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Submission to: The Treasury Consultation for the Employment White Paper, 2022. From: The Australian Work + Family Policy Roundtable

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The Work and Family Policy Roundtable (W+FPR) is pleased to make this submission to The Treasury Consultation for the Employment White Paper.

The W+FPR is a network of 36 academics from 18 universities and research institutions with expertise on work, care and family policy. The goal of the W+FPR is to propose, comment upon, collect and disseminate research to inform good evidence-based public policy in Australia. Our membership and the policy principles that inform our work are set out in Appendix 1 to this submission.

Our submission begins by recommending the 2022 W+FPR Federal Election Benchmarks, the 2020 Work+Care in a Gender Inclusive Recovery: A Bold Policy Agenda for a New Social Contract, and the 2019 W+FPR Federal Election Benchmarks to the Treasury consultation. These three documents, attached to our submission in Appendix 2, draw on the collective expertise of W+FPR members and other Australian and international scholarship. They make explicit recommendations for the delivery of decent work for worker-carers, the provision of high-quality formal care services, the development of a sustainable care workforce and the economic security of worker-carers, particularly women.

These documents provide the Treasury consultation with an expert summary of the current state of scholarship on key Australian work and care policies relevant to four topics being considered in the consultation including:

- Job security, fair pay and conditions
- The care economy/care workforce
- Pay equity and equal opportunities for women
- Migration

We also raised these policy areas in our submission to the <u>Senate Select Committee on Work and Care</u> and draw on that submission below.

1. Job security, fair pay and good conditions

Decent work lies at the heart of a robust and equitable work/care regime. Decent work is work that provides job security, predictable working time arrangements, paid leaves, and a living wage — all conditions that make it possible for workers to manage their work and care responsibilities. But as set out in more detail in the Roundtable documents noted above, secure, predictable, and properly paid work remains a significant challenge for many - particularly those worker-carers employed part-time, many of whom work casually, and most of whom are women.

Decent work supports worker-carers to sustainably balance their paid work with their unpaid care responsibilities and can contribute to a more gender-equal distribution of work and care. However, gaps in access to decent work reinforce gender inequalities, create barriers to economic security for worker-carers and make it difficult to reconcile paid work with unpaid care.

A growing proportion of the Australian workforce is in insecure work, including those who have no paid leave, or are employed in fixed-term and on-demand jobs with little predictability of income or working time (Campbell et al 2019). National Employment Standards do not provide basic protections to casual workers or those who are not employees, making it difficult for these workers to build secure and predictable work/care arrangements (Cortis et al 2021). This has a detrimental effect on the economic security, careers, and health and wellbeing of workers and their family members with care needs.

Women are much more likely than men to have limited access to secure and decent work, being more than twice as likely as men to be in part-time work and almost twice as likely to be employed on a part-time and/or casual basis (ABS 2022). In Australia the gendered polarisation of working time with long hours mainly worked by men, reduces opportunities for men to participate in unpaid care/family life and their partners to engage in secure paid work. The strongest predictor of the widespread problem of work/family conflict and its mental health consequences is long work hours (See Dinh et al 2017a; Dinh et al 2017b). In 2021, two out of five (40%) employed Australians worked more than the National Employment Standard on maximum hours: a 38 hour week. Most long hours workers are men, with one in ten employed men working more than 50 hours a week. In contrast, women predominate in the low hour and poor-quality jobs. This disparity in working time underpins disparities in opportunity and income security because such long hours are impossible to combine with care, placing long hour jobs out of the reach of most Australian women. Long hours worked by partners also makes it hard for women in couple households to engage in full-time or longer hours part-time work, with gendered ramifications for over the life course. We urge the Treasury employment white paper to address effective approaches to capping long work hours.

Women are also more likely to be working in sectors where there is widespread insecure or poorly remunerated work with unpredictable hours and limited access to paid leave, such as the highly feminised care and retail sectors (Macdonald & Charlesworth 2021; Cortis et al 2021). In contrast, men are more likely to be working in secure, full-time work with higher wages (ABS 2020). Even for those in more secure work, the quantum and design of paid and unpaid leave often does not align with the actual care needs of worker-carers across the life-course and are not designed to encourage men to participate in unpaid care (Baird et al 2021).

Paid leave is critical for decent work. Leave is not just about time to care but also ensuring that workers who provide care are not financially disadvantaged and have sufficient leave to care for themselves when they are sick. The Productivity Commission is currently considering an extension to

unpaid carers leave to better align with worker-carers' needs. However, the proposal only focuses on the care of ageing relatives living at home, care for other groups, and care for older people living in residential aged care facilities or in hospice/hospital settings. The scope of the review needs to be urgently expanded to include a broad range of <u>paid</u> leave, including personal, carers and palliative care leave.

In its 2022 Election Benchmarks the Roundtable made the following recommendations relevant to this topic:

- The Federal government establish a stronger foundation for decent work that is widely
 accessible to all workers and that explicitly recognises the importance of unpaid care
 responsibilities in workers' lives. This would include a robust floor of universal worker rights
 across all sectors, through amendments to the Fair Work Act 2009, that protects <u>all workers</u>, no
 matter their contract status, including:
 - (a) A right to a living wage and secure, predictable income;
 - (b) Improving working time security in feminised sectors through a minimum floor of secure weekly working hours and continuous daily hours of work;
 - (c) An enforced cap on long working hours to increase men's opportunities for shared care;
 - (d) Paid time for training; and
 - (e) Revitalising award skills and classification structures to reflect the value of the work carried out by workers in feminised sectors (e.g. retail, education & care) and to provide career progression in good jobs.
- 2. The Federal government amend the National Employment Standards to create a paid leave system that is portable and adequately reflects the diversity of care needs for all workers across the life cycle, including casual, contract and gig workers including through:
 - (a) A right to paid leave including carers leave, personal leave, domestic violence leave and palliative care leave; and
 - (b) Extending the duration of both paid and unpaid carers and personal leave.

2. The care economy: care workforce

A sustainable care workforce is the foundation of a robust, responsive care economy. In Australia, the care workforce is typically low-paid and often employed in conditions that do not reflect the benchmarks of decent work. Our Federal Election Benchmarks 2019 and 2022 highlight many of these issues for frontline aged care workers, disability support workers and early childhood educators. Good quality care and support depends on the care workforce having access to decent wages, predictable and secure working time arrangements career progression. For children, for example, good care quality has lifelong impacts upon a child's education, social and economic outcomes. Well-paid and qualified early childhood educators are crucial for not only children's optimal lifelong outcomes, but also for the parents who engage in paid work and need to know their child is well cared for. Dignified care for the elderly is also reliant on the conditions of decent work for aged care workers. We would like to draw the Treasury consultation's attention to the research of Roundtable member, Dr Fiona Macdonald that documents the lack of decent work in the aged care and disability support sectors including job and working time fragmentation that leaves workers paid below their minimum entitlement (Macdonald et al 2018a and video).

In its Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022, the federal government has proposed the introduction of multi-employer bargaining. Changes to the Fair Work Act to shift from reliance on single enterprise bargaining to improve wages and conditions would be beneficial for low paid workers in the care economy. However, given that any agreements would sit on top of the

relevant award provisions it is vital that those awards, including skill classifications and pay structures as well as crucial working time arrangements, provide a robust platform from which to bargain. In addition, awards in many feminised sectors including not only in the care sectors but also in retail are hollowed out. Most have very rudimentary and compressed skills classifications, on which wages are based. Skill descriptors do not capture the work performed nor the skills required to do this work. In many cases there are only cents difference in the pay rates in progression up classification structures. Multi-employer (and single enterprise) bargaining needs to be built on a robust award base to have the best chance of improving wages and conditions for these workers.

In addition to its 2022 Election Benchmarks recommendations in relation to decent work noted above, the Roundtable made the following recommendation in relation to the care workforce:

3. That the federal government invest in sustainable and decent care jobs. Care workers should be directly employed by service providers with decent wages and conditions, which develop, recognise and reward skills used via training, career pathways, permanent and secure jobs, and industry-based collective bargaining.

3. Pay equity and equal opportunities for women

Proposed changes to the Fair Work Act in the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022, will strengthen the claims of women to gender pay equity. However further reform is required to enable the development and strengthening of industry awards and to. The strengthening of industry awards includes adequate pay, secure working time and paid leave provisions - such as paid parental leave, carers' leave, paid domestic violence leave and other forms of leave from work - that support women and men's equal right to combine family and community care responsibilities with stable and secure employment.

The revitalisation of industry awards must recognise that the persistence of the gender pay gap (GPG) in the Australian labour market is the cumulative outcome of a gendered social contract that significantly influences women's engagement with paid work and working time. Wage gaps are evident in hourly, weekly and annual wages (KPMG 2022). The GPG has both immediate and long term impacts, with women suffering in older age because of significantly lower retirement savings (Feng et al 2019).

This gendered contract impacts the proper valuation and recognition of feminised work. Industry awards must be revitalised to 'unpack' skills classifications for frontline care workers to both recognise and remunerate the skills workers currently use and to provide a clear career path with meaningful wage increases as workers progress (Charlesworth and Smith 2018). This will create opportunities for career progression. Presently, industrial awards and agreements are made without effective and sufficient checks on how the pay and hours provisions reflect and reinforce a gender disparity in pay and conditions. Awards and agreements must not contain discriminatory terms, but no adequate mechanism exists to identify terms that discriminate and remove them. As the main service funder, the federal government must commit to policy and funding arrangements that end the structural pay inequity in care and support work.

Feminised work has been historically undervalued and Australian labour law mechanisms for setting remuneration and addressing equal remuneration have been slow to remedy this or recognise the increased credentials of women. In the last twenty years there has only been one successful application for federal equal remuneration orders, reflecting key deficiencies in the construction and interpretation of the Fair Work Act's equal remuneration provisions (Smith and Whitehouse 2020).

We therefore commend the Labor government's proposed changes to the Fair Work Act in the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022, to make gender equality an object of

the Fair Work Act and to strengthen the claims of women to gender pay equity. The implementation of these new provisions must have wide application across the various functions of the Fair Work Commission in practice. It will also be crucial that the proposed equal remuneration provisions be constructed, implemented and monitored so that they: address gender-based inequality in remuneration; ensure that minimum award wage rates properly reflect the value of the work; take account of inequalities in bargaining; provide sustainable remedies; and support the Commission and the parties' addressing of gender pay equity.

Gender pay inequality (and the barriers to quality work for worker carers noted above), reflects sex discrimination in work. The Respect@Work Report recommended the introduction of a positive duty on employers to take reasonable and proportionate steps to prevent sex discrimination and sexual work. The Labor government agreed to harassment implement Respect@Work recommendations and we commend the legislative amendments in the Anti-Discrimination and Human Rights Legislation Amendment (Respect at Work) Bill 2022. The impact of these amendments should also be assessed for their practical capacity to require and enable employers to identify and address the lack of equal access to decent pay and conditions for worker-carers.

4. Migration

We welcome the Labor government's commitment to shift migration settings to support permanent rather than temporary migration. However, we draw the Treasury consultation's attention to the need to implement appropriate work/care policy settings for permanent and temporary migrant workers. This includes support for transnational family life and care practices for established migrant Australians, through access to grandparent support (Hamilton et al 2022) and for Pacific Australia Labour Mobility (PALM) scheme workers who (as yet) have no options for family accompaniment (Withers 2022a; 2022b).

In the current context of a renewed age care sector push for Pasifika workers, the need to embed opportunities for transnational care within the working conditions and workplace policies of PALM workers requires urgent attention. Failure to attend to the transnational care needs and practices of migrant workers poses a real risk that Australian development policies will create care deficits in labour sending countries. Such failure would deliver unequal and gendered work and care outcomes within the PALM scheme (in Australia and in the Pacific) (Hill et al 2018; Withers 2022c).

We commend this submission to the Treasury consultation on behalf of the Work + Family Policy Roundtable members and both we and individual members would be happy to provide further evidence or respond to queries as required.

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Appendix 1

Australian Work + Family Policy Roundtable Members

- Dr Elizabeth Adamson, UNSW Sydney
- Prof Emerita Siobhan Austen, Curtin University
- Prof Marian Baird, University of Sydney
- Dr Megan Blaxland, University of New South Wales
- Dr Dina Bowman, Brotherhood of St Laurence / University of Melbourne
- Adjunct Dr Michelle Brady, University of Melbourne
- Associate Professor Wendy Boyd, Southern Cross University
- Prof Emerita Deborah Brennan, UNSW Sydney
- Prof Emerita Bettina Cass, University of NSW
- Prof Emerita Sara Charlesworth, RMIT University (co-convenor)
- Prof Kay Cook, Swinburne University
- Dr Amanda Cooklin, La Trobe University
- Prof Rae Cooper, The University of Sydney
- A/Prof Natasha Cortis, UNSW Sydney
- Adjunct Prof Eva Cox, Jumbunna Indigenous House of Learning (UTS)
- Prof Lyn Craig, University of Melbourne
- Dr Laura Davy, Australian National University
- Prof Emerita Suzanne Franzway, University of South Australia
- Prof Beth Goldblatt, University of Technology Sydney
- A/Prof Myra Hamilton, University of Sydney
- Alexandra Heron, University of Sydney
- A/Prof Elizabeth Hill, University of Sydney (co-convenor)
- A/Prof Kate Huppatz, Western Sydney University
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- Angela Kintominas, UNSW Sydney
- Adjunct Fellow Dr Fiona Macdonald, RMIT University/Centre for Future Work
- Prof Paula McDonald, Queensland University of Technology
- Adjunct A/Prof Jill Murray, Monash University
- Prof Alison Preston, University of Western Australia
- Prof Leah Ruppanner, University of Melbourne
- A/Prof Belinda Smith, University of Sydney
- A/Prof Meg Smith, Western Sydney University
- Prof Miranda Stewart, University of Melbourne
- Prof Lyndall Strazdins, Australian National University
- Prof Emerita Gillian Whitehouse, University of Queensland
- Dr Matt Withers, Australian National University

W+FPR Policy Principles

The aim of the Australian Work + Family Policy Roundtable is to propose, comment upon, collect and disseminate relevant policy research in order to inform good, evidence-based public policy in Australia.

The Roundtable believes work, care and family policy proposals should be guided by sound policy principles which:

- Recognise that good management of the work-life interface is a key characteristic of good labour law and social policy;
- Adopt a life-cycle approach to facilitating effective work-family interaction;
- Support both women and men to be paid workers and to share unpaid work and care;
- Protect the well-being of children, people with disabilities and frail older people who require care:
- Promote social justice and the fair distribution of social risk;
- Ensure gender equality, including pay equity;
- Treat individuals fairly, regardless of their household circumstances;
- Ensure sustainable workplaces and workers (e.g. through 'do-able', quality jobs and appropriate staffing levels);
- Ensure predictable hours, earnings and job security;
- Ensure flexible working rights are available in practice, not just in policy, to all workers through effective regulation, education and enforcement;
- Facilitate employee voice and influence over work arrangements;
- Recognise and support the ongoing need for income support where earnings capacities are limited by care responsibilities or other social contributions;
- Recognise the particular cultural and social needs of groups who have been excluded and discriminated against, such as Indigenous peoples and newly arrived migrants and refugees, who may require diverse responses to participate effectively; and
- Adopt policy and action based on rigorous, independent evidence.

Informed by these principles, the W+FPR will advance public debate and policy initiatives that promote a secure and living wage for workers; reasonable work hours and working time; appropriate and adequate leave provisions; quality care services; a fair tax and benefits regime and other measures that assist workers and carers to better combine these two spheres of essential human activity.