Notice

No.	Date	Asked of	Subject	Response received
1	14/04/2023	Ms Brooke Muscat, National President, Community and Public Sector (CPSU)	Workforce composition	Not received
2	14/04/2023	Mr Thomas Edward Fischer, Legal Officer, Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch	Four-Day work week models	08/05/2023
3	14/04/2023	Mr Thomas Edward Fischer, Legal Officer, Construction, Forestry, Maritime, Mining and Energy Union, ACT Branch	Casualisation of workers	08/05/2023
4	06/06/2023	Ms Alyssa Shaw, Co-Director, 4 Day Week Australia	Reduction of working hours and increased volunteerism	13/07/2023
5	26/05/2023	Ms Janet Wilson, Executive Branch Manager, ACTPS Centre for Leadership and Innovation	ACTPS Work Reduction Provision	09/06/2023
6	26/05/2023	Mr Andrew Barr MLA, Chief Minister	ACTPS staff with reduced hours receiving full-time pay	06/06/2023

Appendix D: Work categories in three overseas trial reports

Work Category	Number	Percentage
Office-based	62	50.4%
Non-office-based	50	40.7%
Unknown	11	8.9%
Total:	123	100%

The numbers for the above table from Chapter 5 were taken from three reports on major overseas trials:

- *Going Public: Iceland's journey to a shorter working week*, which presented data on two trials which were run by Reykjavik City from 2014 to 2019 and the Icelandic Government from 2017 to 2021;²⁸⁰
- *The results are in: The UK's four-day week pilot*, which reported on a four-day work week trial of 61 companies in the UK from June to December 2022;²⁸¹ and
- *The Four Day Week: Assessing global trials of reduced work time with no reduction in pay: Evidence from Ireland*, which reported on 12 Irish organisations who participated in a trial of the four-day work week for six months from February 2022.²⁸²

The three reports presented the work types of participating organisations differently, so they have been grouped into 'office-based', 'non-office-based', or 'unknown' for the purposes of the committee's calculations.

The report on the Icelandic study listed every participating organisation by name. These were categorised accordingly: for example, City Planning, Office was categorised as office-based while Parking Services, outdoors department was categorised as non-office-based. Unknown workplaces included some for which a mix of office and non-office-based work could be presumed to be present, such as the Building and Safety Inspector and a Police Station.

The UK and Irish participants were listed under industry types in the reports which facilitated their categorisation as office- or non-office-based. For example, marketing, administrative and IT services, and finance were categorised as office-based. Healthcare, manufacturing, and education were categorised as non-office-based. The participants for these trials in the unknown categories included those designated as charity/not-for-profit, other services and not specified.

²⁸⁰ Autonomy, *Going public: Iceland's journey to a shorter working week*, June 2021, pp 58-60.

²⁸¹ Autonomy, *The results are in: The UK's four-day week pilot*, February 2023, p 17.

²⁸² 4 Day Week Global *The Four Day Week: Assessing global trials of reduced work time with no reduction in pay: Evidence from Ireland*, 2022, p 11.

Appendix E: Dissenting report – Ms Leanne Castley MLA

Inquiry into the future of the working week

Dissenting report from

Leanne Castley MLA

.

14 September 2023

1. I support flexible working arrangements voluntarily entered into between employees and employers.
2. At the inquiry's hearing on 25 May the Chief Minister gave the following evidence to the Committee.

Asked about a trial of a 4 day working week Mr Barr said:

- *"This is not an issue on my agenda at the moment to be frank. I am very happy for a committee process. I am not going to be doing anything until I have seen the committee report."*
- *"It is not something that is going to happen immediately."*
- *"The next time we would potentially consider anything would be next year's budget. So this is not something that is going to be pursued in the short term, but I am open to a medium-term consideration."*
- *"to be frank, this is not something that we have devoted considerable resources too, and we are not in a position to do so at the moment."*

Later in his evidence the Chief Minister said this:

Mr Barr: I will make one other point, which I perhaps should have clarified at the beginning. If the question is that the ACT public sector moves to a four-day working week and everything else in the economy remains the same, that is a slightly different question. My assumption is that this is a society-wide change. It is not that the ACT public sector operates in an entirely different world to the rest of the economy and the rest of society. That is something the committee may wish to grapple with. There is discussion about trials, and that is one thing. These sorts of changes over economic history have been society wide. Some groups started them first, obviously, but something for the committee to dwell upon is: is this something that is going to change for everyone? My view is that, if you are going to do this, you are going to do it for everyone. We need to think about the implications. The ACT public sector cannot operate in a bubble that is completely isolated from everything else that happens in society. When going down this path, we have to contemplate what it means economy wide, society wide, and presumably nation wide as well.

THE CHAIR: Will you take that on as a part of the modelling for the public service? Will you consider business—

Mr Barr: We would have to consider that, which is why I need to be clear. I wish the committee well in its deliberations, and I am sure you will deliver an excellent and thought-provoking report, but implementing something like this is not a straightforward exercise. It is very complex and it does have broader implications. We have touched on some of them today.

THE CHAIR: Especially in New South Wales. We are so closely tied.

Mr Barr: Indeed, yes, but even in just our own service delivery. For me, it is pretty fundamental that, if we are moving to four days, it is across the board, so that would have implications for schooling and it would have implications for a range of other things. At this point, I am yet to see evidence to suggest that productivity would address all of it. I accept there will be productivity in many areas, but it is not going to cover the full implication of this. As Ms Wilson said, a flip side to this is the services that would have to be reduced to do this fairly across society.

3. As the person with whom the buck for introducing a four day working week in the ACT would ultimately stop, Mr Barr injected a note of realism into the evidence before the inquiry.

Mr Barr's argument that, *"The ACT public sector cannot operate in a bubble that is completely isolated from everything else that happens in society,"* was well made, as was his observation that, *"implementing something like this is not a straightforward exercise."*

4. I do not believe this inquiry has sufficiently made out an argument to justify recommendations 2 and 3. For this reason, and on the basis of the points made by the Chief Minister, I dissent from recommendations 2 and 3.