LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

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

Submission Cover sheet

Inquiry into the future of the working week

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Standing Committee on Economy and Gender and Economic Equality ACT Legislative Assembly GPO Box 1020 Canberra ACT 2601

By email: <u>LACommitteeEGEE@parliament.act.gov.au</u>

Dear Committee Secretary

Future of the working week

The Community and Public Sector Union PSU Group (CPSU) is an active and progressive union committed to promoting a modern, efficient, and responsive public sector delivering quality services and quality jobs. As the largest union in the ACT Public Service (ACTPS), the CPSU welcomes the opportunity to provide a submission to this ACT Legislative Assembly inquiry into the future of the working week.

Greater flexibility for employees to ensure employees can manage work life balance is a critical issue. There are a range of important reforms that need to be considered in pursuit of this objective.

The appeal of a four-day week is understandable and may be one way to support employees in achieving greater flexibility in the future. The pandemic gave us an opportunity to reimagine work and it has most noticeably occurred through the normalisation of working from home and growing support for hybrid work, something the ACT Government is embracing.¹

As the only potential place that the ACT Government has the ability to test a four-day work week would be as an employer – that is, within the ACTPS itself, a range of issues would need to be dealt with first. The CPSU is of the view that a four-day work week should be a future goal of the future work week, but issues such as the casualisation of the workforce within the ACTPS as well as high workloads and the different nature of work for frontline, part-time and rostered roles need to be resolved enroute to realising it. There are also other pressing issues

¹ "Era of Only Working from Offices 'over' Declares ACT Chief Minister." The Mandarin, 2 Dec. 2021, https://www.themandarin.com.au/176987-era-of-only-working-from-offices-over-declares-act-chief-minister/

such as increasing the superannuation rate for ACTPS employees to 15.4 per cent to match APS employees that need to be prioritised.

Insecure work

While the ACT Government Insecure Work Taskforce has been successful, there is still more to do. In the reporting year, 2020–21, 174 employees converted from casual and temporary employment to permanent ACTPS employment,² however, the most recent State of the Service Report indicated that nearly a quarter of staff are still in temporary (16.7%) or casual (6.8%) roles. Data from the CPSU's 2021-22 What Women Want Survey also found that women working in the ACTPS who felt insecure or very insecure most commonly cited casualisation (44.4%) as the reason for feeling insecure.³

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. To that end, the CPSU notes that the Canberra Health Service had significant staffing pressures, forcing it to bring back retired staff and call others back from leave because of workloads.⁴

Addressing divergent impacts on different parts of the ACTPS workforce

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. Furthermore, working from home arrangements have created a new divide between staff who need to be physically present in a specific location and those who do not. 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.⁵ This can make any consideration of a four-day work week far more complex than many advocates envisage.

An alternative method of compressing the work week is already an option under ACTPS Enterprise Agreements. Under those agreements staff can undertake flexible working arrangements or access the rights of flex-time to achieve a four day work week. While there does not appear to be evidence on the numbers of staff that undertake these compressed work weeks, anecdotally CPSU does not believe that it is widespread, or occurring in any statistically significant manner. This suggests that a reduction of hours rather than the number of days itself is behind the appeal of a four-day work week.

² ACT Government. 2020-21 State of the Service Report, 2021.

³ Community and Public Sector Union. 2020-21 What Women Want Report, 2021.

⁴ Bladen, Lucy. "Thousands of Nursing Shifts Needed to Be Filled at Omicron Peak." The Canberra Times, 20 Feb. 2022, https://www.canberratimes.com.au/story/7621615/thousands-of-nursing-shifts-needed-to-be-filled-at-omicron-peak/

⁵ Part-time calculation based on part-time (permanent and temporary) staff data from 2020-21 ACT State of the Service Report.

Superannuation

Superannuation continues to be a very important issue for ACTPS employees and needs to be a priority. With an ageing population, an increased superannuation contribution guarantee is required to ensure sufficient retirement income for ACTPS employees.

The CPSU has consistently advocated for the ACT Government to increase the rate of their employer superannuation contributions. ACTPS employees will not have a sufficient retirement income if they are reliant on a stagnant 10.5 per cent ACT Government superannuation contribution.

The lower super guarantee for ACT Government employees also makes it a less attractive employer than the Commonwealth Government. With both seeking to attract and retain employees in the same, competitive, geographic labour market, it is to the detriment of the ACTPS.

Given the 2006-07 ACT Budget unilaterally reduced the employer contribution rate for new starters from a minimum 15.4 per cent to 9 per cent, it should be included as a common term in ACTPS enterprise agreements in the next round of bargaining to sufficiently protect superannuation entitlements.

Conclusion

The CPSU supports a future work week that recognises that quality of the job and conditions is as critical as the number of days work and that a simplistic approach will not work for all situations in the ACTPS. The CPSU further supports a holistic approach to reconsidering the work week that allows all workers to have genuine worker-led flexibility to achieve these goals. A four-day work week should be something to move towards in the future and the ACT Government should prioritise addressing outstanding issues such as insecure work, superannuation and consider the differential nature of work in the ACTPS as it moves towards it.

For further information, please contact me, via email or on

Yours faithfully

Madeline Northam ACT Regional Secretary