



**LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

**STANDING COMMITTEE ON ECONOMY AND GENDER
AND ECONOMIC EQUALITY**

(Reference: [Inquiry into the future of the working week](#))

Members:

**MS L CASTLEY (Chair)
MS S ORR (Deputy Chair)
MR J DAVIS**

TRANSCRIPT OF EVIDENCE

CANBERRA

WEDNESDAY, 3 MAY 2023

**Secretary to the committee:
Ms S Milne (Ph: 620 50435)**

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

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Amended 20 May 2013

The committee met at 10.01 am.

FERGUSON, MS RACHEL, Student, ANU Law Reform and Social Justice Hub
BRIEFFIES, MS JAE, Student Researcher, ANU Law Reform and Social Justice Hub

STRAZDINS, DR LYNDALL, Professor, National Centre for Epidemiology and Population Health, National University of Australia

LITTLETON, MS ELIZA, Senior Economist, Carmichael Centre, Centre for Future Work, Australia Institute

THE CHAIR: Good morning and welcome to this public hearing of the Economy and Gender and Economic Equality Committee for its inquiry into the future of the working week. The committee will hear today from the ANU Centre for Epidemiology and Population Health, the ANU Law Reform and Social Justice Hub, the Carmichael Centre, the SEARCH Foundation, and Professor John Quiggin.

The committee wishes to acknowledge the traditional custodians of the land that we are meeting on, the Ngunnawal and Ngambri people. The committee wishes to acknowledge and respect their continuing culture and contribution they that make to life in this city and the region. We would also like to acknowledge and welcome other Aboriginal and Torres Strait Islander people who may be with us today.

We are being recorded and transcribed, broadcast live, webstreamed and all of the fun, fancy technical things. Please, when taking a question on notice, clearly articulate that so that everybody hears that and makes a note of it.

We welcome witnesses from the ANU Centre for Epidemiology and Population Health, the ANU Law Reform and Social Justice Hub, and the Carmichael Centre for the first part of our panel. I would like to remind you of the privilege statement and the obligations that are afforded by parliamentary privilege. Please acknowledge that you agree.

Ms Ferguson: I understand and agree with the privilege statement.

Ms Brieffies: I have read and accept the privilege statement.

Dr Strazdins: I acknowledge the privilege statement.

Ms Littleton: I acknowledge and understand the privilege statement and agree to it.

THE CHAIR: Wonderful. Thank you very much. Obviously, witnesses must tell the truth. Giving false or misleading evidence will be treated as a serious matter and considered contempt of the Assembly. I appreciate you all acknowledging that statement.

We have been pressed for time with all of our other inquiries, so, if there is an opening statement that can be done in two minutes, you are welcome; otherwise we will kick straight off into questions. Is there anything burning that you guys want to start with?

Dr Strazdins: I would just like to say that I prepared a very short opening statement which updated my submission because of the economics and wage analysis that we have done. I would like to draw the committee's attention to the opening statement. It talks about the problem we have, which is disregard of a 38-hour week. There is the graph here. If you put your hand there, it shows you the wage earnings for a representative sample of Australians, in the HILDA, against hours worked. That is the ordinary full-time hours band there. That is effectively what we should be working in a full-time job. And that shows you the earnings increment. The orange line shows you the proportion of men versus women working in those jobs. That is actually our labour market. Our labour market has three different sorts of jobs—low-hour jobs and what we are meant to have as a full-time job or a part-time job. The earning differentials are shown there. It is two times the earnings if you work beyond what we consider to be a full-time working week.

MS ORR: Do you want to table that as further evidence so the committee can take it—

Dr Strazdins: What I want to illustrate with that is that this is not simply a question of hours and equality. It is a question of earnings and equality, and all of them boil down to gender and equality.

MS ORR: You could table that as an extra exhibit. You just need to say that you will table it and then we can accept it.

Dr Strazdins: I would love to table it. Thank you.

THE CHAIR: Thank you. We will accept that and we appreciate it. That is excellent. If there is nothing further—

Ms Littleton: I will make a couple of really quick points to summarise the points in our submission as well. Firstly, thank you for giving us the opportunity to present before the committee. I want to quickly make three points, and I will do it within two minutes. Firstly, the idea of a four-day work week, through a reduction of hours and no loss of pay, is not a radical or new idea. Obviously, there are examples in Australian history where workers have achieved and won things that cement our national employment standards today. There are contemporary examples of companies in Australia who have embarked on a four-day work week as a trial. Also, the senate select committee recommended that this be rolled out and trialled in Australia. The federal government has responded really broadly in support of these recommendations.

The second point that I want to make is that Australian workers and businesses and the broader society stand to gain a lot. Building on your point, among the things that it could absolutely address is the maldistribution of working hours across the workforce, including addressing the persistent and ubiquitous problem of overtime, but there is also the growing problem of underemployment in society. A fairer distribution of working hours stands to benefit lots of different stakeholders and Australians more generally. The second point is that it actually has the capacity to help address the issue of the declining wage share of national income through delivering real wage rises for workers—that is one of the points that you were making—and also the feminisation of

unpaid care duties in Australia.

I will finish by saying that the Centre for Future Work recommends that the type of model for a four-day week that is considered and adopted is a 32-hour work week with no loss of pay and that it be implemented in a universal way across different sectors and different occupations. It has to be broadly implemented. It also has to be flexible. For the best outcomes for workers, it would be desirable to let them choose the days and the hours that this applies to and how they want to implement a four-day work week in their lives. Thank you so much.

THE CHAIR: We need to also include, as something that we have accepted as the committee, casual workers. I just thought I would throw that out there. What are your thoughts on casual workers and also sick leave for casual workers? Does anybody have thoughts on that? Is it on the radar?

Dr Strazdins: In relation to the working week or in general?

THE CHAIR: In relation to the working week.

Dr Strazdins: I think it comes back to the way we remunerate people and the way we have job insecurity. They are intersecting problems. What happens in these low-hour jobs is that people often trade off their job security because they cannot work the longer hours if they have care responsibilities and so on. It is one piece of the kind of imbalance that is playing out in the labour market which is really creating these inequalities in income as well as quality of work. I would say that tackling the quality of work is important as well as tackling the hours. Simply cutting hours and not dealing with some of the underlying problems in jobs is not giving either the health or the quality of our labour market any benefit.

If we were to actually limit hours—just sticking to what we are meant to be working—or even consider reducing hours, it is about ensuring that the quality of work is upheld or even improved as part of that process. That would, of course, include sick leave and other benefits for casual jobs.

MS ORR: Could I ask a supplementary question?

THE CHAIR: Yes.

MS ORR: Dr Strazdins, picking up on the comment you made about the casualisation of work and trading off security in order to have a higher hourly rate, would you see the potential for a reduction in work hours and addressing some of the quality issues that we have within employment options to actually move people away from taking casualisation over the secure work because the commensurate pay would be better balanced?

Dr Strazdins: Yes. There is a lot of evidence showing that what happens for women, particularly when they have other responsibilities, is that they cut back. They cut back on the hours, but then they have to accept poorer conditions. So not only are they paid less because they are working less, but also they are paid less per hour and the quality and the conditions of that job are poorer. The hour problem is actually creating a

whole lot of other problems around pay and quality of work, so they are bundled together, and it is really important that they are all addressed together.

Just as the submission points out, if we were to reduce hours but not actually look at wages, then we may in fact create a major income problem for many people. A lot of people work long hours because they have to, because they are piecing together earnings. In fact, the hours problem is solving an earnings problem. They are both connected. It does need to be understood in the context of the quality of work, including pay.

MS ORR: Following on from that, you put in your submission that you think a co-design approach would be best in looking at how a four-day work week could be implemented. Would I be right in my assumption that co-design is so that we can start looking at all the other equality issues that go with it?

Dr Strazdins: Yes—why are people working more than their legislated 38 hours a week? We actually have a law that says, “This is what we expect people to be working,” so why is that happening? That is what co-design needs to unearth. We need to solve that because, while we continue to say, “Here is our working week,” but allow people to work well beyond it—and that will happen in a four-day working week, through that working week—and allow that to just be a white space, then this work-hour pattern is unlikely to stop; the evidence in European countries with weak regulations shows that.

There has to be a way of bringing back and understanding what is driving this. Is it managers not knowing how to enforce it? Is it staff feeling that the only way they will keep their job is to compete by hours? We need to understand that and then work out the practical ways to deal with that.

MS ORR: From the research you have done, do you have any insight into why that would be? You also mentioned, in the last part of evidence, places where there is not strong regulation and that it seems to be a factor.

Dr Strazdins: Yes. I am working on a project in the construction industry where the attempt is to bring back hours, which average around 64 hours a week on tools. It is a 96 per cent male workforce. 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. We have been working with unions, senior government officials, procurement, and CEOs of construction on the other pieces of the puzzle, because all of them are going to have to be worked through to make this feasible and stick.

MS ORR: Great. Picking up on the hours, I know from your submission and from a lot of the evidence you have given today that there is the point of reducing hours back to what is currently legislated. In your submission, it says something like 36 hours is optimal, or less than 36 is optimal. My question is: if we are reducing back to 38 hours, should we be aiming to still go lower as well to get to a better health outcome?

Dr Strazdins: At the moment, when we model on average across the Australian labour market, 38 to 39 hours a week is the sweet spot. We find that a sweet spot for mental health and we find that a sweet spot for physical health, such as pain and functioning. We also know from other research that cardiovascular illness risk really increases once people start working longer. The sweet spot we are finding in the current labour market is 38 hours a week.

We have redone the modelling in the German labour market, which is a little bit different in some ways. It has very similar gender distribution. In the German labour market, it is around 39 hours a week—a little bit higher—but we see exactly the same pattern and the same gender.

At the moment, in our workforce we see that, when people have really high caregiving or other responsibilities, as Eliza pointed out, it is not rigid. There has to be negotiation; there has to be flexibility. When people have heavy caregiving duties, 38 hours is not a good idea. On average, no-one is working that; they are working here or here. It is the middle band where we see the sweet spot in gender balance and health and wellbeing in Australia at the moment. That could be step one. I would say that, if we cannot even get back to our 38-hour week, then how will we really manage to reduce hours further than that? To me, this is a moment to work through: “Why has this happened?” Then let us actually work to what we have agreed, see what happens and then take the next step.

MS ORR: So you are not saying, “Do not aim for the four-day work week”; you are saying, “Let us actually do it in a considered and well approached way”?

Dr Strazdins: It is really important to bring people along. Nothing works until you do that. There are steps. To me, here is an extremely immediate step that can be taken and it can provoke a national conversation. There may be more steps, but, at the moment, bringing people along and taking those steps is critical to success.

MS ORR: Is there anything in your work that would indicate the benefits of a reduction below 38 hours for the wellbeing of workers?

Dr Strazdins: Not at the moment, on the current modelling we are doing.

MS ORR: Is that just because you have not considered it?

Dr Strazdins: No. If you look at the graph I showed you—and I have just given you the excerpt from the Australian data—that is what is called a tipping point. It actually shows that work is good for people up to a point. There is a band. I do not think it would be bad for wellbeing, but you have to adjust other things in line with that. This is taking into account where pay is and where a whole lot of other things are. Again, this is a stepped approach. To move it lower, we would need to make sure other things moved with it, like conditions and pay, and this modelling cannot show that.

MS ORR: We have certainly heard from a number of people that, if we were to reduce hours, the preference would be for no loss in pay and conditions. What I take from what you are saying is it would need to be modelled to get an indication.

Dr Strazdins: To model under those conditions, and, as I said, in the construction industry, to get to 50 hours. There is a way to walk on this.

THE CHAIR: Mr Davis, do you have a substantive?

MR DAVIS: I do. I knew we would get there eventually. Thank you so much. Friends, I just want to reflect on my interpretation of some evidence we have received so far and get your impression on it. One in particular is the suggestion that there are challenges for the private sector to deliver on a four-day work week or more flexible work conditions in comparison to the government. Ms Littleton, I am particularly interested in your opening statement. You mentioned some contemporary examples of companies in the private sector that have worked on a four-day work week or trialled flexible work conditions. Would you offer an observation about whether you think it is actually better for governments to lead in demonstrating these sorts of work patterns and work models or you also think there are opportunities for the private sector to lead? And do you have examples of where you have seen that?

Ms Littleton: Thank you so much for the question. Right now, we are seeing companies in the private sector leading on this matter. Trialling this potentially without government data that suggests that this can work in, say, the context of the public service is a really interesting phenomenon. It suggests that there is quite strong evidence to suggest there are a lot of benefits to be had for both employees and employers through implementing a four-day work week.

Around 20 organisations across Australia and New Zealand, across a range of different industries and sectors, in about August last year, embarked on a six-month trial of a four-day work week. There has not been much evidence, but of course we can look internationally and we can look at all the companies that have tried this—places like the UK and Belgium—to suggest that there is quite a good impact on productivity and revenue for these companies, which is obviously their vested interest, stemming from the benefits for workers and the improved conditions for people who were actually doing the work.

There are also examples in Australia. For example, Oxfam Australia won a 30-hour work week through their most recent EBA, in March this year. There is a lot of interest from the private sector which suggests that there are a lot of benefits to be had for both employers and employees in implementing a shorter working week.

MR DAVIS: Would it be fair to observe, then, for the Canberra small business person watching these proceedings—because I trust they are livestreamed in their office or workshop all the time!—that there is nothing to be feared from the transition to more flexible work conditions and the four-day work week? Also, based on what you have just said, Ms Littleton, am I right to interpret that there is actually the opportunity to expand business, generate more profit, and secure and retain good workers through these sorts of—I do not want to use the word “benefits”—changes to the work pattern?

Ms Littleton: Absolutely. There is a lot to be gained from implementing this. 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 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.

For example, obviously, when we think about a four-day work week, we often think about this being implemented in an office setting, but of course some of the most overworked workers in our economy are not office workers; they are teachers, nurses and, potentially, small business workers as well. This has a lot of benefit for potentially expanding workforces in the areas of workforce shortage as well, through attracting and retaining employees because of the offering of better working conditions.

Dr Strazdins: I would say that it would be really important not to dismiss the concerns of employers. They are critical stakeholders in this and they need to see that things are going to work and that they are not going to have to bear the cost. The biggest problem in all of this is who bears the cost. Right now, excessive hours create costs to gender equality, they create costs to loss of human resources, and they create costs to health and wellbeing. It is really important that the costs are considered in this process. I would say to you that many employers will need help to work with this. That is part of the co-design, the consultation, the bringing them along. It is really important not to dismiss their anxieties and their fears. They have good reasons and we all have good reasons for why we have this problem.

The other piece of that is that, if we have a patchwork approach, there is a risk that there will be an unlevel playing field. There needs to be some way of managing that. If you imagine this has to be a transition, then the transition needs to be thought through very carefully. It is not like turning a switch. Whatever trials happen, there is going to be transition. There will be costs in transitioning. There always is. We need to manage the potential, for example, for some businesses to feel they are competing with businesses who will work with their employees and then get the next lot. All that needs to be worked out, taken on board, listened to, brought into the conversation and worked through. This is the transition process. My response regarding small business is yes, we need to listen to them and help them step along and transition.

MR DAVIS: I appreciate that, Dr Strazdins. Thank you. Can I just confirm that it would be your view that one of the most obvious ways—it seems obvious, but it is good to get it on the record—for the government to support the private sector is by road-testing a range of different models with its own workforce and co-design, with a diversity public sector employees, what more flexible work conditions and a four-day work week would look like, and then share that evidence and share those findings with the private sector in the ACT? That would be a fair—

Dr Strazdins: I think that would be very helpful. There is a broader picture, which is that the ACT, as a region, as its mission, is to give that time. It actually becomes a potential attractor to all sorts of talent when people understand that this city is trying to do things differently. As you know, I am not sure that jumping to a four-day work week is the only way to solve that, but I think that there is a broader net benefit to the whole region if we can start to step towards a different working time regime. That will then benefit all employers because it will become an attractor.

MR DAVIS: Going to your point about attraction, every subnational government in this country is struggling with two key workforce shortages, and those are classroom teachers and nurses. I have feared in this debate that government may have an appetite to provide more flexible conditions and the four-day work week to people who work in an office environment. What advice might you have for the government to ensure that other workers in the public service—frontline workers, healthcare workers and teachers—are brought in on this trial and supported through this trial?

Ms Littleton: Could I jump in here? I will briefly say that I think this is a really great opportunity to use this policy tool as a way to address the workforce shortages in some of the key sectors that provide absolutely crucial care, which was highlighted by the pandemic. One of the things that I mentioned earlier was the fact that one of the key things driving workforce shortages and what we know about what is driving workforce shortages in these areas is that there is overwork. There are incredible workloads in these sectors. There is a lot of overtime being done by the workers which is causing a lot of burnout and stress.

Implementing a four-day work week and improving conditions and pay in these sectors through this trial would actually be a really great way to not only alleviate some of the pressure on the existing workforce, potentially attracting back some of the workers that have left as a result of these working conditions, but also attract new members of the public who are interested in retraining or training in these key sectors. I think it would help address some of the workforce shortages in these key sectors.

THE CHAIR: I have a quick supplementary. I am mindful of time.

MR DAVIS: Of course. I think Ms Brieffies has a comment.

THE CHAIR: Go for it.

Ms Brieffies: No—sorry.

THE CHAIR: You have not had a chance to speak.

Ms Brieffies: It appears obvious from what you have both said. I think it is critical that particularly those two sectors and employers from those two sectors are brought along in the process of co-design that you have outlined and, going back to what was mentioned before, that casual workers and shift workers are not left behind in improving rates and improving compensation for time.

THE CHAIR: Briefly, going back to “Joe Plumber”, that is my concern as well. We hear from really small business as well that there is a fear that, as with nurses, they will want to come off that front line—not a sole trader but an employer with one employee navigating that four-day work week—or they will lose them completely to the public service. Just so I am clear, was it your recommendation or part of what you were saying that government should make sure all sectors are brought to the table at the same time, rather than rolling it out in the public service?

Dr Strazdins: No. There are two things. I think any trial should trial multiple options, otherwise it is not really a trial of what fits. So, yes, a trial of the four-day working

week, but why not also trial other options that people are putting forward to deal with the problem? In my view, trialling to just get people to work their contracted hours would be an incredibly important step forward. There may be trials to then compress working weeks. There are pros and cons with that. There are trials to reduce to four-day working weeks. I think there need to be trials that sincerely engage with what people are saying are some of the issues and work with those as they are.

Regarding construction workers, trades and “Joe Plumber”, there are a lot of reasons—if they are working 40 hours a week, and there are contracts—so there needs to be a transition. There are labour shortages. Will this solve labour shortages in the long term, but in the short term there is a problem in implementing this? This is the transition thinking that needs to go into the trials.

THE CHAIR: One of the comments that I saw in your submission was about the conditions, breaks and things like that, for those working full time rather than compressing it. I appreciate all three submissions.

MS ORR: One quick question for Ms Littleton. Earlier, in your opening statement you made a comment about cost-of-living pressures and how a four-day work week could actually be seen a real wage rise and help with the cost of living. Very briefly, considering I have snuck this question in, I want to unpack that a little bit more. What do you see the benefits of a four-day work week being in the current economic context and the pressures that are on individuals from wages?

Ms Littleton: Something that has been mentioned, obviously, is that this is not going to be rolled out nationally or even across the whole ACT immediately to address the cost-of-living crisis right now. There are probably lots of cost-of-living crises in our future. In terms of addressing the issues we are having around wages, productivity, and profits at the moment, basically the point that we are trying to make is that real wages have lagged behind productivity growth over the last couple of decades. This means that workers are producing more goods and services at the same level of input and they are generating more income for businesses, but that additional value is not being reinvested back into wages rises for workers.

Of course, in the context of high inflation, we are seeing real wages go backwards, and what we are seeing as a result of this is that the labour share or the wage share of national income has declined to an all-time low of 44 per cent nationally, and the profit share of income is at an all-time high, at 30 per cent. Basically, what we are seeing is that people’s purchasing power and their wages are going backwards. They have been stagnant for decades. It is not keeping up with productivity growth. It means there is additional income in the economy that can be put back into the pockets of workers through a four-day work week and a real wage increase as a result of that policy.

MS ORR: I have a question. Did you want to say something?

Ms Brieffies: Yes. We are both here as students. We can say that often our peers are at the pointy end of the cost-of-living pressures. That is why we are particular advocates for a reduction in work hours without a reduction in pay. People are working multiple jobs. I know you are working full time as well as studying full time.

To be able to compress the hours of work that we can do in order to get by and live, while also making the contributions to public life that we do through education and through volunteering—which is something you pointed out—is important for our cohort.

Ms Ferguson: I just want to say that, obviously for university students, the attraction of casual work is the flexibility. Also, they are open to exploitation in terms of maybe one week not getting any hours and the next week getting 30 hours. If more traditional sectors had more flexibility, then there may be an opportunity for university students to transition more easily into that professional work while they are at university and they would be able to afford to live and study at the same time.

Ms Brieffies: Yes. I also know that from the perspective of graduate retention in the ACT public service. People in the public service, at all levels, tend to be older than in the private sector. I think there is a tendency amongst young people to view public service as a springboard into a private sector career. Looking at enhancing that compensation of time given would make the ACT government a really attractive employer for young people.

THE CHAIR: Wonderful. Thank you all. I think we should call it there. On behalf of all of us here in the committee, we appreciate your attendance in person today. Your very detailed submission is really helpful for us to get a good understanding of the future of the working week. When available, you will all receive a proof of the transcript. Please check over that to make sure there are no errors and that you are happy with it. There were no questions on notice. We will close this session. Thank you so much. We appreciate it.

Short suspension.

WARREN, MR CHRISTOPHER, Committee Member, SEARCH Foundation
WHITINGTON, MR LUKE FRANCIS, Executive Officer, SEARCH Foundation
QUIGGIN, PROFESSOR JOHN

THE CHAIR: I welcome witnesses from SEARCH Foundation and Professor John Quiggin, who is online. I remind witnesses of the protections and obligations afforded by parliamentary privilege. Please acknowledge that you have read and understood the privilege statement.

Mr Warren: I have read and understood the privilege statement.

Mr Whittington: I have read and understood, and agree with, the privilege statement.

Prof Quiggin: I am a professor of economics at the University of Queensland. I am appearing in my personal capacity. I have read and understood the privilege statement.

THE CHAIR: Witnesses must tell the truth, as giving false or misleading evidence will be treated as a serious matter and could be considered to be a contempt of the Assembly. Would anyone like to make a quick opening statement or are you happy for us to go straight to questions?

Mr Warren: We are happy to proceed with questions.

Prof Quiggin: That is fine.

THE CHAIR: The committee has agreed to ask questions about casual workers as well. I will kick off with that, and ask what your thoughts are with regard to the future of the working week and how it will impact casual workers. Also, what are your thoughts on whether casual workers should be paid sick leave?

Mr Whittington: I might defer to the professor on this one, to begin with.

Prof Quiggin: Sure. The experience of the pandemic pretty strongly supports the need to have sick leave arrangements for casual workers. It is very clear that casual employment in this sense is a significant, ongoing part of the Australian labour market and not the occasional hire that might be implied by that term.

Looking at the question of the implications of shorter standard working hours, I would expect that that would flow through and affect casual workers in a number of ways. Most obviously, it implies an increase in hourly pay rates for standard full-time workers, which you would expect to flow through to casual arrangements. We would also see changes in the nature of staffing in the kinds of industries which rely on casuals. For the current weekend, we had a three-day weekend. An obvious way of moving to a uniform four-day week would see more employment on either a permanent part time or casual basis, and more hours being filled in that way.

MS ORR: Professor Quiggin, picking up on the casual or the part time, you make the interesting comment in your submission that a shift to a three-day weekend would imply more radical changes, and that is in the context of looking at part-time employees and reducing their work. Can you expand a little bit on your thinking

regarding what these radical changes or shifts could be, if we started to look at how part-time and casual workers could also be included in a reduction in work hours?

Prof Quiggin: Certainly, we would expect that, on the one hand, we would have, increasingly, a seven-day economy for a range of purposes; on the other hand, shortening the standard working week, in many ways, of course, is already happening—moving to something like a three-day core week, with Mondays and Fridays as shoulder-type days. We expect to see, I think, that increased flexibility meaning more part-time work. I think there is a strong case for looking at converting more casual work to permanent part-time work.

I think we have to give evidence of the appeal of a four-day week. There is the fact that we are seeing this trend emerge, as certain workers have the benefit of full employment. Most people on a standard full-time working week would prefer shorter hours rather than continuing the same hours with gradually increasing real wages. It is less clear, I think, and much more diverse, what kind of hours part-time workers would prefer—whether they are happy with the hours they have. In some cases we know that some part-time workers would like full-time work. It is less clear, I think, whether this shift would imply, for the majority of part-time workers, a corresponding reduction in hours or something that would be taken primarily as an increase in hourly wages, with a constant number of hours.

MS ORR: I would like to hear from witnesses their view on what the benefits of a four-day work week would look like—the model that you would be supportive of, as there are various models out there, and the way that you would see it working. You have made reference to public sector trials. Also, do you see opportunities for the private sector to be brought into the transition?

Mr Warren: The model that we are supporting is the 20 per cent reduction in working hours with no loss of pay. Our submission deals with the compressed work week models, and also potentially a guaranteed right to a four-day work week upon request with loss of pay. We see the benefits of a 20 per cent reduction in working hours with no loss of pay as being the ideal model to support workers, and with the maximum amount of benefits.

In relation to whether we see the opportunity for the private sector to come in here, we absolutely do. With the evidence from trials, particularly in Europe and across the private sector, it does seem to be the case that the private sector is the one that is leading on this. We absolutely do need to start thinking about how the government can support the private sector to do this.

In a lot of cases, particularly if you look at medium to large size firms, a lot of these companies are posting pretty well record profits. I think that they do have the financial capacity to start looking at this kind of thing. I appreciate that there are some challenges in terms of profitability for small businesses. Certainly, at a territory level, but also federally, we might want to look at what kinds of supports can be provided to small businesses to be able to implement this kind of model.

Prof Quiggin: I am involved with the 4 Day Week Global group, which is trialling four-day week arrangements for a wide variety of employers, definitely on 100 per

cent of the pay and 80 per cent of the hours, with the idea that a combination of changed work practices and reduced attrition can deliver 100 per cent productivity.

The crucial thing is that we should see this move without a reduction in pay. It is important to remember that, although there was a long decline in labour share in the years leading up to the pandemic, in the recovery phase we have seen a big burst of inflation, which most workers have not managed to keep up with. We are certainly not seeing any return of the productivity growth that was experienced during the pandemic. At the same time we are seeing—notably in the public sector but across the private sector—a lot of unwillingness to have the kind of nominal wage increases that these price increases would imply. In that sense, the capacity to offer a reduction in working hours as a standard condition is well and truly there.

In the trials, we are seeing lots of different arrangements being tried out. As I said I think the typical version has come to three days when people are expected to be working, and those are also the days when, in hybrid arrangements, people are physically at their workplace, and then there is a mix of Mondays and Fridays.

An obvious question is that, at some point, if we made this a uniform condition rather than one that is spreading through the workforce, there is a lot to be said for moving to a four-three split, rather than the three-two-two split of Mondays and Fridays both being shoulder days. We all love long weekends, although a crucial factor about long weekends is that everybody has them. Although we are looking for some distance ahead, I think the case for saying, “Let’s just make Monday the third day of the weekend,” in the long run is actually quite strong.

Mr Whittington: I will pick up on the point made by Professor Quiggin, and previously by Eliza Littleton, about the capacity evidenced by the increased profit share of national income and reduced wages share of national income, which means we can move to a four-day week. I also point out the alternative: if we allow that inequality to continue, and that continued gap between the profit share and wages share of income, there is a price to inequality that has been well established empirically by people like Richard Wilkinson; it has been talked about by Stiglitz, Piketty and so forth. If we do not address that rising inequality, we will have lower growth, lower standards of living and worse outcomes for communities and individuals.

THE CHAIR: I have a question in terms of practicality. How do you see it happening? Going back to Joe Plumber, for Joe Plumber’s family life, he has his own business, but he still needs that time with his family. If somebody’s toilet breaks on a Sunday, how does that work? Can you talk me through your thoughts on how that would work across industries?

Prof Quiggin: Of course, Sunday is a day off as it is, so it is not as though we have to invent whole new ways of working. If your toilet breaks on a non-standard workday, you will either wait, if it is non-urgent—for example if it is a second toilet—or you pay the premium for a call-out, as we do now. There is no fundamental difference between a two-day weekend and a three-day weekend in those respects.

THE CHAIR: But there is, because there is still only a certain amount of time that a

person can spend with their family, and if we are trying to get equality for all—

Mr Whittington: The way I like to think about this is at a macro level. I have a lot of cousins, brothers and friends who work as landscapers, plumbers and builders—that sort of work. I appreciate that when they hear about a proposal like this, they think, “How does that affect me?”

One of the ways of looking at it at a macro level is that the overall prevailing wage rate for labour in the economy, by doing something like this, increases for working people. For plumbers, builders, landscapers and all of those people—small business people—their wages are generally set by the prevailing rate, so if that increases—if the wages share of income increases—their wages do increase, and they can charge more on a Sunday, if they have to come out and fix a broken toilet. They are better off as well. Even if they see themselves as a small business, they are, in fact, working people like everyone else. If we move to increase the overall wages share of income by doing things like a four-day week, those people benefit as well.

THE CHAIR: Thank you for that, Mr Whittington; I appreciate it.

Prof Quiggin: I want to point out that the only group of full-time workers who have established less than a five-day week is building workers. A number of parts of the building sector have established a nine-day fortnight with rostered days off. There is a perception that this is only for office workers.

MR DAVIS: Thank you, Professor. That is a perfect segue to my substantive question. You all probably heard some of the questions I had for the people who were here before, and I will put them to you as well. In the SEARCH Foundation’s submission, you make recommendations that the public sector trial a four-day work week. Even in a place like Canberra, many people imagine the public service as being white-collar workers working a nine to five desk job. What are some of the risks and opportunities for the territory government and subnational governments right across the country dealing with a skill shortage, particularly in frontline healthcare workers and classroom teachers? They are the two workforces that I would like to focus on, to figure out how this would be better for them and how it could be implemented.

Mr Warren: That is a really important question, and I will echo a little bit of what Eliza said. I think that the skills shortages are a real challenge for the territory government, and we cannot ignore that. But we need to think creatively about what kind of things we can do to attract and retain people in these industries. We know that there are real workload challenges in both of those industries.

If we start talking about a four-day work week and what a transition to that looks like, yes, there will be workforce challenges to muddle through, but if we can offer nation-leading employment conditions through a four-day work week, that will make us really competitive nation-wide to be able to bring in not only teachers and nurses from other states and territories, but also people who—precisely because of the workload issues that are involved—have not considered a career in these professions.

I actually see the four-day work week as a solution to some of those challenges, rather than those challenges being prohibitive to doing it.

MR DAVIS: If I could quickly clarify something, Mr Warren, so that it is crystal clear, you would strongly recommend that if the territory government embarked on any four-day work week trial it included their entire workforce?

Mr Warren: Absolutely. You need a really diverse range of evidence and, in fact, the ACT is really well positioned because we have such a diverse workforce—teachers, nurses, firefighters and white-collar workers.

Mr Whittington: As our submission states, as part of a trial, we would suggest that the ACT PS hire more staff, as part of that trial, to offset reduced work hours and continue high-quality public service delivery.

MR DAVIS: Thank you for clarifying that. Professor Quiggin?

Prof Quiggin: The first point I would like to make is that skill shortage is just full employment as viewed from the employer side. It could be interpreted as saying we are seeing shortages of particular skills, but that is not the case. The people talking about skill shortages are as likely to be owners of cafes as they are employers of highly skilled workers. What we are really seeing is a situation where, for the first time in many years, there are roughly as many vacancies as there are people unemployed and looking for jobs.

That is an unfamiliar situation, but it is precisely the situation in which we have seen previous advances being made towards shorter working hours. When stonemasons in Victoria and New Zealand got the eight-hour day in the middle of the 19th century, it was precisely because there was a shortage of stonemasons, and they could demand better conditions. I would always push back against an understanding that the skill shortage is a problem regarding generating enough skilled workers. The simple fact is that it is because we have full employment and enough jobs available.

The second point is that, in the end, of course, attracting workers from other states will be a zero-sum game, although we can start it. An important point in my submission is burnout. A huge proportion of the Australian workforce who have qualifications as teachers and nurses are not working as either a teacher or a nurse, because the pressures of those jobs lead to people leaving at a very high rate.

If the ACT is the first mover, no doubt we can attract people from other states, but eventually we have to increase training and attract people back into those professions who have left because of the excessive pressures we have had. I definitely endorse the idea that this should be across the board. Of course, the ACT government employs lots of outdoor workers of various kinds as well as those professionals who would benefit from this.

That brings us to what I think is the most challenging rearrangement, which will be working out, in the medium and long term, how to do schooling on a four-day week basis. I make the point that, as with all of these things, there is nothing sacred about our existing arrangements. They were different in the past; they will be different in the future; they are different in other countries. The length of the school year, for example, differs radically across the developed world.

MR DAVIS: Thank you, Professor Quiggin. Mr Whittington, I want to pick you up on your last point about the size of the public service. As a non-executive member—and I am sure I speak for colleagues when I say this—we are constantly bringing new ideas to the Assembly. Resistance from the executive might be, “The public service has a limitation to deliver on the government’s already ambitious policy agenda before we start contemplating new ideas.” I probably have a bit of a personal interest in asking you about the benefits of expanding the size of the ACT public service, and how that would complement the delivery of a four-day work week and more flexible work conditions.

Mr Whittington: It is a good question. Our recommendation is simply to offset the reduced work hours and ensure high-quality public service delivery. As you say, it is a very complex thing. I would probably leave it to the executive government to deal with the exact size of the ACT public service; but, as part of a trial, that is our recommendation.

MR DAVIS: That makes sense; thank you. Mr Warren, do you have anything to add?

Mr Warren: I think that is fine. I will leave it there.

THE CHAIR: With respect to the reference to trials overseas, what are your thoughts on how they have gone? Have they been put permanently in place? What have those countries seen?

Prof Quiggin: As far as I know, there are no proper national trials, although these things have been referred to. Places like Iceland have created the option. The most relevant trials are those of 4 Day Week Global, which are at the initiative of employers. The results so far, although they have not been fully analysed, have been highly successful. Very few companies who have completed the trial with the 4 Day Week Global group, and with monitoring from an academic team led by Professor Juliet Schor, as well as from partners in the Australian trials, when the data emerges, have gone back to the original arrangements. There has been very positive feedback.

I was at a conference with Professor Schor yesterday, and she said there were only a handful of cases—one of them, for example, was a company that was taken over by private equity operators, and they decided to push back to the five-day week. That sector is a mixed bag. Certainly, I would not say, as a group, that their modelling—

Mr Warren: The international evidence is certainly compelling. I think that we are in a unique position here to do our own trial and generate our own evidence. As important as all of the international trials are, this will give us a really good local context and view, both for the ACT and for Australia. In some ways, as successful and as compelling as the international evidence is, it is a great opportunity to know more about how this will work for us here. Yes, the international trials are great, and they are really interesting, but I think that we have a really important opportunity to do something here.

THE CHAIR: On behalf of the committee, I would like to thank all of you for your really detailed submissions. It has been great to get your understanding, and it has

been very helpful in informing some of the recommendations. When available, a copy of the proof transcript will be forwarded to you; please read that and let us know if there are any concerns or errors that you wish to have corrected. There were no questions taken on notice. I thank you all for attending today. We will close the session.

Hearing suspended from 10.58 am to 4.58 pm.

KELLAM, MR JACK, Lead Editor, Autonomy

THE CHAIR: Good afternoon, and welcome back to the public hearings of the Standing Committee on Economy and Gender and Economic Equality for its inquiry into the future of the working week. The committee will hear in this session from Autonomy and the Four Day Work Week UK group.

The committee wishes to acknowledge the traditional custodians of the land that we are meeting on, the Ngunnawal and Ngambri people. The committee wishes also to acknowledge and respect their continuing culture and contribution that they make to the life of this city and this region. We would also like to acknowledge and welcome any other Aboriginal or Torres Strait Islander people who may be attending this event.

These proceedings are being recorded and transcribed by Hansard and will be published. The proceedings are also being broadcast live and webstreamed. When taking a question on notice, please just let us know and we can make a note of that. It will help with the transcript.

We welcome Mr Kellam, from Autonomy, this afternoon. I hope you have received the privilege statement. I would like to remind you of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement. Witnesses must tell the truth, as giving false or misleading evidence will be treated as a serious matter and may be considered contempt of the Assembly. Can you please confirm that you understand the implications of the statement and that you agree?

Mr Kellam: Yes, I understand and agree.

THE CHAIR: Thank you. Would you like to make a brief opening statement, or are you happy to go straight into questions?

Mr Kellam: I am very happy to go straight to questions. I can talk for a couple of minutes, but I am very happy to go straight to questions. I think that might be the most focused way to do this.

THE CHAIR: Fantastic. I will kick off. I have been asking everybody what their thoughts are about casual workers and sick leave for casuals. Could you spend a moment talking me through what your thoughts are?

Mr Kellam: Approaching it as a general subject, we are talking about people potentially who are not on full-time contracts and who may be included in a trial. The traditional approach that we have gone for when we have worked with organisations shifting to shorter working hours is to ensure that those working part-time—so part-time workers, which are not necessarily casual workers—have increased rates of pay in line with a reduction in a working week. Within that shorter working week trial reduced working hours for the same rate of pay in line with a reduction to hours. Just a top-level policy to ensure how people might be included. That is how we have often gone about this.

I think if we are looking at a broader sort of society-wide aspect of how people might

be included in the shorter working week, obviously there are sometimes challenges with workforces in which casual contracts are much more prominent, I guess in Australia and the UK as well.

I think part of the answer is to suggest that, obviously, the four-day working week in itself is not a wholesale solution for problems of work that arise around casual labour. In terms of putting in place better working conditions, better hours and better pay, things like more secure contracts and ensuring people have the option to move away from casual employment where they want to et cetera, these are really important parts of facilitating changes like a four-day week more generally. A four-day week brings up the fact that we need to improve elsewhere to make sure we can be wholly inclusive.

THE CHAIR: Wonderful.

MS ORR: Just on the question of casuals, I think Ms Castley used the example of sick pay. Just for context, in Australia casuals do not get sick leave if they are ill. They get a higher loading within their pay. I am not quite sure how it works in the UK, but I would just clarify that.

Would I be right in taking from your answer, though, that casuals and part-time workers do not have to be excluded from the benefits of shifting to a four-day work week and it is about how we consider this overall change within the workforce and look at how we can improve the benefits to all workers? Am I correct in my interpretation of what you have said?

Mr Kellam: I believe so, yes. I guess it is a question of what an organisation which has casually employed people might do on its account to ensure that they are included in that transition to a four-day working week. I guess an answer there is to potentially either offer a pro rata increase in pay for time if they were working less than full-time, or to reduce hours in a corresponding manner.

But I guess there are the broader questions of how we shift society more broadly to a shorter week, how we can ensure that workers who are currently casually employed are likely to be included within these pilot schemes—because it is more difficult. So how we can put in place broader changes which mean that they can be included over the medium- and long-term. What I am saying is that often things like casual employment are going to bring to light other changes that we need to make right to ensure that a wider range of workers can be included in this transition.

MS ORR: Thanks. I was reading through the submission, and you have put in here that there are advantages to the four-day work week but that there are also disadvantages. You have actually picked up on different models having advantages and disadvantages. My question is essentially: are all models of the four-day work week equal or are there some that are better than others?

Mr Kellam: That is a really interesting question. In the submission, I referred to a disadvantage of the four-day working week. What I have referred to there is models of the four-day working week where pay is not maintained at the same rates while working hours are reduced, which introduces this trade-off between time and

money—which would put in jeopardy the appeal of the four-day week that we have seen amongst workers.

I think more significantly, one of the other models, which we have seen within Belgium more recently, is to compress hours—so to shift, say, a 40-hour week into the course of four days rather than five days. I think the issue here is that it is quite hard to have your cake and eat it, if you like. The thought we get sometimes from people is, “If you can increase the productivity by reducing working time, then why can we not just do that across all five days? Why can we not find these productivity savings and just do even more work in five days?”

But it does not quite work like that, we have found. That extra rest is a crucial part of why we see productivity increase. There is established psychological and social scientific research around the need for time away from work to work better and be more productive. So I think compressing hours by, simply, putting 40 hours and working 10-hour days in four days, puts at risk many of the benefits we have seen coming out of the trials around the world.

MS ORR: I have lots more questions on the benefits of trials, but I will hand to Mr Davis.

MR DAVIS: Thank you very much for your submission. I wanted to pick up on something you said under the heading ‘Options, Issues and Challenges for Transition’ in your submission, where you spoke about how most other governments trialling the four-day work week are doing that by providing support or incentives to the private sector.

It would appear, based on my interpretation of the evidence we have received so far, that a lot of the advice seems to be that the ACT government here should be the ones leading a trial, which you describe as transformative. You also hit on sectors such as health care and education. I just wonder if you might proffer any more wisdom for the committee about how exactly the ACT government should go about supporting a trial within its own workforce, particularly education and healthcare workers who perhaps have their own challenges outside that sort of white-collar, nine-to-five office workforce?

Mr Kellam: I think you raise a really important point there. You are right to draw attention to the fact that, to date, that most, though not all, of the trials involving the public sector have seen the state, for instance, providing support—whether that is in the form of organisational support or more direct financial backing—to companies within their territory to shift to shorter working hours. That is not necessarily always the case.

We have seen in Iceland public sector trials which included workers from a broad range of public sector workplaces and took place within national and local government, and we have also seen in trials in the UK. There has been a local council and public sector workers too.

But, moving more specifically to Australia Capital Territory and thinking about an expansion to hospitals and healthcare workers, these are obviously more testing places

to actually test out a four-day working week, partly because it is less straightforward seeing that increase in productivity which you get from reducing work hours. These are people who are already working very hard, quite often, at least in the UK and I am sure in Australia too.

What is really crucial—and we see this more generally, but I think particularly in sectors like that—is working directly with workers in those workplaces to design trials and design plans of transition to make sure that concerns about moving to shorter working hours are really on board and that they lead that design process for any trial.

If you are looking at a more expansive trial in those areas, involving more like thousands of workers than dozens or hundreds, there might have to be questions about whether you need to hire more people to cover ground. It is hard to say in advance without a more detailed scoping exercise being carried out. I think you would have to do that before shifting in those areas. But there might be options to shift to a shorter working week without additional staffing and additional staff costs at a smaller scale.

We have seen with trials that there are lots of different options at play—and I can talk a bit more about what those might be. I think it is important to bear in mind that there are different options here for how you might make sure that those workers are still included with any future trial.

MR DAVIS: I want to pick you up on your point about productivity, if you would not mind, particularly when it comes to healthcare and education workers. One of the risks in this conversation, I fear—and I wonder if you share this fear—is employers thinking, “Wonderful; productivity means I can work people a bit harder and I can get a bit more out of them and potentially make a bit more money.” What we suffer from in Australia and the ACT acutely is burnout amongst our nurses and our teachers, and that is challenging our ability to recruit and retain those workers.

Do you think our expectation as a government should be that a four-day work week and more flexible work conditions would, quote unquote, “make these workers more productive”, or would we actually be seeing a four-day work week and more flexible work conditions return these workers to a more manageable workload; thus supporting our ability to recruit and retain those workers? I am not sure if I was asking a question or making a point, but could you reflect on that and see if I am on the right train of thought?

Mr Kellam: I fully agree with you there. We are seeing very similar issues in the UK at the moment in both of those sectors as well, with workload and working conditions being dominant issues in recruiting and retaining staff. There have been big strikes in the UK as well. So this has been a topic of conversation here in the UK too.

These sectors show where the limits are in terms of thinking about four-day week purely in terms of productivity. These sectors show their limit in terms of thinking just in those aspects. On the one hand, I think you are right in terms of resetting work standards back to where they may once have been in terms of working hours and expectations and an ability to ensure that staff are retained and ensure that hiring is an easier process.

This could also be about resetting what service delivery and service provision looks like. We know that tired, burnt out doctors and teachers are not going to be able to provide as good a service as doctors and teachers that are well rested and have time away from work and are able to have that detachment from working hours. So, as well as seeing it as a way to address crises in recruitment and retention, it is also a way to reset as a new goal standard what service delivery looks like in that space as well.

MR DAVIS: Okay, thank you.

MS ORR: I have a supplementary on that. We heard some evidence this morning that suggested that we should be focusing on prioritising working with the currently legislated hours, which is 38 hours a week, as opposed to the trend to go over that—which is where you will start to see the burnout and the likelihood that I think Mr Davis is referring to.

I was interested in your perspective of the view on, as a first step, just getting to 38 hours as opposed to aiming to go to the four-day work week and reduce it even further, particularly in light of the comments that you just made around work-life balance and time away from work.

Mr Kellam: You raise an important point. The point is that often many workers are currently not even working to the contract hours they have. You make a really significant point—that people are not keeping to work hours as they stand.

I think what that shows is that, when organisations and wider public bodies shift to shorter working hours, it is important to have other mechanisms to make sure that that is captured. We have often talked around things like the right to disconnect as being a really important supplementary policy to a four-day working week, to ensure that that reduced working time is actually captured. That is where workers would have the right not to have to respond to work related correspondence and communications outside of working hours.

As I said earlier in terms of casual workers, for employers to have a really good gold standard for a shorter working week, it will require further policy and potentially further legislation at a national level to really see the full benefits delivered.

I think the four-day working week as a policy is a really good way of refocusing. We have worked with organisations and we often find that that space for workers to reflect on working practices and reflect on working hours and think about how they can change can be a really important point of focus.

It may be a challenge in some sectors that are really struggling at the moment to shift to those shorter working hours. Often it can be catalyst to change to support a four-day working week and find out how we can make that shift and how we can push forward with it.

MS ORR: Great.

THE CHAIR: I am just wondering where you are in your neck of the woods with

regard to conversations with smaller business owners and what the impact is to them overseas and what their thoughts are on how they would make this work.

Mr Kellam: A significant majority of the organisations we have worked with through the UK trials—61 companies and several thousand workers—or other organisations we have worked with on a case-by-case basis are actually small- to medium-sized. They are actually some of the most common organisations that we have had. I am sure that Joe, who is following me, can talk in more detail about some of this, too.

The way the evidence-base we have on small- to medium-size businesses making the transition is actually one of our largest. Often small workforces means it is easier to make that culture shift, if it is a small team. I think you might find it easier to make significant changes in an organisation like that.

It is easier to do this across a workforce. The challenges in small- to medium-size businesses in terms of burnout and overwork is similar to many elsewhere. In a sense, I think they are sort of the leading edge for a four-day week movement around the world.

THE CHAIR: Thank you.

MS ORR: How is the four-day work week different to flexible work, and can the two co-exist?

Mr Kellam: That is a great question. I think they are related in the sense that they have both come out of the increasing demand we have seen among workers to reflect and shift their working practice for the better following COVID. That is where we have seen this really big interest in both policies.

A four-day week is not necessarily flexible working hours. There will be some people who need to do a four-day week and need to have very set strict working hours and will have to shift to four days of a standard eight-hour day. But there is also no reason why it cannot be compatible and have flexible working hours too. There is no reason that, in certain organisations the 32 hours of any week could not be divided up flexibly across the basic week.

I think the two do sometimes go hand in hand. Commitment to the two can often be a reflection of some trust of the workers and their ability to get on with their own work and be productive in their own time and manage their own time. As I said, in terms of organisations resetting their practices, often this comes with increasing levels of trust and responsibility for their work and working time, which comes with reduced working hours but also more flexibility, but different sectors will have different demands.

MS ORR: Thanks.

MR DAVIS: My question probably goes back to the same section of your submission that I have been fixated on—options, issues and challenges—which makes sense since we are doing an inquiry.

We spoke before about public sector workers. You have some really good examples about where the government has supported the private sector. I wonder if you would just mind reflecting on where you have seen that work well and where you have seen that not work so well, so that this committee can think about the kinds of recommendations it would make to government to support our private sector. In particular, we have been hearing a lot about smaller and medium-sized businesses—sort of sub-30 employees.

Mr Kellam: My first response would be that this is still quite a developing area. Some of the main types of commitment have been made to support, for the sake of relevance, have been support through finance/organisation. We have seen commitments made but we are still waiting to see delivery many of these.

For instance, in the UK and Scotland, there was a commitment made by the government to push forward with a publicly backed trial, which has not quite yet been delivered. In Spain, we are at the final delivery of the support system for those companies. So it is hard to make judgement to early on how that has played out. But it is going to happen. I think they are closing applications and companies want to join that public sector backed trial at the moment or in the next few weeks.

So, in a sense, we are still quite limited. In the public sector there have been moves towards it, but we are still waiting to see the full results of that.

We have seen some interest in experimentation of the four-day week at a more local level in the UK with some local councils who have started this shift. The Valencian regional government trialled a four-day working week several years ago in the public sector.

So, in a sense, this is a roundabout way of me saying that we are still waiting to see the evidence come in on what the best practice is in these areas. We are still working that out. So, in terms of what the evidence says, I am sort of limited in what I can offer. But I could may talk about—

MR DAVIS: No; that makes sense—

It appears to me that our government has four options—and tell me if I am wrong: do nothing, support the private sector to help them trial a four-day work week, trial a four-day work week itself with its own workforce and role model that, or both at the same time. Would it be fair to say that those are the four options? If so, based on where you are up to in the UK at the moment, where would you encourage the territory government here to prioritise its resources?

Mr Kellam: Without having a detailed knowledge of where it might be most needed, I think the more ambitious policy is to trial it within its own workforces. On the one hand, in a sense, you are going to see much more direct benefits. The money that is invested in that trial within your own public sector workforce, you are going to see benefits directly within the workforce like improvements in wellbeing and productivity. So I think there is a really powerful case to be made on that part.

It also offers the opportunity to really be a trendsetter globally, like I said. Apart from

limited public sector trials in Iceland and Valencia, this is still a developing area. There are a couple of risks, like I said. There is less evidence in this space to draw upon. But it would be potentially more ambitious and transformative of the two.

As you said, though, in terms of supporting private or third-sector companies to make that transition, in a sense, there are also a range of options there as to what that might look like. It can be a more hands-off: “We will offer some coordination and oversight. We will direct you to experts to help you make the transition. But we will not necessarily subsidise you to do it.” Or it could look like a more ambitious subsidy scheme in which employers are given a certain amount of supports to offset the potential risks of moving to a shorter working week.

There is a quite an array of options available. It really depends on particular priorities within the context.

MR DAVIS: That makes sense; thank you.

THE CHAIR: I have a question about the trials. How long do these trials go for? You have mentioned that there are the Scotland, Iceland, Spanish and Portuguese governments and the UK. Can you tell me how long the trials have gone for and at what point those countries are up to in implementing a permanent shift?

Mr Kellam: The trials in those different places have taken quite significantly different periods. In Iceland, there was experimentation on working hours for a number of years across different workplaces. Sometimes, different workplaces overlapped. So they were not all over a course of four or five years. After a really extended period of experimentation, they produced a lot of research, which we trawled through for our report.

Elsewhere they tended to be shorter. In the UK, 60 private sector and third sector companies, shifted to a shorter working week. That initial focus trial period was over six months. There are some that have chosen to continue it and it is a trial policy in their workplaces. So, even after they finished the trial, they are keeping it as a sort of provisional but supported policy, where they are going to monitor it over a 12-month period to make sure, over the whole course of a financial year, that they can test out all of the different challenges that might arise. Organisations often opted for a six- to 12-month trial, because you get that breadth of experience over the year and a chance to see how a business copes with different cycles.

Some opt to go longer than that. South Cambridgeshire, a council in the UK, have just pushed forward a trial for another 12 months. They are including more workers in it now. They have just joined; so we will see how that works out.

So, in a sense, there is a risk in the sense that trials could end up really extending out into the future and they can forestall actual implementation. I think most of the lessons can usually be learnt at least within 12 months. Usually, that is a good chance to be exposed to the challenges you might face over the course of a business and financial year.

THE CHAIR: Thank you.

MS ORR: I want to ask about the Iceland trial, because I understand Autonomy had quite a decent role in that one. I was particularly taken by the focus on workers who would be in sectors that we would classify as being high-risk areas for psychosocial hazards—those mental hazards that come from trauma due to the nature of their work. I am thinking of the police and social workers who were in the trials. I am just wondering if you saw any marked improvement in their wellbeing from moving to a four-day work week, potentially even in excess of what you would see in people who were not working in such high-risk industries.

Mr Kellam: That is a really good question. I am not sure I have got the specific knowledge, specifics or qualitative data on some of those sectors that I have to mind. We were collating and summarising research from the Iceland trial. My co-author, Guomundur, might actually be able to offer some more specific learnings. I could hopefully follow up and find the qualitative data.

MS ORR: We do have the ability for you to take questions on notice. So, if that is something you are confident you could bring some insight to, would you be happy just to email us with a bit of an explanation?

Mr Kellam: Yes. I am more than happy to try and follow that up, but that would be dependent on my Icelandic colleague. He has a much more comprehensive grasp of some of this.

MS ORR: I think that is one of the few trials that has really gone into areas such as police forces and even social workers, both of which have particular pressures put on them. Are there any other trials that you are aware of that might go to those sorts of workforces where they are exposed to quite traumatic things day in and day out and how their wellbeing has been improved through a four-day work week?

Mr Kellam: Joe, who is following me, might be able to share valuable information on this. As part of the recent trial in the UK, I believe one of the citizens advice organisations, which helps citizens deal with potential social and financial problems and so on, were included. They saw really successful results in staff wellbeing. Like some of the things you said, the ability to detach from stressful work was an important part of it.

There has been some limited experimentation, but I think you are right: the Iceland trial really is a standout in terms of including this really quite broad suite of workforces. So, hopefully, a follow-up by my Icelandic colleague will be able to provide a bit more information.

MS ORR: Great. Thank you.

THE CHAIR: Is there anything that you would like to add—one last comment—before we finish?

Mr Kellam: It is really important to note the potential environmental benefits with a shorter working week, including direct reductions in carbon emissions that might follow from shorter working weeks. We did some modelling in the UK which would

suggest that, if the UK as a whole went to a four-day working week, it could reduce carbon emissions by 117,000 tonnes a week. It would be the same as taking just over one million cars off the road in the UK annually.

So, at a nationwide scale, you could see quite significant effects. I think even a small amount of shifting to shorter working hours would help people make the more environmentally conscious and sustainable choices about everyday life by living a slightly slower pace of life through commuting, through active transport, and having the time to prepare healthier and more sustainable meals and so on.

There are a wide range of benefits that should not get lost from part of the conversation, which is really, really crucial if individuals, state governments, nations et cetera were really able to move to the challenges of the climate crisis in the coming century. But I will leave it at that.

THE CHAIR: Wonderful.

MS ORR: Thank you.

THE CHAIR: Thank you so much for your submission and for appearing today. I understand it is early in the morning for you. So we are very grateful that you have been able to make the time.

When available, a transcript will be provided to you. So please check over that and see if there is anything incorrect or any changes you would like made. There was that one question taken on notice. We would appreciate a response to that one, if you are able to get your Icelandic friends on board. Thank you so much for your time.

Mr Kellam: Thank you.

Short suspension.

RYLE, MR JOE, Director, 4 Day Week Campaign

THE CHAIR: We now welcome Mr Ryle from the 4 Day Week Campaign in the UK. I remind you of the protections and obligations afforded by parliamentary privilege. Hopefully, you have got the privilege statement there. Please be aware that you must tell the truth. The giving of false or misleading evidence will be treated as a serious matter and may be considered contempt of the Assembly. Can you please confirm that you understand the implications of the statement and that you agree to comply with it?

Mr Ryle: Yes, I understand that, and I agree to comply.

THE CHAIR: Fantastic. Would you like to start with a brief opening statement or are you happy for us to proceed with questions?

Mr Ryle: I think you have probably heard lots about 4 Day Week already. Shall we go straight into questions?

THE CHAIR: Fantastic.

MR DAVIS: I have a question that I have asked everybody. It is about nurses and teachers in particular because a lot of the submissions and conversations have been focused on white-collar, nine-to-five office workers and their ability to work flexibly—work from home, start a bit earlier and finish a bit later. It is a bit difficult with a sick person in front of you or a classroom of 20 kids. I wonder if you could proffer any wisdom about how a four-day work week in particular would support recruitment, retention, and mental and physical wellbeing among those workers specifically?

Mr Ryle: Yes, sure. Thanks for having me today. I should introduce myself. I am the director of the 4 Day Week Campaign in the UK. We are one of the organisations that are most high profile around the four-day working week.

I think the question of nurses and teachers is really important because, actually, the case is a lot stronger for nurses and teachers than it is for many other workers. I imagine it is similar there. I do not have the data in front of me in terms of the Australian picture, but in the UK our nurses and teachers are some of the most burnt out, overworked, stressed workers that we have in the country, so there is a really strong case for reducing their working hours.

Your previous speaker was Jack Kellam from Autonomy. They have done a report on how you would introduce a four-day working week across the entire public sector of the UK. There was a cost involved in that because, particularly in the case of nurses, you cannot close hospitals on the fifth day. Hospitals obviously have to remain open for the normal working week, so there would potentially be some cost involved in hiring more nurses in that situation.

What you have to bear in mind is that it is not necessarily a 20 per cent increase in costs, because there are loads of savings to be made from a four-day working week, as we have found with trials that we have run in many companies that we have worked

with. The first one, as you have already touched upon, is that the savings that are made from better job recruitment and better job retention are pretty phenomenal, from what we have seen so far, so there are definitely savings to be made there.

One of the reasons that the health service in the UK is struggling at the moment is that it is struggling to hold on to nurses and doctors. If you look at all the survey data, the number one reason why they are leaving is a lack of work-life balance. It comes through in every single survey. They are leaving because there is a lack of work-life balance. We would argue that the four-day working week or shorter working week is going to massively help with that. It is going to massively help to retain and recruit nurses and doctors, who are saying, “This is unsustainable. I can’t sustain this level of burnout and work like this for much longer.”

We released a report in the last few weeks, actually, around how you would go about, in the first instance, trialling a four-day working week in the National Health Service in the UK. I would recommend having a read of that. I can send over information on that afterwards.

The conversation on schools is a slightly different one, because there are two ways of implementing a four-day week in schools. We have started to see some experimentation with this in the UK. One approach would be to keep the kids and the students in five days a week but have teachers doing four days, on a kind of rotation of hours and different shift and rota patterns. That would be one way of doing it. The other way would be for kids and students to also move to a four-day working week. I accept that there is a slightly separate argument in that case. There is an argument around kids having less time in the classroom, to give them more time to play. There are all those sorts of arguments. It is very different from the argument about better wellbeing for teachers, but I think that is a conversation that is going to open up.

It is interesting: in the USA we have seen thousands of schools move to a four-day working week for kids and for teachers since the COVID pandemic. That has been as a solution to tackle the huge job recruitment and retention issues they have been facing.

It is going to look slightly different, but, in the first instance, what we have been calling for is experimentation—public sector pilots in both the NHS and schools run by the government. Let’s get the data. There is a lot of data out there now from private companies and smaller business that have done it, but there is less data in the public sector. The only data we do have on that is from the Iceland trial, which I know Jack touched upon in his submission.

MR DAVIS: Thank you, Mr Ryle. I have two very quick follow-up questions. I suspect they are yes or no questions for you. They essentially try to put a bow on the evidence you have presented so far. If the ACT government were to trial a four-day work week with its own employees, teachers and nurses should absolutely be included. Would that be fair?

Mr Ryle: I would say yes, or at least have a plan to get there. Maybe do not start with them, but make sure there is a plan to include them in the trial at some point.

MR DAVIS: Thank you. My second follow-up question is: if the ACT government were building recruitment and retention plans for both its nursing workforce and/or its teaching workforce, more flexible working conditions, including access to four-day work weeks, should be part of those plans in some way?

Mr Ryle: Yes, absolutely.

MR DAVIS: Tremendous. Thank you so much.

THE CHAIR: I have a question about casual workers and sick leave for casual workers. They do not get paid sick leave here in Canberra. I would love your thoughts on how important or not that is.

Mr Ryle: It is a real sticking point. It is worth reflecting back. My understanding of history is that a hundred years ago we moved from a six-day working week to a five-day working week. At that time we did not have the very wide variety of different, complex contracts that we now have. In those days, you worked full time or you did not work. You did not really have part-time workers in the same way that we have now, so in some respects it was much easier to transition an economy from a six-day working week to a five-day working week.

One of the major obstacles we have at the moment is that a hundred years later the economy has transformed. We argue that there is a natural kind of step. We have had all these productivity gains, so the natural step is to then give workers a shorter working week. Workers should be gaining from the productivity gains that we have seen across the economy, which has not really happened across the Western world in the last few decades.

There has been a kind of stalling in the reduction of working hours. We really believe that. What we have seen is that these complex contracts—and we have zero-hours contracts in the UK; there are a million people on zero-hours contracts, which has been a huge explosion just in the last decade—are a massive obstacle to moving workers to a four-day working week. I would argue that that is not a problem of a four-day working week; that is a problem of zero-hours contracts.

We have always said the four-day working week is not going to solve all the problems in the economy. There is quite a lot of political support—in the UK, certainly—for scrapping zero-hours contracts. The problem with them is that they mean that workers are working very insecurely. They do not have anywhere near as many rights as an employee. The reality is that that is going to make it very difficult for them to get a four-day working week, unless wages rise high enough that they can afford to take the pay cut and go down to a four-day working week. That is not going to happen overnight.

You are right. You have raised a big problem there. People keep saying, “It’s not going to work for zero-hours contract workers,” but I keep arguing that that is not a problem of the four-day working week. That is a problem of zero-hours contracts. That is the main point I want to emphasise.

MS ORR: Picking up on this idea, Jack from Autonomy, who was here earlier, was

saying that the four-day work week could actually be a catalyst for addressing some of these wider issues. We heard some evidence earlier today from another witness saying that we should actually be trying to enforce the 38 hours that are currently legislated, because we have people working consistently in excess of 38 hours.

Picking up on what you were saying about zero-hours contracts, with the casualisation of workforces and so forth—noting that the four-day work week cannot solve everything and it is not necessarily a problem with the four-day work week—what opportunities do you see in moving to a four-day work week that could actually be a catalyst for some of these other issues that have become entrenched within our economic system?

Mr Ryle: You would hope that a significant number of workers moving to a four-day working week with no loss of pay would put downward pressure on others to move to a four-day week. We can also raise wages to make sure that people can afford to work a four-day working week, as it spreads across the economy—which I believe is going to happen. I believe we are at the very beginning of this shift, because we are starting to see not just the UK but all sorts of countries looking at this four-day working week and experimenting with it.

If we think about automation and new technology, there is a need to move to a shorter working week because we have to share the existing work week across the economy. We are going to have to do that anyway, if you think about all the jobs that are going to go to automation. That should put downward pressure on employers to provide better conditions, whether it is better wages or whether it is less working time, so I do think that is going to put that pressure on.

Gender equality, I think, is a key one, and gender pay gaps. At the moment, the domestic responsibilities, caring responsibilities and childcare responsibilities too often fall disproportionately on women. With a four-day working week for both men and women, there is lots of evidence that that is going to mean there is a more equal share of that between men and women. That is going to be good for gender equality. It is going to reduce the gender pay gap and lead to people living more balanced lives.

MS ORR: I have a question for you on the trial that has just happened. I believe you put in your submission that the trial was underway, but it is now completed and the final report has come out. I want to ask you a number of questions about the trial and the outcome. Some of them will be quick; some of them will not. Bear with me. How many companies participated in the trial?

Mr Ryle: Sixty-one UK companies.

MS ORR: What was the size of the companies? Were they small, medium or large?

Mr Ryle: It was a mix. Most of them, I would, say were small to medium, with between 20 and 100 employees, but there were definitely some bigger ones. There were quite a few around the 250 to 300 mark, and there was one that had 1,000. The biggest had 1,000 employees.

MS ORR: Great. What sectors were the companies based in?

Mr Ryle: There was a real mix, like most of the economy. There was finance, retail, hospitality, manufacturing, construction, software, IT, marketing. There was a real mix of sectors.

MS ORR: Because that is quite a big mix, there would be a lot of different needs for those companies in operating their business, and different requirements. What sort of four-day work week was implemented in the companies as part of the trial?

Mr Ryle: Again, it was a mix. The majority of companies went for the quite standardised four-day working week where you shut operations for a day. Most people were trying that. Friday off was the most popular, so you can shut the office on a Friday or shut down operations on a Friday and then have a three-day weekend. That was the most common by far.

However, there were quite a few organisations that were insistent that they needed to maintain the five days coverage but with staff on a different rotation pattern. That would look like some staff having Mondays off, some staff having Fridays off, some staff having Wednesdays off, and sometimes that would be a certain department or sometimes it would be across the whole organisation. There was a real mix.

There were also one or two organisations that had a more annualised four-day week. That meant they were essentially on a four-day week for most of the year, but there would be certain periods of five days. For example, a retail business operating around Christmas time, when there are Christmas sales, went up to a five-day week in December and then got that time back in quieter months. There was a bit of a mix.

MS ORR: Did you have any companies that would have operated on a seven-day basis that still gave their employees a four-day work week within the trial?

Mr Ryle: I believe there were one or two companies, yes. It was definitely the minority, but I believe there were one or two.

MS ORR: For the companies that were participating, what support was provided in preparing to do the trial?

Mr Ryle: 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. We found that made things a lot smoother.

The other part of it was supporting them in consulting with their staff, because we have found that a bottom-up approach to implementing the four-day week tends to work a lot better than top-down. It was not just about doing surveys of staff but also about supporting them by holding meetings and having consultations with all staff.

Some of the sessions were about going into the detail—which kind of model they

were going to be using—and being there to answer any questions that came up around the nitty-gritty of implementation and how particular workers would be affected, such as whether there would be changes to contracts. All of those kinds of questions were answered in that onboarding phase.

MS ORR: Can you clarify what you mean by bottom-up, as opposed to top-down? What would you take those two things to be?

Mr Ryle: 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. 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.

MS ORR: That was my next question: whether you noticed a difference in the implementation between bottom-up and top-down. I guess you have answered that.

Mr Ryle: Yes. I have the report here of the results from the UK pilot. It was noted in this report where we did see that—and there were some extremes. There were a few organisations who went to the extreme of that, where they had a more conditional four-day working week. That meant that staff could only keep the benefit if they were meeting a particular set of targets. It created quite a bit of resentment in the organisations where that happened, so it is not recommended as best practice. There was a high-profile example of this in the UK, with a quite big organisation. It was before the pandemic. Again, my understanding is that they tried to implement it from the top. It was a really big organisation. It did not really take any time to consider how it was going to impact each part of the organisation very differently or to prepare properly for it. As a result of that, it did not work out. It was very chaotic.

MS ORR: It is fair to say, then, that preparation is very important to having a successful transition?

Mr Ryle: Yes.

THE CHAIR: How many of these businesses have gone on to keep this four-day work week?

Mr Ryle: I am pleased you have asked the question, because almost every company which took part decided to continue with the four-day week at the end of it. It was over 92 per cent. There were only three companies out of the 61 that decided, “No, we are not going to keep on with this,” but even those three said they are probably going to look at it again later this year. It was overwhelmingly successful. Almost every company decided to continue with the four-day week at the end of it. There was no expectation of that. We were quite shocked and pleased by the results.

MS ORR: Of the three companies that did not continue, you mentioned that they are still considering it. Is there a particular set of reasons why they have not continued?

Mr Ryle: One of the companies I spoke to myself were really struggling with staff numbers anyway. They were really struggling with recruitment, so they just did not have enough staff anyway for a four-day week or a five-day working week. I think the business was struggling. The managing director there said, “It wasn’t right for us right now, but we are going to probably look at it again.”

With the other two organisations I am less clear on what went wrong, but I know it just has not worked for now. They said, “It is just not working. The timing is not right.” I think that is a sensible thing. If a business is going through a massive restructuring anyway, or going through massive changes, it may be not the best time to implement a four-day week.

MS ORR: Yes. Regarding the businesses that have continued with the four-day work week, are they doing this of their own volition and not getting any government support or ongoing support from your organisation? Is it now their regular business practice?

Mr Ryle: Yes; that is correct.

MS ORR: Okay. You mentioned earlier that a range of measures were put in place to help with productivity in the shift to the four-day work week. What are some examples of these, and how important are they to successfully implementing a four-day work week?

Mr Ryle: I would say that doing this massively helped with the smoothness of the transition. 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.

Some of the things we saw implemented around this went to the most extreme end. We even saw organisations changing job descriptions to focus on outcomes and checking job descriptions to remove any unnecessary tasks which can sometimes take up lots of time but do not actually contribute towards the organisational outcome that people have been hired to achieve. Some smaller examples of that would be cutting out unnecessary meetings, reducing unnecessary emails and having more focused time at work.

With social media and email there are habits. People have their emails on all day and their social media turned on all day. It is about having more focused time for emails. There were lots of different things that companies looked at to improve the way that they worked. In some cases, that including experimenting with new technology like

Slack, and new communication channels as well, to improve communication across the organisation.

They were just some of the things. Hopefully, that gives a bit of a flavour of some of the things that those companies looked at before moving to a four-day week.

MS ORR: Great. Did companies include part-time and casual employees in the trial or was it full-time workers only?

Mr Ryle: Most of them did include part-time workers in some way, for a variety of different options, which I can go into now, if you would like?

MS ORR: Yes; just briefly.

Mr Ryle: I will do it quickly. Most of them did. The options tended to be increasing the pay of staff working part time; reducing the hours of part-time staff, in line with the reductions full-time staff are getting; and adjusting annual leave entitlements for part-time staff. Another popular option was allowing part-time staff to accrue extra days off. Rather than them getting a funny number of hours extra each week, they would accrue that. That meant that at a future date they would have an extra day off. There were a few organisations which completely excluded part-time workers. But we tend to give the advice that, if you can, it is better to include part-time workers because it is the fair way of doing it.

MS ORR: With these businesses, what sort of impact did they see in their revenue in the shift from a five to a four-day work week?

Mr Ryle: This is a really important question. It was really, really encouraging data on revenue. From a comparison of before they moved to a four-day working week to afterwards, revenues, on average, were up by 1.5 per cent for companies. Compared to the same six-month period the year before, 2021, revenues were up by 35 per cent, on average, for companies. There were really, really impressive results for companies. Their revenues were up, basically.

MS ORR: So they have not seen a decrease in revenue from moving to the four-day week.

Mr Ryle: They certainly have not seen a decrease. Most have seen an increase.

MS ORR: Great. Did you ask any of the employees who had gone from the five-day to the four-day work week, at the end of the trial, whether they would ever return to a five-day work week?

Mr Ryle: We did. I have not got the exact stat in front of me, but I know it was over 80 per cent. I can send the exact stat. Over 80 per cent of employees were saying, “We never want to go back to a five-day working week.” That was alongside really encouraging survey data from the employees.

MS ORR: Were there any other outcomes with businesses or workers that you saw through the trial that were really notable that we should be taking more notice of?

Mr Ryle: Yes. Firstly, I will read through some of the headline data on this. Burnout was down by 70 per cent; that was self-reported. The employees did surveys before the trial began, three months in and six months in, so we were really clearly able to measure that. Burnout was down by 70 per cent. Reported levels of anxiety, fatigue and sleep issues decreased, while mental and physical health both experienced improvements.

Measures of work-life balance improved. Respondents taking part in the survey found it easier to balance their work with both their family life and their social commitments, and were much more satisfied with household finances, their relationships and how their time was being managed. There was a 65 per cent reduction in the number of sick days taken.

I think the most important data for me was around life satisfaction. I thought this was really, really encouraging. Life satisfaction was up for those employees quite significantly. That is ultimately what we believe the four-day working week is about. It is about us all living happier, more fulfilled lives. It was really encouraging to see that life satisfaction was up for those employees who took part in the pilot.

MS ORR: On a slightly different note but still related to the trial and the outcomes, we have heard evidence today from one of the witnesses that we should be prioritising trying to enforce the 38 hours that are currently legislated in Australia, because people are working far in excess of this. As someone who has been working on the campaign to reduce it further, to 30 hours, do you think we should be focusing on trying to enforce what we have got or should we be going for that bigger shift change to 30 hours and a four-day work week?

Mr Ryle: I think you should be going for the shift. We say 32 hours is our gold standard—32 hours or below. That is in recognition that most are coming down from about 40 hours. I think we have longer hours than you, so we say 32. If you look at how political change happens, it does not usually happen by arguing for the modest thing. Even to achieve the 38 hours, I think there needs to be a shifting of the goalposts to demand what is actually the good way to live.

It looks as though the four-day working week, 32 hours, is a good way to live. It is going to really improve people's lives, really improve people's wellbeing. Absolutely, you have got to be arguing for that. Even if that is not achievable in the next couple of years, just arguing for that is going to drag things in the right direction. It would be good if the 38-hour working week was abided by, but to argue for that is probably not going to be very exciting for people. It will be a hard fight to win. I think you are much better arguing for what is the ideal way of living.

MS ORR: What measures did you have in place within the trial cohort to make sure that overtime did not become a factor, so that you were actually achieving the shorter working week that you were doing as part of the trial?

Mr Ryle: Overtime under a four-day week works in the same way as it does under a five-day week. There may be times in a four-day week when someone needs to do overtime. That is normal. If there is suddenly a project that people have got to work

on that is really busy for a couple of weeks, it is fine for people to do it at that time and in that period. It is not about being really rigid in that way. People can do overtime and then get their time back. It means there is still a significant difference, doing overtime in a four-day week, compared to doing overtime in a five-day week. It is significantly fewer hours and you are going to get significantly less burned out.

MS ORR: I acknowledge that the companies opted in to doing the trial, but did you find much scepticism from individuals that you had to overcome in implementing the trial and making it successful?

Mr Ryle: There is always some scepticism. The usual statement that we hear time and again is people saying, “I’m struggling to get my work done already in five days. How on earth am I going to get it done in four days?” That comes up time and again. But it is interesting: once organisations move to a four-day week, that just disappears. There is a natural adjustment which takes place, where you adjust to the time that you have. That means you are more strategic with your time, so you naturally work in a more effective, more efficient way.

I can speak for myself. I do a four-day working week. You fit the work into the time that you have. In every single company we have worked with and every single worker, everyone has time that is wasted and lost in the working week, where we are not productive and we are not getting the work done that needs to get done. There is a bit less time for that under a four-day working week.

I would say that is the biggest thing we hear from our employees in terms of scepticism around moving to it. That scepticism disappears very quickly.

MS ORR: Great. I have a quick question about the private sector and the public sector and the trials there. Do you have any advice for someone who is looking to do a public sector trial? Also, we have a big focus on flexible work. How do you see that differing from a four-day work week, and are the two compatible?

Mr Ryle: Yes. If the political support is there, I would recommend doing set trials with both the public and private sectors. With the private sector, there did not need to be any funding attached to that. With the private sector trials we have seen run, there has not been any cost to support those companies to do it. They have all found that there has been a win-win for both the employer and the worker and, in many cases, turnover is up. There may be more of a cost attached to a public sector trial, and that is worth bearing in mind.

Can you remind me of the last part of your question?

MS ORR: The other one was on the difference between the four-day work week and flexible work, and whether the two are compatible or how you see them interacting with each other.

Mr Ryle: We believe the four-day working week is part of the flexible working agenda. They are part of the same thing. The four-day week is a more flexible way of working because you have one day less at work on the same pay. That is a lot more flexible than a five-day working week. I do not see the four-day week being in

competition with flexible working. We think it is all part of changing the way we work, which is a conversation that is happening all over the world right now as a result of the COVID pandemic.

MS ORR: Great. Thank you.

THE CHAIR: Is there anything that we have not covered that you would like to give us a brief statement on?

Mr Ryle: No, I don't think so. I think we have covered everything.

THE CHAIR: Wonderful. Thank you for your submission and for making the time for us. It is early morning over there, so I appreciate that. On behalf of the committee, we are really grateful to you for appearing today. When available, a proof transcript will come your way. Please read it and make sure that there are no errors or that you do not need any changes. I know that there was one question on notice: you were going to try to get some stats back on how many people wanted to return to the five-day week, I believe.

Mr Ryle: Yes. I will email that to the committee straight after this call.

MS ORR: Could you also email us a link to the report that you held up during the inquiry.

Mr Ryle: Yes, I will do.

THE CHAIR: Wonderful. Thank you so much. On that note, we will close this afternoon's hearing. Thank you for your time.

The committee adjourned at 6.03 pm.