



SUBMISSION

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SENATE SELECT COMMITTEE

ON JOB SECURITY

31 MARCH 2021

[SUBMISSION 48]

On 31 March 2021, The Australian Council of Learned Academies (ACOLA) provided a submission to the Senate Select Committee on Job Security.

AUSTRALIAN COUNCIL OF LEARNED ACADEMIES

ACOLA is the forum whereby Australia's Learned Academies and our Associate members come together to contribute expert advice to inform national policy; and to develop innovative solutions to complex global problems and emerging national needs.

31 March 2021

Select Committee on Job Security
Department of the Senate
PO Box 6100
CANBERRA ACT 2600

Dear Senator Sheldon,

Re: Senate Select Committee on Job Security

The Australian Council of Learned Academies (ACOLA) welcomes the opportunity to provide a submission to the Senate Select Committee on Job Security. We note that the gig-economy provides opportunities for both businesses and workers. However, given the complexities of the direct and indirect, short and longer-term impacts on workers' entitlements, protections and health, there are critical questions that need to be explored. We congratulate the Select Committee on the thorough terms of reference (ToR) and support the areas outlined as critical issues that need to be addressed.

ACOLA's interdisciplinary approach, capability and capacity is unique in this country. ACOLA provides the platform for collaboration between Australia's Learned Academies. Through the Learned Academies' Fellowships, ACOLA brings more than 3,000 of the nation's most eminent minds to inform national policy on multidimensional problems and emerging national needs. This also recognises that the complexity of the challenges facing contemporary society requires specialist expertise from across domains, which are more than 'the sum of the parts'. For example, even the best-conceived technologies, like artificial intelligence or the Internet of Things, may fail without effective consideration of user-centric design, regulation, societal opportunities and impact, and likely consumer acceptability. Attached is an overview of ACOLA, our robust process for developing advice and information on our recent work (Attachment B).

Recent work by ACOLA, particularly our reports on [The Effective and Ethical Development of Artificial Intelligence](#) (2019) and [The Future of Agricultural Technologies](#) (2020), as well as ACOLA's participation in the [Rapid Research Information Forum](#), have highlighted the uncertainty of the impact of emerging technologies and COVID-19 on employment in Australia. In particular, ACOLA notes the following:

- The uptake of advanced digital technologies and platforms is significantly transforming the nature of "work", and the Australian workforce and workplace environments more broadly. These disruptive technologies can rapidly impact 'gig' and 'on-demand' economies and will require ongoing attention, research and policy support as they continue to evolve.
- Emerging technologies such as automation and augmentation are likely to lead to job losses in the short term. However, the same technologies are poised to create new sectors, skillsets for high-skilled jobs and working environments in the future. To ensure workers are not left behind, new skills and training will be required to upskill the current and emerging workforce in readiness for future work landscapes.
- The COVID-19 crisis has exacerbated the risks of already insecure or precarious work. This has been demonstrated through recent job losses across several sectors, particularly in industry sectors such as the creative economy, aged care, meat industry, security, and higher education. Additionally, in the higher education sector, universities are reducing the number of casual teachers and research capability; women, early-career researchers and recent graduates are disproportionately impacted. These impacts are likely to be felt for an extended period.
- Insecure employment, particularly during COVID-10, has affected not only the workers, but the health and wellbeing of the wider community to whom they are connected.
- ACOLA supports the Committee's stated intention to engage with the aspirations of Australians on the meaning of concepts such as job insecurity/security and dignity in retirement. ACOLA stresses the importance of exploring social, community and stakeholder engagement

considerations to gain deep understandings of peoples' ideas and practical responses to concerns. Our recent report on [The Internet of Things](#) (2020) highlighted how community engagement and support remain crucial in managing periods of digital transition.

- Further, ACOLA's work also highlights the need for agile, interdisciplinary and responsive research to support strong policy decisions. We urge the Committee to ensure the science, technology, social science, cultural, economic and wellbeing aspects are considered in tandem as the Inquiry progresses.

While ACOLA's recent studies have primarily focussed on the changing nature of jobs on a broad scale and not the nature of employment arrangements and the complexities they can present, consistent with the objectives of ACOLA, we welcome the opportunity to help build your evidence base for the subsequent stages of work. Various references related to your ToR are attached to this letter for your consideration (Attachment A). In particular, these references help provide some evidence around:

- some of the trends and issues leading to insecure or precarious employment in Australia
- the risks and lost opportunities for society that insecure or precarious work exposes and how these have been exacerbated by the challenges of the COVID-19 pandemic, especially for women and the research and higher education sectors
- the role secure employment and leave entitlements play in reducing the spread of COVID-19
- the current state of retirement incomes and housing security of Australians to underpin your considerations of how 'gig-style' employment could create uncertainty, and potentially exacerbate existing issues for low-income individuals and families, and
- the interplay between working hours, income, and security, with workers' physical and mental health that may have relevance for 'gig' and 'on-demand' economy workers.

We have not provided general references for the Australian Bureau of Statistics or OECD datasets and reports, but would strongly encourage the Committee to engage with these robust datasets and reports as a base for outlining the current state and trends in employment and the labour force.

While our submission does not focus on providing solutions at this time, we hope our input is of benefit to the Committee. ACOLA would welcome an opportunity to discuss the available evidence further or workshop early solutions at the Committee's convenience as your Inquiry progresses. Indeed, several Fellows from the Learned Academies have indicated a willingness to assist in any specific questions you have, if appropriate. A number of these names and short bios will be provided separately and ACOLA would be pleased to convene a roundtable to support early deliberations.

Further to ACOLA's response to the Inquiry, we note that several of ACOLA's members, the Learned Academies, are undertaking work on the issues of future employment and work environments and are also considering submissions to this inquiry. Their robust and independent domain-specific advice will be a valuable resource to you.

We appreciate the complex task ahead for the Committee and stand ready to assist further as work progresses in this area.

If you would like to discuss our submission, or any details of our work, please contact me

Regards,

Ryan Winn

Chief Executive Officer

Australian Council of Learned Academies

Overview of relevant literature and evidence to support the Senate Select Committee on Job Security

Terms of Reference	Reference	Summary
A	Schwellnus, C., Geva, A., Pak, M. and Veiel, R. Gig Economy Platforms: Boon or Bane , OECD (2019)	This OECD report explores the positives and negatives of the gig-economy, including the positive effects of platforms on overall employment, especially for lower-income workers as a secondary income, and small negative or insignificant effects on dependent employment and wages. It does, however, note that realising the full potential and benefits while protecting workers and consumers requires adapting existing policy settings.
	Alexander, L. Understanding Insecure Work in Australia , McKell Institute (2019)	The paper provides an overview of the nature of insecure work and some of the dynamics that has led to this in Australia, and the impact it can have on workers and the economy.
	Norton, A., Cherastidham, I. and Mackey, W. Mapping Australian higher education 2018 . Grattan Institute (2018)	This report contains some discussion on the nature and extent of precarious employment in the higher education sector.
B	OECD. OECD Science, Technology and Innovation Outlook 2021: Times of Crisis and Opportunity (2021)	One of the issues that the COVID-19 pandemic has highlighted is the precarious employment situation of many researchers in academia. Whilst precarity is not unique to academic research, it is more prevalent than in many other sectors that depend on highly skilled professionals, and it stands in striking contrast to expectations that research will attract the 'best minds' to promote long-term socio-economic development and resilience in the face of crises.
	Australian Bureau of Statistics, Business Conditions and Sentiments , (2021)	This ABS report highlights that business sentiment still very low in arts and creative sectors.
	OECD. Culture shock: COVID-19 and the cultural and creative sectors . (2020)	Cultural and creative sectors are important in terms of their economic footprint, employment, spurring innovation across the economy, as well as contributing to numerous other channels for positive social impact (well-being and health, education, inclusion, urban regeneration, etc.). However, they are among the hardest hit by the pandemic, with large cities often containing the greatest share of jobs at risk. This report details the impact of COVID to the sector. The OECD has identified tourism, arts, entertainment, and recreation as among the sectors most at risk due to the impact of COVID containment measures.
	Australian Government, Gender Equity Insights 2021, Making it a priority . (2021)	This report by the Workplace Gender Equity Agency shows that although progress has been made in recent years to reduce the gender pay gap in Australia, it will still take more than a quarter of a century to close it. In particular, it notes that gender pay gap for executives could disappear in the next decade, but the outlook was less positive for the predominantly female-dominated community and personal service workers. It shows the gendered impacts of precarious employment, and that this has been exacerbated by COVID.
	Australian Government. Impact of COVID-19 on Medical Research Future Fund grants (2020)	This website explores how the focus on COVID-19 is impacting researchers in the health and medical research community, including difficulties in funding access, grant opportunities and project disruptions. The NHMRC notes it is working to align its processes to re-balance these disruptive effects.

Terms of Reference	Reference	Summary
B	Marshman I et al. As universities face losing 1 in 10 staff, COVID-driven cuts create 4 key risks . The Conversation (2020)	The article provides an overview of the job losses occurring across universities as a result of the pandemic, and the risks that job cuts create.
	National Health and Medical Research Council. COVID-19 impacts (2020)	The NHMRC notes it working to align its processes to address the disruptive effects of COVID-19 on the health and medical research community.
	Peeters A et al. COVID-19's impact on Australia's research workforce . The Lancet 396(10249): 461 (2020), and Research Australia. The Impact of COVID-19 on health and medical researchers (2020)	Research Australia surveyed members on research and employment and perceptions of the effect of the pandemic on researchers' activities. The data highlighted the repercussions the pandemic would have on research outcomes including the impact of ensuring a workforce capable of responding to future pandemics.
	Geoff Gilfillan. COVID-19: Labour market impacts on key demographic groups, industries and regions . Australian Parliamentary Library (2020)	This paper draws on the results of two Australian Bureau of Statistics (ABS) data series that shed light on the extent of the impact of COVID-19 on the Australian labour market. Job loss has been greatest in percentage terms in Accommodation and food services and Arts and recreation services. People aged 20 to 29 years and those aged 60 years or more have been impacted the most in terms of job loss.
	Geoff Gilfillan. COVID-19: Impacts on casual workers in Australia—a statistical snapshot . Australian Parliamentary Library (2020)	This statistical snapshot includes information on Government policy responses to COVID-19 in the form of JobsSeeker and JobKeeper payments. The snapshot also provides information on how casual workers will be protected if the business in which they work has been affected by decisions to limit social gatherings and enforce social distancing.
	OECD. Tackling coronavirus (COVID-19): Contributing to a global effort: SME policy responses . (2020)	This paper includes data on the impact of COVID-19 on employment in Australia, alongside interventions that have been put in place.
	Tjia, T., Marshman, I., Beard, J., and Baré, E. Australian university workforce responses to COVID-19 pandemic: reacting to a short-term crisis or planning for longer term challenges? CSHE (2020)	Using publicly available information for the period from early March to 18 September 2020, this paper analyses the workforce response of Australian public universities to COVID-19. The paper notes that a conservative 25% cut in casual and research-only staff could result in a further loss of staff equivalent to 7,500 FTE (which by head count would mean an estimated 17,500 people) out of a total higher education workforce in 2019 of 137,000 FTE including casual staff.
	Rapid Research Information Forum. Impact of the pandemic on Australia's research workforce (2020)	This rapid research brief synthesises the evidence on the impact the pandemic is having and likely to have on Australia's research workforce and its capability to support our recovery efforts.
	OECD. Paid sick leave to protect income, health and jobs through the COVID-19 crisis . (2020)	This policy response paper highlights that throughout a contagious pandemic crisis, access to paid sick leave plays a key role in permitting workers to self-isolate and thus contain the spread of the virus, preserving jobs during the labour market shock and facilitating an orderly de-confinement.

Terms of Reference	Reference	Summary
D	Coates B and Nolan J. Balancing Act: Managing the trade-offs in retirement incomes policy . Submission to the Retirement Income Review. Grattan Institute (2018)	The submission outlines that the evidence shows that the vast majority of retired Australians have an adequate income and feel financially comfortable. However, it also suggests that the system is failing too many poorer Australians, especially low-income women and especially retirees who rent. The working paper sets out some proposed objectives of the retirement income system and the pillars that can be put in place to help achieve these objectives.
	Daley J and Coates B. Money in retirement: More than enough . Grattan Institute. (2018)	The report reveals that the vast majority of retirees today and in future are likely to be financially comfortable. However, it also notes that the retirement incomes system is not working for some low-income Australians who rent, particularly in Sydney and Melbourne. The report also comments on legislated plans to increase super contributions as well as commenting on tax breaks.
	Daley J and Coates B. Housing Affordability: Re-imagining the Australian dream . Grattan Institute (2018)	The report suggests that building an extra 50,000 homes a year for a decade could help improve housing affordability. It also suggested reducing capital gains tax discount to 25%, abolishing negative gearing and including owner-occupied housing in the Aged Pension assets test.
H	Holden L et al. Work Performance Decrements Are Associated with Australian Working Conditions, Particularly the Demand to Work Longer Hours . Journal of Occupational and Environmental Medicine. 52(3): 281 – 290 (2010)	The article notes that Australian working conditions are contributing to both absenteeism and low work performance. Hours expected to work, annual wage, and job insecurity play a vital role in the association between health- and work-related performance for both work attendance and self-reported work performance.
	Holden L et al. Which Health Conditions Impact on Productivity in Working Australians? Journal of Occupational and Environmental Medicine. 53(3): 253 – 257 (2011)	This article notes that health conditions impacted on both presenteeism and absenteeism. Drug and alcohol problems and psychological distress had a greater impact on absenteeism and presenteeism than other investigated health conditions. Demographic characteristics, health status (comorbidity), and work-related characteristics all impacted significantly on both absenteeism and presenteeism.
	Holden L et al. Health-related productivity losses increase when the health condition is co-morbid with psychological distress: findings from a large cross-sectional sample of working Australians . BMC Public Health 11:417 (2011)	This article notes that there is a greater risk of productivity loss associated when health conditions are co-morbid with psychological distress. For some conditions this risk is much greater for those with co-morbid psychological distress compared to those without.
	Vecchio N et al. Mental health and hours worked among nurses. Australian Journal of Labour Economics 12(3): 299 – 320 (2009).	Using data based on the Work Outcomes Research Cost-benefit survey conducted in Australia during 2005-2006, the analysis identified an endogenous relationship between mental health and hours of labour supplied. Among Queensland nurses, a deterioration of mental health was associated with a reduction in hours worked and increasing hours worsened mental health. The findings imply that an effective approach to meeting nursing shortages should include strategic attempts to improve the mental health capital of nursing staff.

Evidence-based interdisciplinary advice

ACOLA is the forum whereby Australia's Learned Academies and our Associate Members come together to contribute expert advice to inform policy and decision making; and to develop innovative solutions to complex global problems and emerging national needs.



Purpose

Advising Australia – advancing discussions on complex issues through trusted, independent, and interdisciplinary evidence-based advice.



Vision

ACOLA aims to be a key source of high-quality, robust, and independent interdisciplinary advice for Australia's decision-makers and the public on complex challenges and issues.



Values

Integrity, rigor, transparency, inclusiveness, creativity, collaboration and interdisciplinarity.

How we work

Through the learned academies, ACOLA has access to more than 3,000 of Australia's greatest minds to bring together critical thinking and evidence to inform robust policy decisions.

Convening

Australia's greatest minds to explore major complex issues.

Engaging

broad perspectives and deep knowledge through an interdisciplinary platform.

Translating and synthesising

rigorous research to provide independent advice accessible to all Australians, but especially Ministers and departmental officials.

Our research and advice process

Our unique project process leverages ACOLA's ability to bring together Australia's learned academies and collaborate with Australia's finest researchers, scientists, scholars and practitioners.



Our studies

ACOLA brings together Australia's greatest minds through workshops and studies to explore important medium- to longer-term opportunities and challenges for our society. These can range from technology assessments to policy issues, such as opportunities to help jump-start our economy or mitigate future shocks. We welcome opportunities to explore and scope areas of specific interest to governments and other stakeholders.

Our process is flexible to meet needs in output and timeframes.



Selection of ACOLA reports

Securing Australia's Future Series, 2012-2016

Australia's comparative advantage
STEM country comparisons
Smart engagement with Asia: Leveraging language, research and culture
The role of science, research and technology in lifting Australian productivity
Technology and Australia's future:
New technologies and their role in our security, cultural, democratic, social and economic systems
Engineering energy: unconventional gas production
Australia's agricultural future
Delivering sustainable urban mobility
Translating research for economic and social benefit – Country comparisons
Skills and capabilities for Australian enterprise innovation
Australia's diaspora advantage: Realising the potential for building transnational business networks with Asia
Securing Australia's Future Program Review
Review of Australia's research training system
Securing Australia's Future: Harnessing interdisciplinary research for innovation and prosperity

National Academies Forum (NAF) Series, 1995-2010

The origin of AIDS: can science afford to ignore it?
The social impact of water regimes
Environmental, social, legal and ethical aspects of the development of nanotechnologies in Australia
The changing risk environment
Understanding the formation of the attitudes to nuclear power in Australia
Rediscovering Recherche Bay

Horizon Scanning Series, 2017- in progress

The role of energy storage in Australia's future energy supply mix
The future of precision medicine in Australia
Synthetic biology in Australia: An outlook to 2030
The effective and ethical development of artificial intelligence: An opportunity to improve our wellbeing
Future of agricultural technologies
The Internet of Things (IoT)

Other commissioned work, 2019- in progress

Career support for interdisciplinary researchers
Australia's progress in the 21st Century
Making interdisciplinary research work – Achieving a sustainable Australia (3 phase approach)
Stimulating the science and research ecosystem creates jobs and investment
Enhancing the research capabilities of universities in regional, rural and remote areas (not yet released)