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Standing Committee on Economy and Gender and Economic Equality,
ACT Legislative Assembly,
GPO Box 1020,
Canberra ACT 2601
Via email: LACommitteeEGEE@parliament.act.gov.au

1 March 2023

Dear Economy and Gender and Economic Equality Committee,

Submission to Inquiry into the Future of the Working Week

The ACT Council of Social Service (ACTCOSS) welcomes the opportunity to respond to the ACT Government's [Inquiry into the future of the working week](#). ACTCOSS advocates for social justice and is the peak body for the community sector in the ACT. Our response to this inquiry concerns the implications of a four-day working week for the community sector.

In producing this feedback, we have consulted with Perinatal Wellbeing Centre, ACT Disability, Aged and Carer Advocacy Service, and Carers ACT. We have taken particular care to represent the largely underfunded, under resourced and often underappreciated community service providers and organisations working tirelessly to support the community.

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. To see the best possible outcomes from trialling a four-day work week, the ACT Government must appropriately fund and support community organisations.

The primary concern of community sector organisations in approaching work time reduction is that the sector is already underfunded and overworked, leaving little hope for positive outcomes from reduced working hours and potentially rising employment costs. At present, demand for support and advocacy far exceeds the funded capacity of organisations, as outlined in the [Counting the Cost Report](#). With [increasing cost of living pressures in the ACT](#) and the ongoing impacts of the COVID-19 pandemic, demand for support is only increasing. To successfully implement a four-day working week, there would need to be a corresponding increase in community sector funding to match the need for consistent service provision.

Perinatal Wellbeing Centre has experienced a doubling in demand for their services in the past three years and doesn't receive enough funding to pay current staff to meet this demand. ADACAS has likewise had trouble attaining staff at the current pay rate they are funded to provide.

To provide additional funding for a four-day working week would not be sufficient. To make it a sustainable endeavour, there would also need to be increased base funding. This is particularly imperative for community service delivery providers who experience significant inequity as compared to ACT Government bodies and services, as well as private organisations.

In [Going Public: Iceland's Journey to a Shorter Working Week \(2021\)](#), an analysis of the Icelandic trial of a shorter working week, the financial impact of needing to increase staffing (particularly in healthcare) cost the government 4.2 billion ISK yearly (equivalent to approximately 45.5 million AUD). Whilst this represents a mere fraction of government spending, the Iceland trials demonstrate the necessary additional investment in the care industry that would be required if reducing working hours.

Additional issues specific to the community sector include where funding is constrained by tendering processes that require a commitment to a certain number of worktime hours. For community organisations who access most of their funding from the ACT Government, a reduction in working hours may mean they become uncompetitive when applying for and accessing grants and tenders. Carers ACT has found that without control over unit costing or commercial costs it is not possible for community organisations to transition to fewer working hours without consequential reduced capacity (and under the current model – resulting reduced funding).

Another concern regarding carers arises from the fact that care work cannot always be completed in fewer hours. It is important that any change to working hours ensure that unpaid carers do not end up experiencing increased labour due to reduction in paid caring hours. For example, a consumer with a disability cannot reduce the number of times per week that they need assistance to bathe, cook or clean their home. Carers ACT notes that whilst a four-day working week may provide benefit in terms of staff wellbeing, it is completely unrealistic if the ACT Government does not increase funding and support for vulnerable people including facilitating the expansion of the workforce to cover the additional required hours of work.

Further concerns arise from the potential impacts of reduced working hours on people with disabilities. Given ongoing issues surrounding equity and diversity in the workplace, it is important that changes to worktime do not negatively impact upon those requiring reasonable adjustments. 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. There needs to be mechanisms in place if a four-day work week is established to ensure that employers do not treat reduced working hours as the only available adjustment for those seeking flexible workplace adjustments (particularly people with disabilities and people with caring responsibilities).

The community sector would also require several non-funding related accommodations in order to implement a work time reduction. Some of the adaptive strategies utilised by the care and community sector in the [review of the Icelandic trial of a shorter working week](#) included: changes to shift patterns (such as starting/finishing shifts earlier rather than working 4-days a week), closing offices earlier on certain days, flexibility around which days to reduce hours for different staff, and setting up committees with staff to discuss and design appropriate working patterns. The researchers surmised that reducing working hours required flexibility that empowered different workplaces to design bespoke arrangements that suited their individual needs.

The benefits of reduced working hours - including staff wellbeing and retention, are major considerations for the community sector considering exceedingly high levels of staff burnout. Evidence from overseas trials consistently demonstrates that working fewer hours is beneficial for staff mental wellbeing and life balance. A trial of the [6-hour working day in the Swedish care sector](#) conducted for healthcare and childcare workers found improved quality of life and effects spanning from improved social connection to improved sleep and heart/respiratory health. Other

researched impacts of reduced worktime trials include higher engagement, greater workplace conviviality, boosted productivity, and reduced stress.

Whilst moving to a four-day work week may reduce burnout and increase retention, the reverse consequence is that if not implemented thoughtfully and paired with appropriate resourcing, it would mean having to deny services to the community and turn away clients. Even under current work arrangements the community sector is facing major challenges with the recruitment and retention of staff. Given that a reduced working week may require the recruitment of additional staff to meet the needs of consumers, concurrent policies and programs focused on growing the care workforce would be required.

To approach a worktime reduction in an equitable way, the ACT Government should consider running an appropriately funded trial of the program in the community sector. There is a promising opportunity to improve the quality of life, gender equity outcomes and community engagement of the ACT workforce.

By focusing a pilot trial of the four-day work week on the community service-delivery sector the ACT Government could set a strong precedent for the need to approach work flexibility differently without reducing service capacity or outputs. We would be particularly keen to see a trial include community organisations rather than focusing on predominantly 'lovely jobs' as referenced in the [Discussion Paper](#) as being high-paying, professional occupations as opposed to the stressful, lower paying 'lousy jobs'.

In the long term it will also be beneficial to have evidence available for what accommodations are needed to implement reduced working hours in Canberra service delivery roles and organisations. Given the scale of the ACT, running a limited trial in the relatively small jurisdiction would be a significant exercise in researching the future viability and effectiveness of any changes to the working week.

We hope to see the ACT Government take an active role in progressing equitable and positive community-based outcomes by investing in an appropriately funded trial of the four-day working week.

However, as clarified throughout our submission, positive change is not possible without a commitment to increased funding and resourcing of the community sector. To see an equitable rethinking of the working week, we must first see an ACT Government commitment to better supporting community service delivery providers.

Yours sincerely,



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