

### Action on Employment

This note provides ACT-specific commentary and information on this action area from ACOSS 2019 Federal election commitment priorities.

**Question:** More Canberrans are experiencing casualised, precarious employment and a lack of job security. The federal government has key responsibilities as an employer, a driver of economic settings, a funder of Job Network providers and steward of the income support safety net. How will you ensure more ACT people have secure, well-paid jobs and a safety net when they can't find them?

#### The facts

- While the ACT has historically had stable employment opportunities and a strong economy, some old assumptions about the labour market and income patterns in the Territory no longer hold true.
- Our economy is changing and with it we are developing a different employment mix. An increased share of jobs in the service industry means more precarious and casualised employment than in the public sector labour market. As some agencies move out of Canberra, the overall mix of jobs is also changing.
- While the image of Canberra is of a public service town where people work a standard 9.00am to 5.00pm day, this no longer corresponds with reality, if it ever did. The public sector now only accounts for one third of our workforce<sup>1</sup>.

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<sup>1</sup> Australian Public Service Commission, *APS Statistical Bulletin 2016-17*, APSC, Canberra, 2017, <<https://www.apsc.gov.au/aps-statistical-bulletin-2016-17>>.

- Alongside this, public sector jobs are also increasingly casualised, part-time or in contract work connected to short-term projects.<sup>2</sup>
- Health care and social assistance is the second largest employer in the ACT (12% of the workforce) and is projected to have the largest growth over the next five years – accounting for almost a quarter of total projected employment growth in the ACT over the period.<sup>3</sup>
- On the averages, the ACT’s employment position seems favourable. Compared to other jurisdictions, the ACT currently has: the lowest unemployment rate in Australia (3.6% vs 5% nationally), the lowest long-term unemployment rate (0.6% vs 1.3% nationally), the second lowest youth unemployment rate (11.0% vs 11.7% nationally) and the second lowest underemployment rate (5.9% vs 8.2% nationally).<sup>4</sup>
- However, some groups are persistently locked out of the labour market or overrepresented in casualised, precarious or poorly paid jobs:
  - Young people of working age in the ACT tend to have relatively high rates of casual employment, unemployment and underemployment. A high proportion of young people in the ACT work in “industries known to have a casualised workforce (such as retail/sales and hospitality/tourism) and to be impacted by economic fluctuations [which] suggests that job security is not a feature of young people’s employment experience”.<sup>5</sup>
  - Statistics show that women are more likely to be employed in lower paying and insecure jobs.<sup>6</sup> In insecure work, women are generally not entitled to some of the protective measures including access to paid parental leave and flexible working arrangements that enable

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2 ACTCOSS, *Submission: Design, scope, cost-benefit analysis, contracts awarded and implementation associated with the Better Management of the Social Welfare System initiative*, ACTCOSS, Canberra, March 2017, accessed 30 June 2017, <<http://www.actcoss.org.au/publications/advocacy-publications/submission-better-management-social-welfare-system-initiative>>.

3 Department of Employment, *2018 Employment Projections – for the five years to May 2023*, Regional projections – interactive tool, Department of Employment, Canberra, 2018, <<http://lmip.gov.au/default.aspx?LMIP/GainInsights/EmploymentProjections>>.

4 ABS, *6202.0 - Labour Force, Australia, Mar 2019*, ABS, Canberra, 2019, <<http://www.abs.gov.au/ausstats/abs@.nsf/0/6050C537617B613BCA25836800102753?Opendocument>>.

5 Youth Coalition of the ACT, *Rate Canberra 2016*, Youth Coalition of the ACT, Lyneham ACT, September 2016, p. 10, accessed 29 June 2017, <<https://youthcoalition.net/main/rate-canberra-2016.html>>.

6 Australian Human Rights Commission, *Gender segregation in the workplace and its impact on women’s economic equality*, AHRC submission to the Finance and Administration Reference Committee, AHRC, 6 March 2017, accessed 30 June 2017, <[https://www.humanrights.gov.au/sites/default/files/AHRC\\_Submission\\_Inquiry\\_Gender\\_Segregation\\_Workplace2017.pdf](https://www.humanrights.gov.au/sites/default/files/AHRC_Submission_Inquiry_Gender_Segregation_Workplace2017.pdf)>.

women to re-enter the workforce. This “serves to increase the gender gap in pay equity, superannuation equity and in workplace equity”.<sup>7</sup>

- People with disability are especially vulnerable in the broader economic shifts we are seeing to a casualised, precarious and insecure workforce reliant on a narrower base in the service industry. The most recent OECD ranking placed Australia 21st out of 29 OECD countries for employment participation by people with disability.<sup>8</sup>

## Community & lived experience voices

“A lot of the work I could find was contract work, which means you do the work and then 30 days later they’d pay you, but Centrelink would say no, you have to pay it when you earn it, so I would then get a decrease in my Newstart, when I wouldn’t have any money. So it was really difficult to budget.”

— ACT woman speaking to her experience of trying to locate work while on Newstart.<sup>9</sup>

“I’m currently unemployed, and have been for the past two years... I haven’t been able to land in a job in [my field], but I know having a job, having a full-time job, will lift me out of the circumstances I’m in. I’ve got about \$17 a fortnight left. I’ve never owned a car, I’ve got my Ls, and a friend is driving me around in his car, but I’d like to get a car for myself... to [get a job in my field], you need a car, especially for early starts... if you’re starting at 4 or 5am, it’s hard to get around.

“If I get an electricity bill or such, I need to go to places like St Johns and get a food hamper... I don’t like to be in debt, so I like to pay things straight up.

“For me, the best form of welfare is a job. Because I can get down, you know, you get down on yourself. Because I’m unemployed, when I’m idle, my mind is idle... I applied for nine jobs last fortnight, and some people don’t even get back to you.”

— ACT man speaking about life on Newstart.<sup>10</sup>

*The State of the Community Service Sector in the ACT* report commissioned by ACTCOSS in 2016 identified insecure work as a key barrier to the recruitment

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7 Independent Inquiry into Insecure Work in Australia, *Lives on hold: unlocking the potential of Australia’s workforce*, ACTU, Melbourne, 2012, p. 21, <[https://www.actu.org.au/media/349417/lives\\_on\\_hold.pdf](https://www.actu.org.au/media/349417/lives_on_hold.pdf)>.

8 Organisation for Economic Co-operation and Development, *Sickness, Disability and Work: Breaking the Barriers - A Synthesis of Findings across OECD Countries*, OECD, 2010, p. 51, <<https://www.oecd.org/publications/sickness-disability-and-work-breaking-the-barriers-9789264088856-en.htm>>.

9 ACTCOSS Forum on Income Support, 5 May 2018.

10 *ibid.*

and retention of staff in the ACT community service organisations. Insecure work within the sector was seen to be impacted on by government funding arrangements. Organisations identified the need for greater funding and funding security due to difficulties associated with the cost of employing staff under good working conditions.

“We need to have the best workers on the ground if we are going effect change and close the gap. To do this, I require the best skilled staff - we cannot match the money for this to happen. We continue to get what we pay for, which is not good enough – this places extra burden on the Management of the Organisation and it affects outcomes on community. We simply need more funding!”

— *Aboriginal and/or Torres Strait Islander service.*<sup>11</sup>

## Further reading

- [Submission: Inquiry into the extent, nature and consequence of insecure work in the ACT](#), July 2017

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ACT Council of Social Service Inc. | Weston Community Hub, 1/6 Gritten St, Weston ACT 2611  
Ph: 02 6202 7200 | [actcoss@actcoss.org.au](mailto:actcoss@actcoss.org.au) | [www.actcoss.org.au](http://www.actcoss.org.au)

ACTCOSS is committed to reconciliation, acknowledges the traditional custodians of the land and pays respect to elders past and present.

ACTCOSS represents not-for-profit community organisations and advocates for social justice in the ACT.

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<sup>11</sup> N Cortis and M Blaxland, *The State of the Community Service Sector in the Australian Capital Territory, 2016*, Social Policy Research Centre, UNSW, prepared for ACTCOSS, December 2016, p. 38, <<https://www.actcoss.org.au/publications/advocacy-publications/state-community-service-sector-act-2016-report>>.